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COMPRISING THE PERIOD FROM THE TWENTY-SECOND DAY OF FEBRUARY, 1977,
TO THE TWENTY-EIGHTH DAY OF MARCH, 1977, INCLUSIVE

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HOUSE OF COMMONS

Tuesday, February 22, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

EDUCATION

SUGGESTED PUBLICITY OF GOVERNMENT-SPONSORED PROGRAMS AND GRANTS—MOTION UNDER S.O. 43

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of the fact that many government programs and grants are developed and awarded each year to help varying educational projects, and in view of the limited publicity given to the existence of such programs and awards and that therefore, many individuals, educational groups and institutions as well as school boards, are not even aware of the existence of such programs and grants and therefore cannot benefit from them, I move, seconded by the hon. member for Okanagan-Kootenay (Mr. Johnston):

That each government department responsible for such programs and grants be required to send written notice of them to every school board and post-secondary institution in Canada giving full details of the programs and grants requirements and application procedures.

Mr. Speaker: The provisions of Standing Order 43 require the unanimous consent of the House for the presentation of such a motion. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

ENERGY

REQUEST FOR TABLING OF AGREEMENT AND SAFEGUARDS FOR SALE OF NUCLEAR REACTOR TO ARGENTINA—MOTION UNDER S.O. 43

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I rise on a motion, under the provisions of Standing Order 43, on a matter of urgent and pressing necessity. It has been reported that Atomic Energy of Canada has completed the sale of a CANDU reactor after renegotiations with the Argentine government which has produced a total loss of between $20 million and $40 million. It is essential that the people of Canada be reassured that adequate safeguards against the production of nuclear weapon material be accepted by the Argentine goverment. I therefore move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House direct the government to table all records of the agreement and particularly records of safeguards negotiated to prevent the use of the materials produced by the CANDU reactor for the development of nuclear bombs.

Mr. Speaker: The presentation of such a motion pursuant to the Standing Order can only be made with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

[*Translation*]

PROPOSAL TO MAINTAIN DAYLIGHT SAVING TIME TO CONSERVE ENERGY—MOTION UNDER S.O. 43

Mr. Eudore Allard (Rimouski): Mr. Speaker, pursuant to Standing Order 43, I seek the unanimous consent of the House to move a motion on a matter of utmost importance for the future of Canada.

Considering that Canada will very likely be faced soon with a serious shortage of oil and natural gas, that it uses a considerable amount of oil, a non-renewable source of energy, and that it is not as rich in black gold as it thought it was in 1973, I move, seconded by the hon. member for Roberval (Mr. Gauthier):

That the House strongly urge the federal government to hold as soon as possible a federal-provincial conference of energy, mines and resources ministers to agree on a formula which would make it mandatory for all Canadian provinces to maintain daylight saving time throughout the year, a formula which our southern neighbours have found to be highly profitable.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

● (1410)

[*English*]

PENSIONS

PROPOSED COMMITTEE STUDY OF AGGREGATE PENSION COMMITMENTS OF ALL LEVELS OF GOVERNMENT—MOTION UNDER S.O. 43

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, pursuant to Standing Order 43, I rise on a matter of urgent and pressing necessity. Considering that it has been estimated there may be already $400 billion of unfunded liabilities in Canada arising from governmental commitments under pension plans and bearing in mind the fact that the Canada Pension Plan will cross a threshold on or before 1982 at which time benefit payments will exceed tax income, I move, seconded by the hon. member for Hamilton West (Mr. Alexander):

That there be an immediate reference to the Standing Committee on Finance, Trade and Economic Affairs to determine what in fact is the aggregate pensions commitment outstanding at all levels of government, to what extent these commitments are funded and to what extent they will become a burden on future taxpayers.

Mr. Speaker: Such a motion can only be presented with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No!

* * *

LABOUR CONDITIONS

REQUEST FOR EXPLANATION OF MINISTER'S STATEMENT GOVERNMENT IS MAKING ACCOMMODATION WITH LABOUR—MOTION UNDER S.O. 43

Mr. John Fraser (Vancouver South): Mr. Speaker, I too rise on a matter of urgent and pressing necessity pursuant to Standing Order 43. My proposed motion arises from a statement by the Minister of Labour on Saturday that the government was forging a new, accommodating arrangement with labour. In view of the fact that labour has consistently refused to return its representatives to the Canada Labour Relations Council and the Economic Council or to accept the minister's multipartite national forum, and, further, in view of the fact that Mr. Joe Morris, President of the CLC, has now publicly repudiated the minister's statement and reiterated labour's claim that they were, and I quote, "sold down the river" by the Liberal government, I ask leave to move, seconded by the hon. member for Dauphin (Mr. Ritchie):

That this House direct the Minister of Labour to appear before the Standing Committee on Labour, Manpower and Immigration to explain fully the basis for his statement and explain to the committee why it has been so swiftly contradicted by the President of the CLC.

Mr. Speaker: Such a motion can be presented to the House only with unanimous consent. Is there such consent?

Some hon. Members: No!

[Mr. Speaker.]

AIR TRANSPORT

GOVERNMENT POSITION ON COURT DECISION ON ACQUISITION OF PACIFIC WESTERN AIRLINES BY ALBERTA—MOTION UNDER S.O. 43

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I rise under the provisions of Standing Order 43 to move a motion on a matter of urgent and pressing necessity. My motion relates to the ruling by the Supreme Court of Canada in favour of the right of the government of Alberta to purchase Pacific Western Airlines. I move, seconded by the hon. member for Edmonton Centre (Mr. Paproski):

That a spokesman for the government state on motions today whether the government accepts the decision of the Supreme Court or whether it intends to bring in the contingency plan of the Minister of Transport to introduce retroactive legislation, and whether the government proposes to rescind the order in council preventing the move of the head office of Pacific Western Airlines to Alberta.

Mr. Speaker: Presentation of such a motion can be made only with the unanimous consent of the House.

Some hon. Members: No!

* * *

ATOMIC ENERGY CONTROL BOARD

ALLOCATION OF FUNDS TO ENABLE BOARD TO DEAL WITH RADIATION IN ELLIOT LAKE HOMES—MOTION UNDER S.O. 43

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I seek to move a motion under the terms of Standing Order 43. In view of the fact that the start of clean-up operations affecting about 200 homes in Elliot Lake which show unacceptable levels of radiation has been delayed as a result of the government's refusal to allocate the necessary funds to the Atomic Energy Control Board, claiming the board has no responsibility for natural occurrences of radiation, and bearing in mind the negligence of AECB in failing to check the site before these homes were constructed, I move, seconded by the hon. member for Brant (Mr. Blackburn):

That the government recognize its responsibility to fund the remedial action necessary to protect the health of Elliot Lake residents.

Mr. Speaker: Such a motion can only be moved with the unanimous consent of the House. Is there such consent?

Some hon. Members: No!

ORAL QUESTION PERIOD

[*English*]

ENERGY

PROPOSED PUBLIC INQUIRY INTO USE OF ATOMIC ENERGY—GOVERNMENT POSITION

Mr. Speaker: The hon. Leader of the Opposition.

Some hon. Members: Hear, hear!

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, I should at the beginning express my appreciation to the party on the other side for all the help they have given me.

Some hon. Members: Hear, hear!

Mr. Clark: My question is addressed to the Minister of Energy, Mines and Resources who yesterday tried to evade his government's responsibility for a national inquiry into nuclear power. I should like to draw the minister's attention to one of the statutes of this parliament which governs his own activities, the Atomic Energy Control Act, which states quite clearly that "it is in the national interest to make provision for the control and supervision of the development application and use of atomic energy". In light of that clear mandate in a statute of this parliament, will the minister now tell this House whether the government of Canada intends to slough off this critical national responsibility to the province of Ontario, or whether the government will honour its responsibilities to the thousands of Canadians who are vitally concerned about this power source and at the same time honour its commitment to its own party in national assembly?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, perhaps I could take this opportunity of congratulating the hon. member on his first anniversary.

Some hon. Members: Hear, hear!

Mr. Gillespie: We look forward to future years when he will be on that side and we will be on this side of the House.

Some hon. Members: Hear, hear!

Mr. Paproski: Don't you believe it.

Mr. Hees: You are all mixed up, Alastair.

Mr. Gillespie: I am not sure, Mr. Speaker, whether the opposition are serious about the question or whether they are so overcome with goodwill on this occasion that they do not want an answer.

Let me make it quite clear that I consider the question of nuclear energy, the benefits and the risks, an exceedingly important one. That is why I was particularly pleased when the Porter royal commission interpreted its terms of reference in a very much wider way than they were first given to the commission, so wide in fact that they engaged in a public dialogue and debate respecting the benefits and risks of nuclear energy; and that is now in motion. I think it is also important that hon. members understand that Ontario, far more than any other province in this country, is committed to generating, and indeed is generating, its electricity from nuclear power today. Probably one-fifth of the lights in this room derive their electricity from nuclear generated power.

The question that is surely before us is: What is the best way to go about examining the potential, the benefits and the risks, and to deal with the apprehensions of the Canadian people or those who may have them? I believe that one of the most important ways is to support the report of the royal commission of the Ontario government. I also believe there are a number of other things that we can do. I believe that the Atomic Energy Control Board needs to be beefed up. I believe that its terms of reference—

Mr. Speaker: Order, please.

Mr. Clark: Mr. Speaker, I was hoping that in that long list the minister might finally come to a public inquiry, either held by a standing committee of this parliament or by some other agency, which would ensure that the national responsibility which is set out in law would be honoured and exercised by a national agency, instead of ducking behind the work of a province. May I ask the minister quite specifically and simply: will he establish a national public inquiry into this question; or, alternatively, will he make a reference to a standing or special committee of this House to look into the question?

Mr. Gillespie: Mr. Speaker, I was very clear in my answers yesterday: if the hon. gentleman can show how such an inquiry would not duplicate an already good inquiry being undertaken by the province of Ontario, I would be prepared to consider that.

• (1420)

Mr. Clark: A supplementary question, Mr. Speaker. We now have a willingness to consider. We will provide the demonstration and we will then ask the minister not simply to consider it but act on it. The point I want to make now—

Mr. Gillespie: Oh, oh!

Mr. Clark: —I have read the minister's answer and have listened to his answer as to whether or not—

Some hon. Members: Oh, oh!

An hon. Member: Take it easy!

ACCEPTANCE OF PROVINCIAL STUDIES AS BASIS FOR FEDERAL ACTION

Mr. Joe Clark (Leader of the Opposition): The Minister of Energy, Mines and Resources is embarking upon a very serious precedent as to whether he is prepared to accept the work of a royal commission established in a province as being an adequate substitute for the national government or national institutions carrying out a responsibility that is set out in law as applying to the national government. I should like to ask the minister whether it is going to be the continuing practice of this government in the energy field or otherwise to accept work carried out under provincial jurisdication as a substitute and an excuse for not acting within its own responsibility.

Some hon. Members: Hear, hear!

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, that seems to me like an absurd question.

Some hon. Members: Hear, hear!

An hon. Member: For an absurd minister.

Mr. Gillespie: Surely, a moment's reflection would have convinced the hon. member that in this country we are too often involved in duplicating the work of the provinces.

Some hon. Members: Hear, hear!

Mr. Gillespie: Surely, the time has come to support our arrangements so that the federal government can do certain things and we in the federal government can use the useful work done by the provinces.

Mr. Clark: A final supplementary question, Mr. Speaker. Since we now have an expression of the view of the government that they want to use the work of a provincial agency, may we have an undertaking from the minister that the government is prepared to consider the reports of the Porter inquiry and act upon its recommendations, consider them with the same seriousness and act upon their recommendations in the same way, as they would a royal commission or any other agency established under their own jurisdiction.

Mr. Gillespie: Mr. Speaker, I think I have made that clear all along. We are looking forward to the work of the Porter commission.

Mr. Fraser: Will you follow its recommendations?

Mr. Gillespie: Of course, we would want to use the information provided.

Some hon. Members: Hear, hear!

SALE OF NUCLEAR REACTOR TO ARGENTINA—AMOUNT OF LOSS ON RENEGOTIATED CONTRACT

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is also for the Minister of Energy, Mines and Resources. It arises from reports that Ross Campbell, chairman of AECL, has finally signed a renegotiated contract with Argentina and that the anticipated loss is now between $23 million and $40 million. In view of the fact that AECL officials have given themselves a margin of error of a mere 100 per cent in counting up their losses, will the minister tell the House how he is so sure that these losses will not exceed $40 million, $50 million or $60 million? What is the upper figure?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. lady has already indicated what the upper figure is. That, if I understand it, is $40 million.

An hon. Member: Plus 100 per cent.

[Mr. Clark.]

Mr. Gillespie: I do not know what further information the hon. member wants. All I can tell her is that I think Mr. Campbell was able to negotiate a good deal for Canada.

Some hon. Members: Oh, oh!

An hon. Member: I would hate to see a bad deal.

Mr. Gillespie: Any time the opposition can show me how they can save $75 million I would like to hear it.

Mr. Fairweather: April Fool's Day is not here yet.

Miss MacDonald: A supplementary question, Mr. Speaker. All I can say is that the $40 million loss which the minister is looking upon as a benefit he is liable to turn over to the provinces in due course along with the other matter.

Some hon. Members: Oh, oh!

POSSIBILITY OF WITHDRAWING FROM SALE OF NUCLEAR REACTORS

Miss Flora MacDonald (Kingston and the Islands): In view of the fact that over the years the Canadian people have been told by this government that we are in fact doing the third world a service by letting them have our reactors, will the minister tell the House whether the sordid and inept business practices of AECL have rubbed so much of the gloss off those pious sentiments as to induce the government to leave the nuclear reactor export business for good?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): No, Mr. Speaker, but I acknowledge that there were mistakes made. There is no question that mistakes were made. But I think we should recognize that while mistakes were made on the first one, we learned something.

Some hon. Members: Oh, oh!

Mr. Gillespie: Let me put it in these terms. I think we learned enough that we are going to more than compensate for the loss of the first by the profits on the second.

* * *

EXTERNAL AFFAIRS

RECOGNITION BY EUROPEAN COMMUNITY OF UNITED STATES 200-MILE COASTAL ZONE—EFFECT ON CANADIAN CLAIM TO GEORGES BANK

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question is directed to the Acting Prime Minister. On February 16 it is reported that the United States and the European Economic Community signed an agreement which recognizes the new U.S. 200-mile coastal zone. That recognition, as I understand it, was unconditional. Can the minister advise what effect this will have on Canada's long-term claim to the Georges Bank?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, discussions are probably going on today in Washington between the U.S. and Canada on the question of Georges Bank, which is an outstanding issue between Canada and the U.S. As the hon. member knows, there is an overlapping claim with respect to Georges Bank, and that is a matter that is now under discussion between Canada and the U.S. Certainly, no action taken by the EEC with the U.S. or any other country in any way diminishes Canada's claim to the lines which it has put forward in its negotiations.

Mr. Leggatt: Perhaps the minister can then explain to the House why it is that Canada, which made its unilateral declaration in January, was unable to obtain a similar agreement from the EEC as the United States has been able to do, therefore placing our claim in an inferior position to that of the U.S.? We do not have recognition by EEC of the claim to Georges Bank. Can the minister explain why Canada failed to obtain such an agreement while the U.S. was successful?

Mr. MacEachen: As the hon. member may recall, before we undertook the unilateral declaration of the 200-mile limit, we had worked out with a number of European countries, apart from the U.S., bilateral agreements in which there was an explicit recognition of the regime that would exist within the Canadian 200-mile limit. But without challenging the accuracy of the hon. member's statement, I question very much whether an agreement of that kind would have any effect on the resolution of the disagreement which exists between Canada and the U.S. with respect to Georges Bank. That is a matter for discussion between the two countries and settlement, which is the route we are taking at the present time.

Mr. Leggatt: In view of the fact that the EEC has recognized U.S. territorial claims without officially recognizing ours, after the March 1 declaration of the United States when their territorial claims will become law, is it Canada's intention to apprehend vessels entering the Georges Bank disputed area which do not hold Canadian licenses but which hold American licenses?

Mr. MacEachen: One of the items that is presently under discussion with the United States is what the joint attitude will be toward third parties on Georges Bank. It is unlikely that the jurisdiction will not be settled because we are very close to March 1 and both Canada and the United States have declared their lines.

* * *

● (1430)

[*Translation*]

ELECTION EXPENSES

REASON FOR DELAY OF LIBERAL PARTY TO REPORT CONTRIBUTIONS

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I should like to put a question to the President of the Privy Council.

On February 18 I directed a question to the Minister of Manpower and Immigration about the report on political contributions to the Liberal party for the financial year 1975. The Minister for Manpower and Immigration referred me to the Minister of National Revenue and now she tells me that it is not within her jurisdiction. This is why I am asking today the President of the Privy Council why we cannot obtain before June 30, 1977 the report of the Liberal party on contributions in 1975 when all parties were supposed to table their report before the end of the financial year?

Hon. Monique Bégin (Minister of National Revenue): Mr. Speaker, if the hon. member will allow me, I shall answer his question. My French must have been distorted because I do not remember having said that my responsibilities are not my responsibilities. I am therefore pleased to advise the House that the Liberal Party of Canada, as requested last week, made a report to the Department of National Revenue, as prescribed by section 230.1(2), on contributions received during 1975. With regard to the contributions to all political parties in 1976, the parties, by ministerial decree, have until March 31, 1977 to report to my department. My report is then filed with the chief electoral officer, Mr. Hamel. That report, which of course is only a summary, will be made available. I shall see to it personally: as soon as possible after all pertinent information has been received, it will be made available.

Mr. Gauthier: Mr. Speaker, on a supplementary.

I thank the minister for her reply. I should also like to ask her whether the Liberal party had to ask the department for an extension?

Miss Bégin: My department advised me that the act had been complied with. Still, I shall enquire into the matter. I have not heard of any extension. We are referring here, I expect, to the report on contributions for the year 1975. No one requested an extension for that year: there is no question about that.

* * *

[*English*]

FINANCE

STUDY OF PENSION PLANS—REQUEST FOR DETAILS—FUNDING OF CANADA PENSION PLAN

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Finance. As the minister has indicated that the government has undertaken a study of retirement incomes which is wide enough to cover the private pension industry, will the minister now tell the House exactly who is conducting the study, what are the terms of reference, when will they report and to whom?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, officials in my department and officials in the Department of National Health and Welfare are engaged in the study. It is in the broadest sense to consider the questions of retirement income, particularly those related to the jurisdic-

tion of the government of Canada, and we hope to have the results of that study within a matter of months.

Mr. Stevens: Mr. Speaker, as it has been represented that the Canada Pension Plan will pass a threshold on or before 1982 at which time benefit payments will exceed tax revenue, would the minister indicate what steps he intends to take to ensure that the Canada Pension Plan will be properly funded and not become a burden upon future taxpayers?

Mr. Macdonald (Rosedale): This is a matter which has received some consideration by the government. In terms of our priorities in examining the pension system, however, it seems clear from representations made in this House that our first priority should be to examine the tax measures which affect the private pension system before proceeding to deal with the Canada Pension Plan.

Mr. Stevens: Mr. Speaker, as there is a great hodge-podge of governmental pension plans at all levels of government, some funded and some not, would the minister indicate if he would be willing to go further and not just have the study he has referred to but also have a reference to the appropriate standing committee of this House to determine what are the aggregate commitments at this time for future pensions and to what extent these commitments are without funding? As such they may become a burden on future taxpayers.

Mr. Macdonald (Rosedale): I would be glad to consider the suggestion. I am sure the House leaders might have something to say about the use of the time of the House in that way, but I personally would have no difficulty with the suggestion.

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[*Translation*]

INDUSTRY

TEXTILE AND CLOTHING IMPORT QUOTAS—GOVERNMENT POSITION

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I would like to direct a question to the Minister of Industry, Trade and Commerce.

Is he in a position to inform the House about the present situation of the government's decision announced toward the end of November concerning import quotas of cloth, clothing and threads, to protect the Canadian textile industry?

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, as a matter of fact import quotas for 1975 were put into effect on November 29 last. We have provided some special allowances in the most difficult cases. The Textile and Clothing Board is reviewing such cases. At the present time, most of them have been reviewed by the board, and I believe the policy as announced to protect the textile and clothing industry in Canada is operating very well right now.

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, I wish to ask a supplementary question.

[Mr. Macdonald (Rosedale).]

Is the minister aware of the disastrous effect of this decision upon those who earn their living in small enterprises specialized in woollens, for example, retailing clothes that the Canadian textile industry has never manufactured?

Mr. Chrétien: Mr. Speaker, I said earlier that the policy provided for flexibility and that as regards some exclusivities, the Textile and Clothing Board has the power to recommend additional quotas, when the textiles are not manufactured in Canada as, for example some Irish woollens and so on. Each shop facing such problems could make representations to the Textile and Clothing Board, and I am informed that generally some arrangements were made.

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[*English*]

LABOUR CONDITIONS

STATEMENT OF MINISTER ON GOVERNMENT'S ACCOMMODATION OF LABOUR—GOVERNMENT POSITION

Mr. John A. Fraser (Vancouver South): Mr. Speaker, my question is to the Acting Prime Minister. In view of the unusual comments of the Minister of Labour about the relationship between the NDP and the CLC and about the so-called new accommodation with the Liberal party, which comments have already drawn a blunt rebuttal from Mr. Morris, President of the CLC, and Mr. Pilkey, President of the Ontario Federation of Labour, who said, and I quote: "There is no way labour can find any accommodation within the Liberal party"—

Some hon. Members: Hear, hear!

Mr. Fraser: —can the Acting Prime Minister advise whether the statement of the minister was made with the approval of the Prime Minister and his cabinet colleagues?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, before answering the question directly, I wonder if I could draw to the attention of the House the historic speech which the Prime Minister made today in Washington.

Some hon. Members: Hear, hear!

Mr. MacEachen: I should like to congratulate him upon the great service he did for our country in his presentation today.

Some hon. Members: Hear, hear!

Mr. Paproski: Why doesn't he do the same in this House?

Mr. MacEachen: In reply to the question of the hon. member, I am aware of no effort by the Liberal party to seek an accommodation with the Canadian Labour Congress. I am sure what the Minister of Labour had in mind was the continuing effort of the government to engage in consultation, not only with the labour movement in Canada but also with the business community, in order to address some of the serious economic problems facing the country.

● (1440)

Mr. Fraser: A supplementary question, Mr. Speaker. May I draw the attention of the Acting Prime Minister to what may turn out to be an historic speech by the Minister of Labour about this government's relationships with labour. Can the Acting Prime Minister tell the House whether labour has agreed to return its representatives to the now defunct Canada Labour Relations Council and the Economic Council of Canada, and agreed to the Minister of Labour's policy of establishing a multi-partite national forum? If the answer is no, how, then, could the minister say what I suggested he said on Saturday, namely, that he was building a new accommodation between the Liberal party and the CLC?

Mr. MacEachen: Mr. Speaker, I am not in a position to confirm that the Canadian Labour Congress has resumed its membership on the consultative organizations to which the hon. member has referred. It would be the wish of the government for the Labour Congress to take a favourable decision and resume the possibility of making a contribution to these national bodies.

* * *

INQUIRY OF THE MINISTRY

Mr. Jean-R. Roy (Timmins): Mr. Speaker, can the Secretary of State responsible for Heritage Canada and the national museums inquire if the blue flowers the official opposition are wearing today are a symbol of eternal hope or a wreath of mourning for their decision of one year ago?

Some hon. Members: Oh, oh!

An hon. Member: Ask that question one year from now.

* * *

ENERGY

SALE OF NUCLEAR REACTOR TO ARGENTINA—POSSIBILITY OF INDUCEMENT TO SIGN RENEGOTIATED CONTRACT—REQUEST FOR TABLING CONTRACT

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is supplementary to those asked earlier of the Minister of Energy, Mines and Resources concerning the contract renegotiated between AECL and the National Atomic Energy Power Commission of Argentina. What extra inducement or extra consideration was granted to the Argentina agency in the renegotiated contract, to induce them to sign a renegotiated contract? For example, is Canada extending a further line of credit to them in respect of the building of a reactor and, if so, how much?

An hon. Member: Another $40 million.

Mr. Paproski: Interest free.

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I believe there was some additional financing. I am not sure how much but will be pleased to find out for the hon. member. That would cover the escalated costs of the total contract.

Mr. Paproski: And what about the agent's fee? Is that an extra?

Mr. Lawrence: A supplementary question, Mr. Speaker. I wonder if the minister could allay the fears of the many people in the country and in this House, about the renegotiated contract and the minister's obvious ignorance about some of the main parts of that contract, by tabling it, so that everybody can see it?

Mr. Gillespie: Mr. Speaker, I will be pleased to consider that before the public accounts committee. As you know, that matter has been discussed at considerable length before the public accounts committee. I disagree with what the hon. member says about considerable apprehension on the part of the public about the renegotiated contract. I am surprised the hon. member's party did not want us to renegotiate it. Considering the kinds of losses we were facing, surely that was the right thing to do.

* * *

IMMIGRATION.

PROPOSED INCREASE IN NUMBER OF INVESTIGATORS IN VIEW OF INCREASE IN ILLEGAL ENTRIES

Mr. Jake Epp (Provencher): Mr. Speaker, my question to the Minister of Manpower and Immigration concerns the ever-increasing problem of the illegal entry of aliens to Canada. Will the minister indicate if additional man-years will be assigned to units such as the Toronto immigration investigative unit, and will similar units be established in other urban areas?

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, I do not foresee that at present. We hope that some of the measures to be proposed in the new bill will have the desired effect.

MEASURES TO IMPROVE CAPABILITIES OF INVESTIGATIVE OFFICERS

Mr. Jake Epp (Provencher): A supplementary question, Mr. Speaker. Since officers of the Toronto immigration investigative unit have notified departmental officials that, in order to cope with the numbers of aliens on Toronto streets, including those whose street operations are frequently in violation of the Criminal Code, they need radio equipped cars, walkie-talkies, self-defence training as well as an outline of their rights and responsibilities, will the minister say when steps will be taken to allow the Toronto immigration investigative unit to do the job it must do? When will they receive the equipment and training for which they have asked?

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, precisely because of what the hon. member has raised, we sent investigating officers down, to find out what the situation is so far as our front line officers are concerned. They have a difficult job to do and I intend to do everything I can to help them, within the confines of the funds allotted to me.

* * *

GRAIN

LARGE AMOUNT OF TOUGH WHEAT IN PRINCE RUPERT TERMINAL—GOVERNMENT ACTION TO ALLEVIATE PROBLEM

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I shall direct my questions both to the Minister of Agriculture and to the minister in charge of the Canadian Wheat Board, to let them know they are not being neglected. Is the minister in charge of the Canadian Wheat Board aware that most of the working capacity of the Prince Rupert terminal has been filled with tough wheat; that lack of drying capacity there has meant that one ship has remained idle for three weeks waiting to be loaded; that another ship now loading will be there for a total of two weeks; that a third ship was diverted to Vancouver, and that already five ships in Vancouver are waiting to load. I ask the minister, who co-ordinated the shipping of that amount of tough grain to Prince Rupert, when there was not sufficient time to get it dried for loading on ships? What action is being taken to get dry wheat in there to mix, and is he doing anything to increase those drying facilities?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, as I am sure the hon. member knows, the shipment of grain is co-ordinated by the Canadian Wheat Board. This particular grain was moved at a certain time in order to avoid or relieve serious congestion, particularly in the Peace River area. Whether the Canadian Wheat Board was aware of the volume of tough grain which was involved I do not know. I will have to check. I know they have taken action to bring dry grain from other areas, so that a mixing process can assist the dryers. Those dryers are not capable of handling this volume of grain easily or quickly. The situation in relation to Vancouver was complicated by the movement to Vancouver earlier of grain which was of a lower protein content than the Wheat Board had reason to expect. They have had to balance that movement with large volumes, particularly from southern Saskatchewan, where wheat of higher protein content is dependably available.

PRINCE RUPERT TERMINAL—MEASURES TO INCREASE DRYING CAPACITY—REQUEST FOR NAME OF LESSEE

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct my supplementary question to the Minister of Agriculture? May I ask the minister, who is in charge of the Canadian Grain Commission which operates the terminal at Prince Rupert, two questions? One, is any action being taken to increase the drying capacities of that terminal at Prince Rupert? Second, and even more important, has the minister yet decided what tender he is going to accept for the leasing of that terminal? Will he assure the House that it will not go to the Cargill Grain Company?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, first, may I correct the report carried on CBC radio yesterday morning that two million bushels of damp grain are in that elevator? The figure is 1.2 million, less than they stated. Therefore, the dryer is running to capacity. They are blending that grain with grain which is dryer. There was not, over all, that waiting which was alleged, and demurrage costs were not as great as reported. When a ship goes to Prince Rupert it knows full well that it will take longer to load from that old elevator than from other elevators; on the other hand, that ship is several hundred miles closer to the port of destination. Also, let me add that I am to meet the Canadian Grain Commission in Winnipeg tomorrow.

* * *

FISHERIES

HADDOCK QUOTA FOR FISHERMEN FROM SOUTH WESTERN NOVA AREA—REQUEST FOR ASSURANCE NO REDUCTION

Miss Coline Campbell (South Western Nova): Mr. Speaker, my question is for the Minister of Fisheries and the Environment. Is the minister aware that the larger boats which have been excluded from the gulf have come down to the Brown's and Germa Banks and increased the effort on the allotted haddock quota for this area? If so, can the minister give assurance to the fishermen of South Western Nova that their boat quotas will not be reduced in the month of June or the rest of the year, in light of this increased effort by the outsider boats on the haddock quota?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, the fishing plan for 1977 tries to assure a fair share for all concerned, and tries to ensure that there will be no undue dislocation of traditional fishing patterns. Before considering the exact details of the hon. member's question I would have to look into this matter, and report to her.

* * *

EXTERNAL AFFAIRS

PROPOSED INVESTIGATION OF DEATH OF ARCHBISHOP OF UGANDA—GOVERNMENT POSITION

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, may I direct my question to the Acting Prime Minister? Is it the intention of the government to support the call of the distinguished Anglican Primate of Canada, Archbishop Scott, for an international investigation of the murder of Uganda's Anglican archbishop and two government ministers, and can the Acting Prime Minister tell the House if the Canadian government has yet expressed to the United Nations Human Rights Commission or the Commonwealth Association the

grave concern of the Canadian people about the escalating violation of human rights by President Idi Amin in Uganda?

Some hon. Members: Hear, hear!

● (1450)

Hon. Allan J. MacEachen (Acting Prime Minister): Yes, Mr. Speaker. The government of Canada does support the call of the Anglican Primate for an independent inquiry into these tragic deaths. The government of Canada has already made known to the representative of Uganda in Canada that in our view, an independent inquiry is justified in the present circumstances. Therefore, we have no hesitation in supporting strongly and sincerely this particular request.

CANADIAN EFFORTS AT UNITED NATIONS TO PROTECT HUMAN RIGHTS

Mr. Douglas Roche (Edmonton-Strathcona): Expressing the dismay of members on this side that the motion of the hon. member for St. John's East on this particular point yesterday was denied, may I ask the Acting Prime Minister a supplementary question? In view of the escalating violations of human rights in many parts of the world—Russia, Czechoslovakia, Chile, Indonesia, to name just a few countries as well as Uganda—can the Acting Prime Minister tell the House what instructions have been given the Canadian representative to the United Nations Human Rights Commission to help the United Nations increase its worldwide efforts to protect human rights?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, so that there will be no misunderstanding on this point, I should refer to the incident which occurred yesterday. We did not refuse to accept the hon. member's motion on substantive grounds but on procedural grounds—

Some hon. Members: Oh, oh!

Mr. MacEachen: —because the action called for in the motion had already been taken by the government of Canada. Therefore, there would be no reason to oppose it on substantive grounds. With regard to the United Nations Commission on Human Rights, I am pleased to advise the hon. member that the government has already acted. Prior to his question, we instructed our representative to the United Nations Commission on Human Rights, Mr. Beaulne, to take an active hand in bringing this particular incident in Uganda to the attention of the United Nations.

SUGGESTION THAT MOTION CALLING FOR INVESTIGATION OF DEATH OF ARCHBISHOP OF UGANDA BE PUT AGAIN

Mr. James A. McGrath (St. John's East): Mr. Speaker, I thank the minister for that explanation of the unusual action in the House yesterday. Following on that reply, will the minister agree at three o'clock by unanimous consent to having that motion put, and this is a very important question, in order that the House of Commons may have an opportunity to support the government in its expression of its concern, and indeed its indignation, at what is happening in Uganda.

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, I am not prepared to accept any further Standing Order 43 motions, whatever the subject, until the procedural question is clarified because just the other day we all agreed to an extremely good motion put forward by the hon. member for Winnipeg North Centre. Suddenly a debate took place which interrupted the normal proceedings of the House. Until that situation is clarified, I do not intend to agree even to this particular motion which we support 100 per cent.

INQUIRY WHETHER PRESIDENT AMIN WILL ATTEND MEETING OF COMMONWEALTH LEADERS

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, can the Acting Prime Minister say whether this despotic, erratic and cruel leader of a commonwealth country will be part of the commonwealth leaders meeting in June?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, I am not the person responsible for sending out the invitations.

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, on the basis that we on this side of the House will agree not to debate the motion referred to by my colleague, the member for St. John's East, will the government House leader have the motion moved at three o'clock on the order for motions?

Mr. Speaker: Order, please. Hon. members will realize that these questions generally lie in the class of representation and when they carry an additional condition, they become hypothetical representations.

* * *

COMMUNICATIONS

REFUSAL OF QUEBEC MINISTER TO ATTEND CONFERENCE—POSSIBILITY LEGISLATION INTRODUCED PRIOR TO CONFERENCE

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a question for the Minister of Communications. In view of the refusal of the minister of communications of Quebec to attend the Minister of Communications meeting later this month or early next month, and in view of the fact that this minister is one of the hosts or co-chairmen of the conference, has any decision been made for that conference to proceed?

[*Translation*]

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, as a matter of fact I communicated immediately with my provincial counterpart in Alberta. Of course I would have been pleased to see the Quebec minister take part in this meeting of communications ministers. I think he would have

found there an excellent opportunity to discuss how the provinces can cooperate to set up the national communications and broadcasting policy which is his major area of concern and to start the discussion on the tools and means needed to enable the provinces to meet their objectives. Unfortunately it will not be possible. However, we decided to hold the meeting anyway.

[*English*]

Mr. Nowlan: Will the minister advise whether prior to that conference she intends to lay before this House the next stage in the telecommunications legislation or does she intend to discuss that with her respective and responsible provincial ministers? If it is not in the legislative stage, does she intend to take to that conference new proposals and new initiatives in the whole field of telecommunications, in particular involving some of the jurisdictional problems?

[*Translation*]

Mrs. Sauvé: Mr. Speaker, I hope that the legislation on communications will be tabled in the House so that I can lay it before the ministers who will be present at the meeting. It should be noted for the benefit of the House that this meeting is not a federal-provincial conference but a meeting of communications ministers set up as a forum in which views on a future communications policy will be exchanged.

* * *

[*English*]

FINANCE

FUNDS FOR URBAN TRANSIT SYSTEMS—REQUEST FOR RECONSIDERATION OF FUNDING OF SOUTH WEST TRANSIT STUDY FOR WINNIPEG

Mr. Dean Whiteway (Selkirk): Mr. Speaker, my question is to the Minister of Finance. It has to do with the Toronto rebellion. In view of the uprising in his own caucus after his decision last week to renege on a campaign promise to supply funds for urban transit systems, is the minister now prepared to reconsider that decision and include it in the upcoming budget? It is a policy which Canadians considered to be serious rather than a hollow campaign promise.

Hon. Donald S. Macdonald (Minister of Finance): As I pointed out last week, Mr. Speaker, we have given an undertaking, indicated most recently by my colleague, the President of the Treasury Board, with regard to restraint on federal expenditures and we intend to hold to that.

Mr. Whiteway: My supplementary question has to do with a study commissioned by and paid for in large part by the minister's department with the province of Manitoba and the city of Winnipeg a year ago. The minister will recognize it. It is called "South West Transit Study". In his announcement last week, the minister effectively killed that project, a project on which he asked for a tri-level study. Is the minister at least prepared to consider that one transit study and fund it rather than cut it off at the knees?

[Mrs. Sauvé.]

Mr. Speaker: Order, please. That is clearly in the class of a representation. Presenting reports from standing and special committees.

Mr. Hnatyshyn: Mr. Speaker, I wish to raise a point of order at this time. It is with regard to the statement made by the government House leader in response to questions from members on this side relating to the motion moved yesterday by the hon. member for St. John's East under Standing Order 43. In order that the government House leader can demonstrate the bona fides of the government in the interest of having a statement made by the House of Commons without any debate whatsoever, will the minister at this juncture move that we revert to motions under Standing Order 43 in order that the hon. member for St. John's East may now move the motion? This would give my hon. friend from St. John's East an opportunity to put forward a motion which would demonstrate that the House of Commons supports the position of the government with respect to this matter.

• (1500)

Mr. Speaker: The hon. member raises this matter by way of a point of order. He realizes, I am sure, that it is one not totally within the authority of the President of the Privy Council, regardless of his extensive power and authority. The calling of motions pursuant to Standing Order 43 takes place prior to the question period, and any change in that arrangement should be made only with the unanimous consent of the House.

Mr. Hnatyshyn: I simply want to ask, then, the permission of the House to revert to motions under Standing Order 43.

Mr. Speaker: Order, please.

ROUTINE PROCEEDINGS

[*English*]

ANTI-INFLATION ACT

REFERENCE FROM AIB TO ADMINISTRATOR REGARDING KELLY, DOUGLAS AND CO.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I should like to table a reference, under the anti-inflation legislation, from the Anti-Inflation Board to the administrator with regard to Kelly, Douglas and Co.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following ques-

tions will be answered today: 905, 1,197, 1,245, 1,373, 1,402, 1,562, and 1,639.

[*Text*]

AIB DISAPPROVAL OF WAGE INCREASES

Question No. 905—**Mr. Howie:**

1. As of October 1, 1976, how many wage increases for workers in the Maritime Provinces were disapproved by the Anti-Inflation Board?

2. How many firms in the Maritimes were found to exceed profit guidelines?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): 1. In the Anti-Inflation Board establishment the Halifax Regional Office is responsible for the Maritime provinces and the province of Newfoundland, and statistics are collected for these Atlantic provinces. From October 14, 1975 to October 1, 1976 collective agreements from this region totalled 1,186. In the preliminary assessment 605 cases were over the guidelines. By September 30, 1976 complete assessment of 302 cases was completed and submitted to the board. Of this number 149 agreements were rolled back. The balance were dealt with by the board subsequent to October 1, 1976.

2. Up to October 1, 1976 two firms had excess revenues.

GRANTS AND CONTRIBUTIONS BY THE NON-MEDICAL USE OF MOOD ALTERING SUBSTANCES PROGRAMMES FOR 1975 AND 1976

Question No. 1,197—**Mr. Stanfield:**

By province, what was the total amount of grants or contributions made to groups, projects, agencies or individuals, under the Non-Medical Use of Mood Altering Substances Programme in (a) 1975 (b) 1976 to support (i) information/education projects (ii) innovation projects (iii) research sociological and biomedical studies dealing with the non-medical use of drugs?

Hon. Marc Lalonde (Minister of National Health and Welfare): (a) and (b), (i), (ii) and (iii)—See following statement.

(i) and (ii) Alcohol/Tobacco/Resources Fund*

	1975-76	1976-77 (Est.)
Newfoundland	66,473	76,900
Prince Edward Island	6,550	—
Nova Scotia	180,321	63,484
New Brunswick	79,278	133,694
Quebec	810,021	174,470
Ontario	598,075	295,978
Manitoba	241,241	83,513
Saskatchewan	339,661	284,147
Alberta	142,800	—
British Columbia	330,465	277,916
Northwest Territories	35,049	—
Yukon	20,000	—
Nat'l Organizations HQ in Ontario	125,000	123,200
Total	$2,974,934	$1,513,302

*Formerly Innovative Services—also includes education/information projects; there are no separate contributions.

(iii) Research Studies

	1975-76	1976-77 (Est.)
Newfoundland	11,200	—
Prince Edward Island	—	—
Nova Scotia	42,138	33,862
New Brunswick	—	—
Quebec	327,041	333,325
Ontario	854,590	1,038,800
Manitoba	101,441	176,145
Saskatchewan	67,212	38,211
Alberta	119,690	52,371
British Columbia	281,031	289,157
Total	$1,804,343	$1,961,871

GRANT TO L'INSTITUT DE PROMOTION DES INTÉRÊTS DU CONSOMMATEUR AND DUTIES AND FUNCTION OF INFORMATION DIVISION OF DEPARTMENT

Question No. 1,245—**Mr. Jones:**

1. Did the Department of Consumer and Corporate Affairs grant this year to L'Institut de promotion des intérêts du consommateur for consumer information and education, the amount of $50,000 and a total of $145,400 since 1973 and, if so, what are the precise duties of this group that it should receive such a grant?

2. What are the duties and function of the Information Division of the Department?

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): 1. Yes, a grant of $50,000 was awarded to L'Institut de promotion des intérêts du consommateur for the following purposes: (a) Magazine publishing, testing, $25,000; Magazine distribution, $10,000; (b) Consumer assistance and representation, $15,000; Total: $50,000. In previous years, grants have been for similar purposes—product testing, research and publication of the magazine. Since 1973/74, grants to IPIC have totalled $145,400.

2. The Information and Public Relations Branch of the Department of Consumer and Corporate Affairs develops and carries out a communications programme to assist the department in the achievement of its objectives. The branch produces and issues a full range of information materials, involving both print and electronic media, designed to generate awareness and understanding of departmental legislation, the rights it protects and the responsibilities it imposes. Most of the communications programme is tailored to the needs of businessmen and consumers with the over-all objective of enhancing the fairness and effectiveness of the marketplace for the social and economic betterment of all Canadians.

Order Paper Questions

AIB—STUDY OF FOOD PRICES

Question No. 1,373—**Mr. Neil:**

What was the total cost of the study carried out by the Anti-Inflation Board to determine the differences in food prices between Canada and the US?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): I am advised by the Anti-Inflation Board that the cost of the study was $3,234.

RDIA—AVERAGE COST PER JOB

Question No. 1,402—**Mr. MacDonald (Egmont):**

For the years 1973 to 1975, by province, what was the average cost per job created under the Regional Development Incentives Act?

Mr. Ed Lumley (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Department of Regional Economic Expansion is as follows: The following table provides information from 1969, the inception of the programme, to 31 December 1975, for those net accepted offers on which final payment had been made by that date. Records are not maintained in a way that permits the answer to be restricted to the period 1 January 1973 to 31 December 1975. The average cost per job created, in accordance with the foregoing, by province, is: Newfoundland, $2,929; Prince Edward Island, $4,481; Nova Scotia, $6,905; New Brunswick, $6,928; Quebec, $2,218; Ontario, $3,075; Manitoba, $6,414; Saskatchewan, $2,592; Alberta, $4,107; British Columbia $6,692.

NEWFOUNDLAND—LOANS UNDER SMALL BUSINESSES LOANS ACT

Question No. 1,562—**Mr. Marshall:**

By constituency, between January 1 and September 30, 1976, what is the breakdown of the loans made in Newfoundland under the Small Businesses Loans Act?

Mr. Bob Kaplan (Paliamentary Secretary to Minister of Finance): The requested data is not maintained by electoral district but only by province, by lender, by type of business and by purpose, for the following reasons: (i) Loans are made by banks to customers who may not live in the same constituency as the bank and whose businesses may be in yet another constituency. (ii) Constituency boundaries change from time to time; thus comparative statistics cannot be maintained on a consistent basis.

RCMP—POSSIBILITY OF ESTABLISHMENT OF REGIONAL DETACHMENT

Question No. 1,639—**Mr. Epp:**

Does the RCMP intend to establish a regional detachment to serve the south-eastern region of Manitoba and, if so (a) in what location (b) what area will the detachment serve (c) how many officers will be stationed at the detachment?

Hon. Francis Fox (Solicitor General): No.

[Mr. Abbott.]

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 706 could be made an order for return, this return would be tabled immediately. I might say that the answer is some five inches thick, which is the reason for responding in this way.

Mr. Speaker: Is it the pleasure of the House that the answer to question No. 706 be made an order for return?

Some hon. Members: Agreed.

[*Text*]

ST. LAWRENCE SEAWAY AUTHORITY—TENDERS FOR CONSTRUCTION CONTRACTS

Question No. 706—**Mr. Cossitt:**

1. Did the St. Lawrence Seaway Authority approve a document on February 14, 1975 entitled: "Management Guidelines No. 18. Subject: Construction Contracts" and, if so, on page three does it state that tenders up to $50,000 are permitted to be made by the Chief of Purchases and Stores on the basis of invited tenders rather than tenders by public advertisement and does it further state that under certain conditions this situation can also be used on work estimated to cost up to $100,000.

2. (a) What are the names and addresses of all firms presently on the list held by the St. Lawrence Seaway Authority for purposes of inviting tenders (b) who compiled the list (c) what are the names and designations of any persons furnishing, or in any way recommending names for inclusion on the list (d) were any Members of Parliament or members of any Liberal Party Executive consulted or otherwise involved in any way whatsoever with compiling the list and, if so, what are their names and addresses?

3. What is a complete list of all such tenders called on this basis since January 1, 1972 including, in each case, the successful bidder's name and address, the amount of their tender, the name and address of all others invited to tender and the nature of work done?

Return tabled.

* * *

[*English*]

STARRED QUESTION

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you be so kind as to call starred question No. 1,486?

[*Text*]

*DR. NOEL HALL—MEDIATION OF DISPUTE BETWEEN TREASURY BOARD AND CANADIAN UNION OF POSTAL WORKERS

Question No. 1,486—**Mr. Dinsdale:**

1. Was Dr. Noel Hall, professor of industrial relations at the University of British Columbia, appointed in October, 1976 to mediate the dispute between the Treasury Board and the Canadian Union of Postal Workers (CUPW) on technological changes in the Post Office Department and, if so (a) were proceedings of the meetings between Dr. Hall, CUPW officials and government officials recorded (b) were any papers presented at the meetings by Dr. Hall, CUPW officials and/or government officials?

2. Are copies of the proceedings and of any papers presented at the meetings available and, if not, for what reason?

[*English*]

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): For the Public Service Staff Relations Board. 1. Dr. Noel Hall was appointed by the Chairman of the Public Service Staff Relations Board as a mediator on October 25, 1976 for the purpose of conferring with officials of the Treasury Board, the Post Office Department and the Canadian Union of Postal Workers and endeavouring to assist the parties in reaching a settlement of their dispute over the introduction and implementation of technological changes in the Post Office. (a) and (b) All mediation proceedings are conducted in private and the information and proposals provided to the mediator by the parties are furnished on a confidential basis to be utilized by him in the exercise of his discretion. Accordingly, there are no records of the proceedings before Dr. Hall nor is there any record of any papers presented to him by the parties.

2. For the above reasons there are no copies available of any record of proceedings or any papers presented to him.

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

Mr. Clark: I rise on a point of order, Mr. Speaker. I should like to request the unanimous consent of the House to return to motions under Standing Order 43 for the purpose of seeking unanimous support for the motion moved yesterday by my hon. friend from St. John's East.

Mr. Speaker: Order, please. If I were to permit the seeking of unanimous consent pursuant to Standing Order 43 at times other than those provided in the Standing Orders, it would take away the meaning of the routine proceedings by which we govern ourselves, which provide that applications pursuant to Standing Order 43 are made prior to the question period.

Since the Standing Order calls for an application for the unanimous consent of the House, we must either decide whether that can be done at any time an hon. member has the floor or whether, according to our practice, it is to be confined to the period prior to the beginning of the question period. We have rather rigidly followed the pattern that it is confined to the period prior to questions, and if I were to permit any hon. member who has the floor by any means to make an application at any time pursuant to Standing Order 43 we might just as well abandon the provision whereby such motions are confined to the minutes prior to the question period each day. Without any directive to that effect from the committee on procedure, I am not disposed to do so.

Mr. Clark: I am not at all wishful of disputing your authority on this question, Mr. Speaker, but it is equally the case that the House of Commons is the final arbiter of its own proceedings. While I can understand and sympathize with Your Honour's concern not to establish a precedent which might interfere with the smooth functioning of the House, I believe it is recognized on both sides that there are at stake here two highly important principles, one of them referred to in the substance of the motion moved by my hon. friend yesterday, and the other having to do with the right of parliament, as distinct from simply the government, to express its opinion on this matter. What I am seeking is an opportunity to ask the unanimous consent of the whole House of Commons to vary the rule, it being understood that such a variation would not establish a precedent but would be regarded as an extraordinary response to an extraordinary situation.

Mr. Speaker: Order, please. In order to respect our procedures and allow an opportunity for the voicing of sentiments expressed on several occasions by members to my left, I must point out that tomorrow is another day, another opportunity for taking advantage of the provisions of Standing Order 43. It continues as a daily matter. There was nothing to prevent such an application from having been made today despite the fact that it was turned down yesterday, and there is nothing to restrict any member from putting forward the same application pursuant to Standing Order 43 tomorrow without having to circumvent our procedures or to set any dangerous precedent.

GOVERNMENT ORDERS

[*English*]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND ESTABLISHED PROGRAMS FINANCING ACT, 1977

MEASURE FOR MAKING CERTAIN FISCAL PAYMENTS AND OF ESTABLISHED PROGRAMS FINANCING CONTRIBUTIONS TO PROVINCES, ETC.

The House resumed, from Monday, February 21, consideration of the motion of Mr. Macdonald (Rosedale) that Bill C-37, to provide for the making of certain fiscal payments and of established programs financing contributions to provinces, to provide for payments in respect of certain provincial taxes and fees, and to make consequential and related amendments, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, when I spoke last night I said we were opposed to this bill because the provinces were forced into this agreement and because the measures now proposed would have a particularly bad effect on the disadvantaged provinces, including the province of Quebec about which so much has been said. I have since had an opportunity to look at what some of the provincial premiers have said about these arrangements, as well as at the record of the discussions held between the first ministers.

I hope the hon. member for Lisgar (Mr. Murta) will note the following, particularly in view of his eloquent plea for understanding and support of Quebec. According to Premier Lévesque as he was leaving the first ministers' meeting several

weeks ago, Quebec will lose $100 million in the first year as a result of the new agreement, by comparison with what the province would have received had the old agreement continued without change. The bulk of this loss will be the result of the change in the revenue guarantee provision. It has now been brought to my attention that Premier Lévesque's estimate of the loss was probably on the low side. Since the meeting of the first ministers there have been some developments and announcements by the federal government which make it obvious that the government will further reduce the money that the provinces would have received under the old agreement.

● (1510)

When we look at how the established program financing is going to be affected by the new agreement we are being asked to support, we find this, Mr. Speaker. The Minister of National Health and Welfare (Mr. Lalonde) some time ago offered the provinces $20 per capita to finance nursing homes and other intensive care facilities, replacing an earlier offer which he made in 1975 to share the cost of such facilities 50-50. Anyone who has followed the course of the financing of hospital care in this country realizes that it was a colossal blunder on the part of the federal government to restrict its 50-50 cost-sharing program to intensive care hospitals. The provinces are, after all, responsible for the actual delivery of hospital services and for caring for sick people, not the federal government. The federal government had been prepared to pay 50 per cent of the cost of keeping patients in intensive care hospitals, hospitals that are very expensive to run and which cost up to $200 a day. On the other hand, the federal government has not been prepared to pay for the much lower cost of keeping a person in a nursing home or rehabilitative hospital, facilities that cost very much less but which, from the point of view of the provinces, cost the provinces more than their 50 per cent share of intensive hospital care financing.

Bill C-37 contains provisions which affect the $20 per capita offer that the Minister of National Health and Welfare made some time ago, restricting it even further. When this was brought to the attention of the federal government, the federal government agreed to hold its offer open until there was provincial consensus, setting a time limit of February 15 for the provinces to agree among themselves. I am told that last Friday the Minister of National Health and Welfare sent a telegram to the provinces indicating that the federal government would proceed with the $20 per capita figure I have already mentioned, on the ground that five provinces, representing 84 per cent of the population, had already agreed to his proposal. These provinces, with the exception of the province of Quebec, are the rich provinces, the provinces of British Columbia, Alberta, Ontario and Nova Scotia. This means, Mr. Speaker, that those provinces which tried to diversify their hospital care services, such as Manitoba and Saskatchewan—in accordance with the desire and recommendation of Ottawa—so that these facilities would be less costly both for them and for the federal government, are now going to be penalized, while those provinces which have not begun this process, the wealthier provinces in this country—British Columbia and Ontario—will benefit.

[Mr. Orlikow.]

This proposal to switch from the open-ended, equal sharing formula to an annual grant which is based on population and gross national product is going to mean bonuses for those provinces with lower quality services, such as Ontario, and penalties for provinces which have recently improved their services, such as Manitoba. Unfortunately for pensioners, people who are handicapped, and others in need of assistance, this change will probably inhibit any further improvement in services. After all, if Ottawa is not going to share the cost, why should the provinces which are really strapped for money proceed with such improvements? As I said last night, existing services will undoubtedly, over a period of several years, be reduced in quality.

The minister's plan was outlined in a proposal which was sent in mid-January to the provincial health ministers. Since then he has made a few minor revisions, but nothing very fundamental. The original deadline was extended, as I have indicated, but now the options have been closed off. The decision of the federal government means that the Ontario government will get an extra $50 million in the coming fiscal year; British Columbia will get $23 million, despite the fact they have relatively low levels of adult care services; Alberta will gain $90 million because it will no longer be penalized for having facilities of too high a quality to qualify for cost-sharing. Meanwhile, poorer provinces such as Prince Edward Island stand to lose $2 million in the next year; Saskatchewan will lose up to $2 million; and Manitoba will gain about $800,000 the first year but will lose money in subsequent years. The last three provinces which I mentioned have probably had the best adult care services in the country.

Because none of the proposed grants will be earmarked for adult care services, the provinces will be under no obligation to improve or even to maintain such services. Furthermore, the recent removal of automatic cost-sharing will discourage the provinces from improving their services because suddenly they will be facing double the cost. All of this is because the federal government would give each province $20 or $21 per person for theoretical expenditures for adult care services, regardless whether the province spends $1 or $1,000. The $21 would increase or decrease each year in accordance with a three-year average of the gross national product.

This may be fine for the bureaucrats who develop budgetary details because it will give them a better idea of what their costs are likely to be. But it takes no account at all of the actual record of the provinces in the past. It takes no account of the needs of the people. It is a proposal based simply on a formula that makes it comfortable for the federal government and its finance department. This is just one example of how the government's proposals will affect the provinces adversely.

I want to deal for a moment with the whole question of equalization. The federal government forced the provinces to agree to an equalization program based on what the Minister of Finance (Mr. Macdonald) has described as the "representative tax system" approach. The provinces were given two

formulas from which to choose. Each formula contained variations in the treatment of the different forms of provincial taxes, and each of them was pretty adverse to the interests of the provinces and their people. For one thing, Mr. Speaker, the formula that would probably be adopted, formula B, equalizes all revenues from oil, gas, metallic and non-metallic minerals to the extent of 50 per cent but places an additional limit in that equalization payments in respect of all resource revenues may not exceed one-third of total equalization payments.

● (1520)

When the federal government put a limit on the equalization of oil and gas revenues it was to be a temporary measure to allow the federal government to adjust to the rapid increase in provincial government revenues from this source. However, given the increase in the importance of non-renewable resource revenues to the provinces—in 1969-1970, resource revenues accounted for 13 per cent to 16 per cent of total equalization and by 1973-1974 this had jumped to 23 per cent to 25 per cent—the federal government decided that a permanent limit was needed.

All the provinces with revenue from non-renewable resources are pleased with the first cap on the formula as it will help reduce some equalization losses. However, the second change poses some dangers. If resource revenues continue to grow in importance—they are now around 29 per cent of equalization payments—the 33.3 per cent ceiling could be reached very quickly and the provinces could start losing potential equalization payments.

It is obvious that the provinces resent this unilateral decision on the part of the federal government. They look upon it, quite correctly, as an invasion in a field of taxation which from the time of confederation has been almost exclusively a provincial preserve. They feel, and I think quite rightly, that their need for financing and their ability to tax is very much less than the federal government's, and that the federal government had no right to put that restriction on it. I think the more we look at the principles contained in the bill, the more we realize the federal government is continuing the policies which have been with us since the Prime Minister (Mr. Trudeau) took office. The federal government feels that because of its constitutional power, and particularly because of its power to tax, it has the complete right to decide unilaterally what shall be the preserve and rights of the federal government and what shall be the rights of provincial governments. We do not believe that in a federal system any federal government, regardless of the party in power, has that right. We do not believe it has that right legally. We do not believe it can be good for federalism and for an efficient and fair division between the federal government and the provinces for the federal government to arrogate for itself those rights.

We believe federalism can only work if the provinces and the federal government are joined in a real partnership in which the rights and the responsibilities of all levels of government are dealt with on a fair and equitable basis. We see no sign that this government has changed that aggressive, unilateral power which it has arrogated unto itself. We believe the course it has been following, and continues to follow, is detrimental to real federalism. We believe it will lead the provinces to rebel and will encourage those people in the province of Quebec who really want a separate state to continue at a greater rate to advocate that policy. We believe it is detrimental to the good and to the welfare of the people of Canada. It is for that reason we believe that members of parliament, regardless of party, ought to vote against the bill.

Some hon. Members: Hear, hear!

Hon. John Roberts (Secretary of State): Mr. Speaker, I must say how delighted I am, particularly with the salutations of my good friend the hon. member for Edmonton Centre (Mr. Paproski). I am pleased to be able to enter the debate, which I will do very briefly, because it gives me an opportunity to explain to the House some of the recent developments in the relationships between the provinces and the federal government on the matter of education. I do not feel it would be useful for me to elaborate on the details of the provisions of the established programs financing legislation which has been explained by the government. That information is readily available. I should like to say at the outset, however, that in my view the new act contains a number of improvements over the old Fiscal Arrangements Act both from the point of view of this government and the provincial governments.

First, the provinces will be able to predict revenues from the federal government much more accurately. Second, provincial governments will have considerably more freedom with regard to how they choose to spend the federal contribution to post-secondary education. They will no longer be tied to a dollar for dollar cost-sharing arrangement, but will be free to establish their own priorities in educational spending without affecting the size of the federal contribution. Third, there will be no more need for the complex and often irritating system of auditing eligible operating expenditures at post-secondary institutions. This should increase the speed of settling accounts between the two levels of government. There are other advantages. I am happy that the new arrangements will have the result of distributing the federal contribution more equitably among provinces than was the case under the old Fiscal Arrangements Act.

I think the move toward an equalized per capita cash entitlement based upon provincial population is good and it should assist those provinces which formerly, on per capita terms, received significantly less than the national average. I should point out that because of the transfer of increased tax room to provinces those provinces with a high tax yield, particularly from personal income tax, will reap the benefit of relatively higher value in tax points.

I should like particularly to tell the House of the change which has taken place over the last few months in the relationship between the provinces and the federal government in matters of education. I am sure many members recall that when the subject of bringing forward the established programs financing arrangements was broached by the Prime Minister

(Mr. Trudeau) last June, he had occasion to remark that there was a necessity for some continuing forum for the discussion of provincial and federal concerns in this matter. In the statement the Prime Minister made on the subject which was tabled in this House in the middle of last June, paragraph 22 dealt with the necessity of combining and co-ordinating federal and provincial efforts. He said:

Combining and co-ordinating federal and provincial efforts require appropriate arrangements for intergovernmental consultation at the ministerial level, so that governments may together consider and develop policies of national significance in the fields of health and post-secondary education.

He went on to say : "In the health field we already have an established forum at ministerial level and that for post-secondary education there have been occasional contacts but we need a more permanent forum." Shortly after I became Secretary of State in September last year, I was charged with responsibility for undertaking discussion with the provinces to see how we could give concrete form to the expressions of the Prime Minister which I just cited. Toward the end of September I met, in Halifax, the council of ministers of education to discuss how we could elaborate on procedures of consultation which would be satisfactory to both levels of government. I think it is fair to say that I found some apprehension on the part of provincial ministers of education about the intentions of the federal government.

Mr. Paproski: Did they let you know?

Mr. Roberts: They not only let me in but they welcomed me and provided me with a very good lobster dinner.

Miss MacDonald: You really did not need it.

Mr. Roberts: That last comment is so unkind that it is unworthy even of the hon. member for Kingston and the Islands (Miss MacDonald). She really hits below the belt. Not only that, but she has managed to derail my train of thought.

● (1530)

I was in the process of saying to you and to members of the House, Mr. Speaker, that I found some apprehension on the part of ministers of education as to exactly what was meant by the word "forum" or what was in the federal government's mind when it spoke about the establishment of a mechanism to discuss common areas of interest relating to education. To a great degree I think that those were problems of semantics, not problems of substance. I found, also, that there was concern that the federal government might have in mind the creation of an institution which would supplant, overcome or replace the council of ministers of education which had been established by the provinces and which had done such good work. I am not attributing this to any particular minister of education, but I almost sensed there were some who feared that the federal government might be desirous of making the Department of Secretary of State into a super-department of education and culture. I believe I was able to allay the fears of the ministers of education in this regard. Certainly, it is not true that it is our intention to impinge upon their area of jurisdiction in relation to education which clearly, under the BNA Act, is a matter of jurisdiction for the provinces. We respect the jurisdiction which they have, and have no desire to interfere with it.

It was exactly because of this concern that we had to establish some continuing procedure for discussion with the provinces which reflected the kinds of views that were expressed yesterday by the hon. member for Kingston and the Islands. I would like to refer to her comments as recorded at page 3242 of *Hansard* of February 21, 1977. I do so not in any spirit of confrontation or antagonism. I should like to reveal that we have, in effect, implemented the kind of approach which I believe she suggested we should take. In her comments, she remarked that she felt we had missed an opportunity to act in a positive and constructive way; that is, to discuss certain questions relating to education with the provinces. She picked out, in particular, the possibility of an interprovincial agreement to ensure unimpeded mobility between provinces for students seeking post-secondary education.

The hon. member lamented that we had let slip an excellent opportunity to undertake discussions on this problem. Later she indicated that she felt bargaining would be far more productive if the provinces and the federal government brought to the negotiations a realization that their common purpose is to reach acceptable settlements and not to find out who will knuckle under to whom. She went on to say:

It is all too easy to see our problem in terms of conflict between the federal government and the provincial governments. All the attention is focused on the arenas of federal-provincial conflicts—

I would like to tell the hon. member that, far from letting the opportunity slip by, what we have done is to establish a continuing method of discussing such problems—and the one she indicated is one which is of great concern to us, namely, a method of discussing with the provinces that question and many others as well. Since September the provinces have come forward in a most co-operative spirit, agreeing with us that such a method for discussion should be established. It is in that spirit of negotiation and realization of our common purposes, to which the hon. member referred in her remarks, that we have undertaken this effort to establish a method of carrying on the dialogue.

At the end of the Halifax meeting in September to which I referred, the council of ministers of education issued a communique. I should like to cite the last paragraph of it which clearly indicates the kind of understanding we have reached with the provinces. It reads:

The council has also been seriously considering its relations with the federal government. Because the concerns of the CMEC cover all aspects of education, the council sees the need to exchange views with the federal government from time to time, depending on the subject, for the purpose of discussing the interface between education policies as determined by the provinces, and various federal programs. It is agreed that the council is the mechanism for such discussions and it will provide further opportunities for them to take place in the future.

Subsequent to that September meeting I met with the executive committee of the council early in November and there was agreement about various matters which might be placed on the agenda for a subsequent meeting between the

federal government and the provincial governments. That meeting took place in January, in Quebec City, and two matters of common interest were discussed. The first was the possible renegotiation of the agreements we have with the provinces, commonly called the formula payments, for the support of the official second language and minority language instruction throughout the country, and the second was the question of student assistance. The important question which the hon. member raised is equally one which could be discussed and I will explore the possibility of placing it relatively soon on the agenda for discussion.

So you see, Mr. Speaker, that we have implemented in a satisfactory way, I believe, the kind of intention that was expressed in the Prime Minister's comments last June. I would prefer not to call it a "mechanism" or a "forum". I do not want to get into a semantic confusion which might be misinterpreted. Let me say that we have simply established a continuing arrangement for the discussion of the interface of the policies of the federal government and the provincial governments which touch upon the area of education. It is a method for communication and for discussion of questions of common interest and common concern. Certainly, it does not represent any desire on our part to interfere with or to supplant the council of ministers of education, nor is it in any way an attempt to displace provincial responsibility in relation to education. It is, in essence, a common sense arrangement to discuss matters that are of mutual concern.

It is because of those developments which have taken place in the few months since September, which I believe were very satisfactory developments, that I believe the provincial ministers of education feel we are on the right track. I must confess to the House that I am extremely satisfied with the constructive, positive and welcoming attitude which the ministers of education have adopted in both establishing this procedure for discussion and in the substantive matters we have discussed so far. They have been extremely co-operative, and I welcome that and try to be as co-operative with them as I can. It is because of these developments, of which not all hon. members may be aware, that I thought I should indicate to the House what the situation is now. I should like to point out to hon. members that it was because of this procedural development that we placed in the bill clause 24(3) which refers to the responsibility of the Secretary of State. It reads:

—to consult with the governments of the provinces with regard to the relationship between the programs and activities of the government of Canada and of the government of the provinces that relate to post-secondary education.

I believe that subclause in the legislation embodies or crystallizes the practical and common sense arrangement which we have worked out with the provincial governments.

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, wearing a blue flower in my lapel, and with memories of a grand convention held just one year ago, I should like to add my congratulations to the hon. member for Rocky Mountain (Mr. Clark) for a most successful first year.

Some hon. Members: Hear, hear!

Mr. Paproski: Even Simma thinks he is great.

• (1540)

Mr. Schellenberger: I invite hon. members to reread in *Hansard* what I thought was an excellent speech given by my colleague the hon. member for Lisgar (Mr. Murta) yesterday. I thought his speech was very well delivered.

Some hon. Members: Hear, hear!

Mr. Schellenberger: I wish to make just a few comments in this debate on federal-provincial fiscal arrangements. I would like to leave the details of these arrangements to my colleagues to discuss. My concern is about the way the agreement was arrived at. In December of 1976 the 11 first ministers met in Ottawa to iron-out the details of this new federal-provincial cost-sharing scheme. Eleven individuals had the responsibility to determine a new economic relationship which will affect all Canadians.

The use of federal-provincial conferences has increased tremendously in the past few years, yet few of us have taken the time to examine the implications of this type of decision-making. Federal-provincial conferences deny elected officials from provincial legislative assemblies and from the parliament of Canada the opportunity to represent the views of their constituents. Instead of being based on the collective will as represented by members of legislative assemblies and members of parliament, the decisions arrived at in a first ministers' conference are based on the will of only 11 individuals. While I have few doubts about the competency of these first ministers, I resent the fact that these men are speaking for all of Canada when they do this without a resolution of either the elected assemblies of the provinces or a resolution of the House of Commons. The people of Canada have elected federal and provincial members in the belief that these men and women will not only represent their views but, also, that this representation will have some impact on policy formation. However, when the policy formation takes place at a federal-provincial conference it is clear that we, as elected representatives, have no way of making known the views of our constituents.

The first ministers' conference is a very vivid example of the present trend toward technocratic decision-making in Canada. Unable to comprehend the technicalities of each issue, the premiers and the Prime Minister (Mr. Trudeau) come to these conferences armed with a battery of advice and expertise provided to them by public servants. The power of these bureaucrats has reached awesome proportions, and as a result of this increased power the phenomenon of top-down legislation has emerged. Policy originates in the cloistered offices of government departments in Ottawa and only slowly and sporadically seeps down to the general populace. The bureaucrat makes plans without assessing the interests of the citizens to be affected by those plans. After implementation of a certain policy he compounds his first mistake by failing to arrange for adequate and instantaneous feedback on how the policy is working. Insulated from the real wishes of the citizenry which he claims to serve, the bureaucrat assumes the right

to set social goals by himself or he accepts them blindly from some higher authority. As a result, individual citizens are becoming increasingly alienated from the political process.

As the elected officials of this country, we have the opportunity and, indeed, the responsibility to combat this alienation. In our capacity as members of parliament, MLAs or municipal councillors, we must make an active and determined effort to become familiar with the wishes and wants of our constituents. Canadians are in an excellent position to offer constructive input. The educational level of our citizenry is higher than it has ever been. It is time that we tapped the knowledge, experience and common sense of ordinary Canadians. Only by doing so will we have the tools necessary to help us in our search for good government policy.

In politics, as in industry, health and welfare and in education, goals have been set without the participation of those affected by them. Such goals will be increasingly hard to meet as citizens become more and more removed from the actual process of establishing them. What we need in this country is a dramatic reassessment of where we, as Canadians, are going. This reassessment must not be made only by politicians, sociologists or the elite, but by the people themselves. All of us must ask ourselves what kind of country we want to have ten, 20 or 30 years from now. Let us talk to the people of our provinces and to the people of Quebec. I believe we should attempt to reactivate the town hall meetings of an earlier era and rekindle the spirit of citizen participation which contributed so greatly to the strength of Canada. Only when people from all walks of life—students, parents, professionals, workers, intellectuals and executives—get together to discuss the options for the future can we be assured that we will have the guidance and the ideas we need.

From time to time all of us feel left out—those in the west, those in Quebec, those in the maritimes, and even, I am sure, those from the great province of Ontario. However, this feeling of alienation does not have to be an inevitable aspect of modern society. We can, and must, construct a system of feedback and of input to all government levels from all people. In light of the Parti Quebecois position on separatism, it is not just advisable that we open the lines of communication; I believe it is imperative.

Among industrialized nations, the United States has led the way in efforts to reinvolve the citizenry in the political process. Recently, the state of Washington conducted a very successful experiment in citizen participation. In its previous attempts to arrive at long-range plans for the state, expert reports had been relied upon and had regularly proved fruitless. Under the slogan "You are the experts", a massive information campaign was launched in the state. A questionnaire was circulated asking citizens what kind of country they wanted to live in in the year 2000. The views of individuals and groups within the state were assembled, and on the basis of these attitudes a citizens' committee selected 11 alternative policies for the future of the state of Washington. A broad publicity campaign was again launched in the press and on television asking citizens for comments on the 11 policy options. After receiving this additional public input the governor of the state of Washington selected the priorities to be followed by government officials in the years to come.

[Mr. Schellenberger.]

While the idea of such extensive citizen involvement in the policy formation process is extremely innovative, there is no reason why the Washington model could not be adapted to Canada. Whether on a munipical, provincial or national level, consultation with the citizenry would allow for a more democratic decision-making process and a more coherent plan for the future. As a preliminary step we, as members of parliament, might start to canvas our own constituents for their opinions as to what kind of Canada they would like to see by the end of this century. This would force both ourselves and the people we represent to look at the possibilities and the constraints involved in planning for the future.

I ask hon. members to take some time to consider these ideas. The problems facing Canada—whether they be those regarding the economy, the environment, unity, or the quality of life—cannot be resolved solely by the technocrat tools of government bureaucrats. Their input is important, but it must be supplemented by the wisdom of Canadian citizens.

• (1550)

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, Bill C-37, an act regarding federal-provincial fiscal arrangements, comes before parliament at a time when Canadian confederation faces its most serious challenge in our history. All parties in this House agree on the need to maintain our federal system. I think we all believe that the separation of Quebec from the rest of Canada would have serious consequences for that province and for the rest of Canada. The main question which members of this House and the Canadian people must consider is: how can we persuade the people of Quebec that it is to our mutual interest to retain confederation? I submit it will not be done by making inflammatory statements or taking inflexible positions. It will not be done by making the issue a personal contest between the Prime Minister of Canada (Mr. Trudeau) and the Premier of the province of Quebec.

Miss MacDonald: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): It would be unfortunate if the debate on federalism were to degenerate to that level. In the final analysis, the decision to hold Canada together will rest with the people of Quebec. It is our job to convince the people of that province that it is in their best interest to remain in confederation and to assure them that they can safeguard their language, culture and traditions within a federal system.

The federal government has not done too well in this regard. In 1968, when the Prime Minister led his party's general election campaign of that year, he poured scorn on the suggestion of the hon. member for Halifax (Mr. Stanfield), then the leader of the Conservative party, and on my suggestion, then as leader of the New Democratic Party, that we should consider the concept of "des deux nations," that we should

consider a particular status for Quebec despite the fact that Quebec has had that particular status since 1867. The Prime Minister told the people of Canada that his inflexible position would ensure a one-Canada policy. In 1968 the Parti Quebecois had the support of about 8 per cent of the people in the province of Quebec. Now, in 1977, they are the government of the province of Quebec. Surely that ought to teach the government and the rest of us something, that the approach to this problem must be one of flexibility, good will and understanding. I think that the Prime Minister in recent weeks has begun to relent; he is now somewhat less adamant than he has been for the last nine years.

I am not so naive as to think that concessions offered to Quebec will change the minds of confirmed separatists. I think those who are convinced that Quebec should become a sovereign power probably hold that position so firmly that no amount of concessions will make any difference. It would be wrong to make concessions which could weaken the national government of this country to the point where it had not the necessary powers to govern the country and to enable this country to operate as a nation. I am equally convinced that a majority, probably a substantial majority, of the people of Quebec want to remain in confederation if they can be convinced that within the federal system their province, along with the other provinces of Canada, will be treated fairly and justly. It is the responsibility of the House of Commons to demonstrate that under our federal system all regions of Canada are treated equally and fairly. Unfortunately, the government has chosen this particular time to introduce a measure which is both unfair and discriminatory.

The provinces are being compelled, with a gun at their heads, to accept a revision of fiscal arrangements, a revision which has enabled the federal government, under the guise of a restraint policy, to transfer many of its financial burdens to provincial governments, provincial governments which have a narrower financial capacity than the federal government for coping with these burdens. Hon. members have heard talk, for example, of the revenue guarantee program and the changes the federal government has instituted unilaterally. Those changes will mean a reduction of over $400 million in the revenues our provinces will receive.

Also let us consider cost-sharing programs. Under those programs provinces formerly were entitled to claim from the government of Canada 50 per cent of the money they spent on hospital insurance, medicare, post-secondary education and welfare expenditures incurred under the Canada Assistance Plan. The Secretary of State (Mr. Roberts) said this afternoon that the provinces will be pleased with this change, with this alteration in the 50-50 division of expenditures, because it will relieve them of the necessity to spend dollar for dollar what the federal government spends. Surely that statement was the height of absurdity, for it was the federal government which was required to spend dollar for dollar what the provinces spent. Now the provinces will have certain responsibilities in these important areas without any assurance that the federal government will match their expenditures dollar for dollar. Instead, the provinces are to be given tax points for personal income tax, corporation taxes and cash grants.

A government spokesman argued that this change to tax points and cash grants will provide the flexibility which the old 50-50 cost-sharing programs did not provide. That argument will not hold up under examination. It is true that under the 50-50 cost-sharing program there was a certain lack of flexibility because the federal government said it would only meet certain costs on a 50-50 basis. Consequently, the provinces were compelled more and more to build acute treatment hospitals instead of more nursing homes, instead of providing home nursing services and instead of providing meals on wheels. That flexibility could have been provided within the 50-50 cost-sharing program by saying to the provinces, "We will meet 50 per cent of what you spend on hospital insurance, medicare, post-secondary education and welfare assistance, no matter whether you divert it to one part of the program or to another aspect of it."

• (1600)

One of the most unfair features of the tax points system is that it treats the provinces differently. One tax point can mean $10 per person in one province, and $4 per person in another. Surely that is manifestly unfair. The inevitable result will be that some provinces will get more revenue from these tax points allocated to them than other provinces. Consequently, some provinces will be able to establish a higher standard of service in cost-sharing fields than other provinces. We will have destroyed what has been a matter of pride in this country, namely, that we have national standards for hospital care, medicare, post-secondary education and welfare. When we begin to have different standards for these important services for the people of Canada, we embark upon a road which will lead eventually to the balkanization of this country. The government is moving in a dangerous direction when it undertakes such a step. Inevitably, depending upon tax points for financing a substantial part of this program will result in disparities between the provinces.

Yesterday I listened to the hon. member for Kingston and the Islands (Miss MacDonald). As reported at page 3241 of *Hansard* she made the statement that the hon. member for Oshawa-Whitby (Mr. Broadbent) was less than honest when talking about this disparity of treatment between the provinces because of the transitional tax equalization provisions. I have tremendous respect for the hon. member for Kingston and the Islands. However, I ask her to look at the total picture—not at any estimate which I have made, but at the figures which have been filed by the Department of Finance. I invite the Minister of Finance (Mr. Macdonald) to make these documents available to the members of this House and certainly to make them available when the bill is being discussed in committee.

On the basis of the tax differences on the total receipts which the provinces will get from the fiscal year 1977-78 to the fiscal year 1986-87, a ten-year period, what do we find? We find that in the ten years covered the province of Ontario will have a cumulative increase of $1,300 million. The province

of British Columbia, which gets nothing for the first six years, will get a cumulative increase of $200 million. The remaining eight provinces of Canada will get no increase at all for the first nine years. In the last year the amounts of money will be negligible: Newfoundland, $1 million; Prince Edward Island, $200,000; Nova Scotia, $1.9 million; New Brunswick, $1.3 million; Quebec, $10.4 million; Manitoba, $1.7 million; Saskatchewan, $1.7 million; Alberta, $1.6 million.

Outside of Ontario and British Columbia, the other provinces in the first nine years, according to the government's own figures, get no increase. I submit that this is equalization in reverse. The two provinces with the highest per capita income will get more money, and Ontario will get more money every year. The poorer provinces will get nothing by way of an increase in the first nine years. I submit there is something seriously wrong with this system of tax points. It can only lead to continual aggravation of the disparities which now exist between the wealthy and the poorer regions of Canada.

This scuttling of the 50-50 cost-sharing arrangement, replacing it with tax points and cash grants, leaves all the risks to the provinces. Under the 50-50 sharing program they knew that if they spent $1 million the federal government would match it with $1 million. Now they are entirely dependent upon what the tax points allocated to them will bring in. Therefore, any decline in the gross national product will affect them adversely.

Every member knows that the amount of sickness in the country, the number of people who have to be taken care of through welfare, and the number of old people who have to be given custodial care, does not go down because the gross national product has gone down. If any government is in a position to take the risk of a drop in the gross national product, it is the federal government. It has some responsibility in that situation. However, the provinces will have to bear the burden of increased costs at a time of economic recession, the very time when the revenues they receive to meet adverse economic conditions will be declining.

Under the proposals in this legislation there will be very little for new programs: the amount available is negligible. The provinces will receive one-half of a tax point equalized to the national average, plus an equivalent amount in cash. This is estimated to give the provinces between $200 million and $400 million over the next five years, despite the fact that the Minister of National Health and Welfare in 1973 offered the provinces $600 million over the following five years.

● (1610)

My hon. friend from Winnipeg North Centre (Mr. Knowles) has already explained what this change in financial arrangements will mean in the field of adult care. Whereas under the Canada Assistance Plan costs have been shared 50-50, the provinces are now going to get eight tax points, and for the purpose of providing adult care, $20 a head. What will be the result of that? Look at the discrepancies. British Columbia, an additional $23 million; Ontario, an additional $50 million; Alberta, an additional $19 million. Prince Edward Island will lose $2 million; Saskatchewan will gain $2 million; Manitoba will gain $800,000. But next year the amount will decline. Is it any wonder that the Saskatchewan minister of finance, according to a report in the *Globe and Mail* this morning, said:

> The federal decision to change the method of cost-sharing is a cruel blow to the aged and handicapped in Saskatchewan. Where we had hoped to provide a significantly enriched level of service, we now will find it extremely difficult to do so, given the loss of federal cost-sharing dollars.

He went on to say:

> The $20 per capita will barely cover our losses under the Canada Assistance Plan in the first year. In future years we will actually receive less money. And with less federal money we are expected to increase the range of low-cost health services in the provinces.

I do not think any hon. member who looks carefully at this situation could fail to agree that in times of economic adversity the responsibility of the provinces increases. This legislation makes it almost certain that provincial revenues will decline at the precise time when economic adversity makes itself most felt. I want to suggest to the government that the least it could do when this obnoxious legislation goes to the committee would be to average the tax points for the cost-sharing programs to the highest province, in order to remove the disparities which are inherent in this bill. Levelling the tax points to the highest province would remove some of the disparities. Moreover, it would not leave the provinces to take all the risks, and it might provide some funds for developing new programs.

I might point out that this is the position taken by the provinces themselves. I have in my hand a copy of a speech which was delivered at the conference of finance ministers on December 6 and 7, 1976. It was made by the hon. Merv Leitch, the provincial treasurer of Alberta, on behalf of all the provinces. I underline that fact. This was one of the few occasions at a federal-provincial conference when one spokesman was able to present the views of all the provincial representatives. I will read just one paragraph of what he had to say on behalf of all the provinces.

> It is essential to our proposal that these tax points be equalized to the level of the highest yielding province. The proposed equalized tax point transfer is viewed as having a very special purpose. It would permit all provinces to benefit equally from the increasing yield of the tax points. At the same time, it would provide all provinces with the potential to achieve the same standard of per capita program expenditure. As the Prime Minister stated last June: "There should be greater equality in per capita terms among the provinces with regard to the amount of federal funds they receive under the programs." This is a federal principle that all provinces endorse. We are not prepared, however, to accept any disparity. It would be illogical to equalize to the national average if the number of points to be transferred were calculated with reference to the province with the highest per capita yield. More importantly, it would be inequitable because it would lead to wide divergences in the per capita value of the total federal contribution.

He went on to say:

> We emphasize that we are not seeking equalization to the top for general equalization.

In other words, the provinces were not asking for general equalization financing. They were urging that in this cost-sharing program the tax points allotted to the provinces should be equalized to the highest province in order that there might be no disparities and in order that the per capita benefits to the

provinces would, on the whole, be the same right across Canada. I submit that failure to act in this way will result in a patchwork of standards across Canada. It will create second-class citizens in some regions. I find myself obliged to ask the government whether this is the best they can offer the Canadian people. In particular, I ask whether this is the best they can offer the people of Quebec whom we are seeking to persuade to stay in Canada because we support each other and co-operate to provide fair and equal standards across the country.

One of the questions which every member of parliament ought to ask, and one which I hope the people of Canada will ask themselves, is this: why do we wish to retain a federal system? We are not likely to keep Canada together by rhetoric and sentiment. There must be a *raison d'être* for staying in the Canadian family. Like all members, I have emotional ties with this country. All of us have warm recollections of various regions of Canada, its environment, its scenery, its people. All of us are challenged by the possibility of building in Canada a society which is different, a country whose tolerance and diversity make it outstanding. But I base my belief in the need to retain a federal system in this country on three things. First, I believe that only a united Canada can give us true national independence. I am an independent. I believe in independence, not Quebec independence but Canadian independence. And we have not got it. No country is independent when two-thirds of its economy is owned outside its borders. No country in the world today finds more of its resources held by foreign corporations than has Canada. We shall not achieve independence by breaking this country into fragments. There is a much better hope that Canada can be independent by staying together than by breaking up. One of the first areas to be absorbed would be the province of Quebec where they would lose what has been theirs ever since 1760—the right to their language, their culture and their legal system.

● (1620)

I believe that economic progress is more likely if we have a national government with the constitutional powers necessary to promote economic growth and full employment. You cannot appeal to people in Quebec in connection with the benefits of federalism as long as there is 13 per cent unemployment in that province; they are not going to believe you. The Premier of Quebec says he wants to establish a customs union and common market. I want to point out we already have that in Canada. In the northern half of this continent we have a great free trade area in which goods, people and capital move freely back and forth. When the Premier of Quebec says he wants to have a customs union that is something similar to the European Economic Community, I think he should be reminded that the European Economic Community is moving eventually toward political union, not away from it, and that to take any part of Canada out of confederation is to move against the stream of history. It should be remembered that there is little value in pulling out of Canada if it means we are going to have something which is not as good as we have at the present time.

I believe the people of Quebec as well as the people in the rest of Canada will understand that if we have a national government which applies itself to the economic growth of this country, to solving the problems of unemployment and the disparity between the different regions of Canada, then we are giving Quebec an inducement to stay in confederation.

Finally, I believe in a federal system, because by co-operating together we can attain national standards of health, welfare and education which guarantee all Canadians the basic rights of human well-being no matter in what region they may reside.

My quarrel with the legislation now before us is that it fails to provide equality of opportunity at a time when we need to be demonstrating the worth of Canadian federalism. This legislation is a retrogressive measure which undoes the work which was done by people like the right hon. W. L. Mackenzie King, the right hon. Louis St. Laurent, the right hon. member for Prince Albert (Mr. Diefenbaker), and the right hon. Lester B. Pearson.

Mr. Parent: And Trudeau.

Mr. Douglas (Nanaimo-Cowichan-The Islands): My hon. friend says, "And Trudeau". I will come to the Prime Minister (Mr. Trudeau) in a moment, if he wants me to. I had the privilege of sitting in federal-provincial conferences with Mr. King, Mr. St. Laurent and the right hon. member for Prince Albert, and I sat across the House when Mr. Pearson was prime minister of this country. One of the things that characterizes these four ex-prime ministers of Canada is that they were convinced that if we were going to hold this country together we had to maintain certain national standards so that all Canadians, no matter whether they live, on the Pacific coast, the Atlantic coast, the north or the south, no matter what their language, creed or racial origin, will get fair and equal treatment and that there will be no second-class or third-class citizens in this country. My hon. friend across the way wants me to add the Prime Minister to my quartet. He is heading a government which right now is moving to destroy these national standards.

Some hon. Members: Oh, oh!

Mr. Douglas (Nanaimo-Cowichan-The Islands): This is a government which is moving backwards to create disparity between provinces, which can only result in resentment and hostility; and if it is carried far enough it could lead to the dismemberment of this country.

Mr. Parent: What you are saying is not worthy of you. You should know better than that.

Mr. Knowles (Winnipeg North Centre): Just read Bill C-37.

The Acting Speaker (Mr. Turner): Order, please. The hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) has the floor.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the hon. member seems to be getting very excited. I can only assume he has not read the bill; or if he has, he does not understand it. The fact is that this bill will destroy the very thing which since 1945 successive federal governments have been seeking to establish, namely, national standards for the people of Canada by which the federal government, through equalization payments and sharing the cost of programs on a 50-50 basis, could assure that a little province like Prince Edward Island would be able to give its people services that are comparable to the wealthiest province of Canada, the province of Ontario. I have shown, by using the federal government's own figures, that rather then equalizing revenue, the bill before us gives the preponderance of that revenue to the wealthy provinces at the expense of the poorer provinces.

Let me conclude, Mr. Speaker, by saying that if this country should break up—and God forbid that should happen—it will be because we have failed those who have gone before us. This country was founded by men and women who had a dream that it was possible to bring together diverse groups of people with different cultural backgrounds, who spoke different languages but who could live together in a spirit of tolerance and good will. They believed it was possible that the strong would help the weak, that the wealthy provinces would help succour the poorer provinces and that we would build a standard of Canadian living which would be our pride. If we fail to do that, then we are not worthy of those in whose footsteps we follow. My plea to the Canadian House of Commons is that we should make up our minds that we will not allow either apathy or bigotry to destroy the Canadian dream.

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I want to begin by assuring all members that I am not standing up to disagree with the noble sentiments expressed by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas). All members, all federalists in the House and in the country, must surely support the goals he has put before us. What I am standing up to say is that this is not a bill which will destroy Canadian federalism. What would destroy Canadian federalism would be to take the kind of position that that hon. member advocated. It is true that we have achieved high national standards in the field of health, the field to which he referred particularly and to which I will return in a moment. But what is the trouble with the socialists in this House is that they have no confidence in the provincial governments to maintain these programs which constitionally are under their responsibility.

Socialists want to centralize all power. They want Ottawa to determine what should be the level of post-secondary education. They want the federal government to determine what the level of help should be. They want the federal government to determine the way hospitals should be run.

● (1630)

Mr. Douglas (Nanaimo-Cowichan-The Islands): Nonsense.

[The Acting Speaker (Mr. Turner).]

Mr. Kaplan: More centralism is not the salvation of federalism in Canada. The salvation of federalism in Canada is to enable the provinces to do things within their constitutional jurisdictions. And that is what this legislation is about.

It is not a question of money. I am going to come to the question of money in a moment, because the socialists even have that backwards, though thankfully the hon. member for Kingston and the Islands (Miss MacDonald) did not. The hon. member for Nanaimo-Cowichan-The Islands read a chart to try to show—wrongly, I will argue, and as I will demonstrate—the perverse impact of equalization payments.

There is a certain irony in listening to opposition parties as they talk about the government's legislative program. Yesterday I listened to the hon. member for Winnipeg North Centre (Mr. Knowles). I will summarize what he had to say and then read some of his remarks. If this legislation goes through, the hon. member for Winnipeg North Centre—

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I realize the hon. member is confused, but he is referring to the hon. member for Winnipeg North (Mr. Orlikow).

Mr. Kaplan: Thank you. If this legislation goes through, he argues, the quality of post-secondary education will go down; student tuition fees will go up; post-secondary education institutions across the country will be threatened, and many will have to close; it will be more difficult for young Canadians to get a good education. Looking at the aspect of health, he says the health of Canadians will be adversely affected by this legislation; their health will begin to deteriorate; high user charges will have to be introduced, he argues; and says it is not far down the road before the quality of medical care will go down. Let me quote a few sentences from what he said yesterday. As reported at page 3271 of *Hansard*, he said:

> The provinces will have to reduce the level of service they have been providing. Fewer young people will be able to attend our universities and community colleges. There will be less of a guarantee of payment for hospital care. People will not receive the same kind of service from their doctors. Either all that will happen or the provinces will have to increase their fees. University fees will have to be increased substantially. It will be necessary to implement a deterrent fee for those entering hospital. It will be normal for people to have to pay a charge to see their doctor.

Doom and gloom, Mr. Speaker. That reminds me of what the Conservative party was saying ten years ago when medicare was introduced. I do not have the appropriate *Hansard* before me, but I can get it if necessary. They said that if we entered this program the quality of medicare would go down. What has happened? The quality of medicare has gone up. They said doctors would leave the country in great numbers if the program—the changes to which are now of such concern to the socialists—were introduced.

On the contrary, in the last few years there has been a net immigration of doctors under this legislation, not emigration. They argued ten years ago that medical schools and universities would close down and thay young people would stop wanting to be doctors. The opposite has happened. In the last ten years not only have medical schools been as full as ever,

but more have had to be built. They said the cost of health care would go way up. What do we find in fact? We find that we put less of our gross national product into health care than the United States, where they do not even have universal coverage. Our system is less expensive than the free enterprise system that the Conservatives tried to retain.

There was the same kind of gloom and doom from the Conservatives ten years ago when the programs were introduced. Now that the government is bringing forward changes consistent with federalism we are hearing gloom and doom from the socialist party about things that will not happen. The level of post-secondary education will not go down, and the quality of medical care will not go down. I doubt if user charges will be introduced, although that will be a matter of jurisdiction for the provinces. That is the constitutional responsibility of the provinces, and it is largely up to them under our federalism to control the quality and level of post-secondary education and medical care that they receive.

I can hear the New Democratic Party getting ready to come back with figures about cost. The change from cost-sharing to tax points proposed in the legislation, they say, takes it out of the power of the poorer provinces to maintain the level of medical services. That is another irony, Mr. Speaker, because exactly the opposite is going to happen. Tax points are far more dynamic and bouyant than costs. It has been shown in the past, and will continue to be true, that the value of tax points will increase faster than the cost of medicare programs and post-secondary education programs. Tax points are something the provinces want; they grow faster than costs.

Mr. Douglas (Nanaimo-Cowichan-The Islands): If you believe that, give them a revenue guarantee.

Mr. Kaplan: I will come to the revenue guarantee. What about poorer provinces? Their tax points are worth less there than the tax points of other provinces, they say. But this legislation does not just give the provinces tax points; it gives them tax points equalized to the national average. The hon. member for Nanaimo-Cowichan-The Islands read some figures. I do not know where he got them from, but he said they were transitional payments to provincial governments. That is not equalization; and the fact that British Columbia and Alberta were getting the highest transitional payments demonstrates that under the cost-shared programs the greatest beneficiaries have been the richest provinces. In the transitional period they get the biggest benefit because they get the biggest benefit from cost-shared programs, both the ones before us today and all other cost-shared programs. Fifty per cent has to be produced by a province, rich or poor, to get a matching 50 per cent from the federal government. It has been easier for Ontario, British Columbia and Alberta to buy federal help.

The tax points will be turned over to the provinces whether or not they spend the money on these programs. We hope they will spend the money on these programs, but it will be up to provincial voters ultimately to determine the level of services which the provinces provide. It is in them that the constitution has reposed that responsibility.

Wanting to support federalism that truly works, we are putting tax resources back behind the provinces, which is the level of government that has responsibility over these programs. Tax points are equalized. That is important. We have to look at the correct chart and not at the one the hon. member read on transitional payments. If we look at the chart on equalization payments, we find that when a poor province receives a tax point, if it received less than the national average the federal government—out of the taxes of the rest of the country—will make that amount up to the national average. So tax points for the poorer provinces are equal to the national average. Far from moving away from financial responsibilities for these programs, the federal government retains responsibility for keeping payments equalized to make sure they are as valuable to any particular province as they are on the national average.

Some hon. members may ask why the provinces are not cheering with joy if this legislation is as good a deal as I have described. They are not cheering because they got together—the hon. member for Nanaimo-Cowichan-The Islands paid tribute to them for this—and agreed on the position to present to the federal government.

It was very easy for them to agree on the highest common denominator of the demands of provincial governments. That was not an agreement, Mr. Speaker; it was a shopping-basket that contained the maximum demands of every province. I do not know if it can be called an agreement. The provinces that were concerned about tax points got tax points; the provinces that are poorer and looked to tax points said, "Let's have them equalized up to the highest level, the level of the province that is best off." It is an agreement for the provinces to get together and say, "Let us demand both", and then the demands of those provinces that prefer the cost-sharing programs, the ones that are able to write cheques for 50-cent dollars and expect the federal government to make up the rest of it, are in that shopping-basket as well.

● (1640)

I attended those meetings. I attended the finance ministers' conference, then the first ministers' conference, and then the finance ministers' conference that followed—and I am not surprised that the provinces went away sounding angry. They wanted the revenue guarantee to be continued which, when it was introduced, was clearly identified as a three-year transitional program. Then it was extended to be a five-year program. The five years are over and the responsibility of the federal taxpayer to transfer funds to the provinces has ended. I am not surprised that the provinces want the program to be continued, but the fact is that the federal government never agreed to continue it. It was put forward definitively as a five-year program. I am not surprised that the provinces are angry, but also I am not surprised that the federal government stuck to its guns and insisted that the guarantee program end after five years.

There is legitimate federal concern about the transfer of tax points. I think that those of us who want to see a vigorous

federalism recognize that we need to have a federal government that is capable of moving in and supporting various national programs. When some of the poorer provinces express concern about the number of tax points, what they mean is that as more and more tax points are transferred away, the federal government loses the economic base which it needs to provide assurance of some level of national standards.

I do not know how far Ottawa can go on turning over tax points and still retain the power of equalizing, because equalization is funded out of the remaining tax points that the federal government continues to collect. At some point—and I would argue that we are fast approaching it—the federal government should take the position that this is as far as it will go. We cannot guarantee revenues indefinitely. We cannot equalize to the highest average and still give ourselves the economic base to ensure that this country has national standards in areas where these become endangered. It concerns me that the federal government may lose the economic clout that it needs to do its job.

I am not worried that the poorer provinces will no longer be able to continue to meet their responsibilities under these programs. That argument is a red herring. I am not worried that some of the provinces went home sounding angry, or that all the provinces went home with something to grumble about. They did not get 100 per cent of what they wanted. But if they had received it, they would have emptied the federal resources to such an extent that Canada would have been seriously weakened; we would have lost the power of manoeuvrability that the federal government, at the centre of so large and diverse a country, requires.

We do not expect the provinces to come cheering about this fiscal arrangements act, but what is disappointing is to find the opposition parties dragging out red herrings and attacking them, instead of wondering—in what I would submit is a more critical issue—where the federal government goes from here. Is our federal tax base adequate to discharge our responsibilities in a diverse country which is threatened, as we all know, by all kinds of internal and external problems?

Mr. Jake Epp (Provencher): Mr. Speaker, I am pleased that I can participate today in a debate on this bill on federal-provincial fiscal arrangements. Members of the House are in a difficult position as we debate this bill, in that we are facing a plan which has already been agreed to by 11 persons, namely, the first ministers of every province, and the federal Prime Minister (Mr. Trudeau). So we are facing a fait accompli. We are really asked to give rubber-stamp approval to something that has been hammered out behind closed doors.

I think I understand that much of the negotiation that takes place between the federal and provincial governments must take place behind closed doors. Obviously, every one of the persons involved comes to the bargaining table with a plan of what they would like to see incorporated in any agreement. Also, I am sure, in their more realistic moments—after they have looked at the losses—they say, "This is what I must have in order to go back to my provincial electors and say to them that I have bargained in good faith, and this is the best I could get".

I understand that. But what I feel is basically wrong with the approach of the government is that at no time prior to the negotiations were we given, in the House, an opportunity to discuss the broad outlines of what we are debating. All we can do now is say "Yes" or "No". We are in the same position in which the provinces found themselves when they were told, "Here is the deal—take it or leave it. But we have decided that this is what the deal will be". I know, as I look at members of the House who have attended these negotiations personally, that the federal government proposed a program and sugar-coated its proposals in such a way that the provinces had no alternative but to opt in. However, once having opted in, as the years went by the rules were changed—again by the power of the federal government. The government wonders why there are strains in federalism. I think it is self-evident. A strain is bound to occur in the system if changes are brought into the rules of the game halfway through the game which was played in good faith.

There is no question that the provinces will have to bear an increased burden. Not only will there be an increased burden on the provinces but there will be an increased burden on the municipalities. We all know that the municipalities have not seen an appreciable increase in the base on which they can collect taxes. It has been primarily the municipal land tax on which they have relied. Also, throughout Canada they have gone to their provincial governments and said, "If we are to provide the basic services of transportation, education, and the basic infrastructure to run municipal organizations, we will need more tax points from the provincial governments". But the provinces do not have the ability to bring more money to municipal affairs. In fact, the Manitoba government desperately tried to project to Manitobans the financial straits in which the provincial government finds itself. In Manitoba 40.5 per cent of the federal tax is for the provincial government and another 2 per cent goes to the municipal governments, for a total of 42.5 per cent. The provincial rate is 42.5 per cent of the federal rate. Already an attempt is being made to project the fact that the provinces will not have the ability to give municipalities the resources which are needed for services.

• (1650)

In this discussion I want to give the House my views on how I see the federal state operating. I want to do this not in a partisan manner but to present to the House the feelings of a person who has lived in western Canada all his life and who is, first of all, a Canadian. I am sure all members of this House are in that position, but if we are to understand the federalist system and if we are convinced that unity must be preserved we must also be bold enough to present to the House the position our constituents back home are taking. Having said that, how do we see our responsibility, as federal officials, to bring to the attention of our constituents the reasons Canada should remain a country and, why unity is so desperately important and the federal union must survive?

The very fact that Canada is a federalist state already should be an indication to all of us that we have a unique situation in this country. The fathers of Confederation did not choose a unitary state. When only four provinces were joined, a federalist state was created. It was recognized then that the various parts did not have the same background or the same language, and while their first aspiration was a united country, they also knew that that country would not survive if the decisions of a central body were to be forced on the collective parts. The very fact that we have a federalist state demands from all of us that tolerance has to be shown and, especially in a federalist state, that need for tolerance is extremely important.

In 1968 the Prime Minister came to power. He was elected by the majority of Canadians. I think all of us would admit that he was the repository of a tremendous amount of good will throughout the country. In fact, even those of us who did not support his party in 1968 had to admit that many people in our areas supported the Prime Minister and what he stood for.

Mr. Brisco: How times have changed!

Mr. Epp: Indeed, how times have changed! But I think we would all admit that that was the case in 1968. The Prime Minister said very clearly at the time that he was going to bring Quebec into the mainstream of Canadian life. The majority of Canadians accepted those words at face value, hence the election of the Prime Minister. That question has dominated Canadian affairs for the entire tenure of the Prime Minister. What have been the results? In a long and wide-ranging article which appeared in the *Economist* dated February 12, 1977, the writer went into great detail not only with regard to Canada's federalist future but also with regard to an analysis of the various parts of Canada. The writer said this about the Prime Minister's record:

> Canada is not a unitary country and never has been; it is Mr. Trudeau's tragedy that he has failed to make it one. Perhaps he has exhausted his role as a leader of all Canada by concentrating too exclusively on federal solutions for Canada's problems, when the provinces have been demanding more room in government for themselves.

Further in the article the writer said:

> From the Pacific until one reaches Ontario, Ottawa and Mr. Trudeau are anathema—focal points for a paranoic hatred of so much that the federal government has done to redistribute their wealth to the poorer provinces east of the Ottawa valley and to force them, as they say in their morbid shorthand, to learn French when they did not want to. To this observer, federal Canada seemed vulnerable—

An hon. Member: Who wrote that?

Mr. Epp: At the beginning of my remarks I said I was going to try to show the House the point of view of western Canada on how to bring about a united country. The carping of hon. members opposite will not help in any way. However, I want to continue what I have to say. What about the view which has been expressed so frequently in the last few days? In the press there has been an overabundance of speculation that in the west there is no recognition of the aspirations of Quebec. I was deeply moved by the comments of the hon. member for Lisgar (Mr. Murta) yesterday. He spoke as a western Canadian and put forward his view, and the view of his constituents with respect to Quebec staying in confederation, very clearly. As western Canadians, we want Quebec in confederation.

Some hon. Members: Hear, hear!

Mr. Epp: As western Canadians, we also want to be part of confederation. That is Canada.

Some hon. Members: Hear, hear!

Mr. Epp: With great respect to hon. members opposite, I say that more attention will have to be paid to what the west is saying—although not by way of blackmail. It is saying it has some legitimate grievances and legitimate aspirations. We in the west believe that we can contribute to the Canadian confederation.

Mr. Speaker, if I may call it five o'clock, I will continue at eight o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Pursuant to Standing Order 40, it is my duty to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Carleton-Charlotte (Mr. McCain)—Fisheries—Extensive herring kill in Bay of Fundy—Request for determination of cause and assistance to fishermen; the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall)—Transport— Request of Atlantic provinces for funds to improve TransCanada Highway—Government position; the hon. member for Surrey-White Rock (Mr. Friesen)—External Affairs—Cuba—Suggested reconsideration of relationship in view of support of Rhodesian guerrillas.

[*Translation*]

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, private bills and notices of motions.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

Mr. Deputy Speaker: Motion No. 12, in the name of the hon. member for Simcoe North (Mr. Rynard).

Some hon. Members: Stand.

Mr. Deputy Speaker: The motion stands at the request of the government.

Statistics Act

STATISTICS ACT

AMENDMENT TO PERMIT PERSONS WHO OBJECT TO ANSWERING QUESTIONS TO DO SO WITHOUT PENALTY, ETC.

Miss Flora MacDonald (Kingston and the Islands) moved that Bill C-213, to amend the Statistics Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

● (1700)

She said: Mr. Speaker, the purpose of Bill C-213 is to remove from the Statistics Act the penalty provisions contained in section 29 which are directed against those individuals who refuse to answer Statistics Canada questions. The two exceptions—and I emphasize these—would be questions contained in any census of population, or agriculture. As the law presently stands, persons who refuse, or neglect to answer virtually any questions posed by Statistics Canada, are subject to criminal conviction and a maximum fine and/or a penalty of $500 and three months' imprisonment, respectively.

Before I proceed further, Mr. Speaker, I should like to announce that it is my intention to propose an amendment to Bill C-213 at committee stage. It has been brought to my attention that the effect of Bill C-213 as it presently stands would be to exempt corporations as well as individuals from the necessity of complying with requests for information from Statistics Canada—information other than, of course, that which is solicited for the purposes of a population or agricultural census. It was not my intention when drafting Bill C-213 to have its relieving provisions apply to corporations. This unintended consequence would occur as a result of the definition of the word "person" in the Interpretation Act. According to that act, the word "person" includes a corporation. I will, therefore, be seeking at committee stage an amendment to Bill C-213 which would limit the application of its relieving provisions to individuals.

I have been advised by a spokesman from Statistics Canada that penalty provisions of the kind contained in section 29 have been a part of the legislation under which Statistics Canada and its predecessor, the Dominion Bureau of Statistics, have operated since the latter's creation in 1918. Penalties of this severity may have been appropriate in the early years of the operation of this agency when only minimal census details were requested. However, the times—and Statistics Canada—have changed. Statistics Canada is now a much more sophisticated data-collecting instrument. It is no longer concerned with merely the minimal details of the population of Canada—for example, the age, sex and number of its citizens—but is concerned with a host of other matters as well.

There is not merely a population census every five and ten years, but a whole series of complex surveys which are conducted on an almost continuous basis and which relate to areas such as the level of unemployment and the consumer habits of Canadians so far as food and housing are concerned. The recipients of these questionnaires are chosen at random by computer and are often required to complete detailed surveys, some of which exceed 16 pages in length and require considerable time to complete. People have written to me complaining that it has taken them two or three hours to complete lengthy questionnaires. In the case of the so-called labour force survey, the recipient must submit to not just one questionnaire but to a series of monthly questionnaires for a period of six months.

The questions contained within these surveys often demand of the citizen very detailed information on matters which may be of privacy to him, or her. One recent survey, for example, requested information from the householder as to the amount of alcohol and tobacco consumed. Another requested information as to the degree to which child care facilities were utilized by the respondent. The former of these two surveys, the food expenditure survey of 1974, also contained questions relating to the ages, salaries, professions, mortgages, stocks and bonds, land interests and, finally, food expenditures of the respondent and his family. This last item contained questions dealing with the amounts of money spent on meals eaten out, dry cleaning, laundry, reading material, personal care articles, the estimated cost of home-grown vegetables used, and gifts received. Space was even included for the names of the stores where the items were bought, as well as their location. The housing survey of the same year was equally detailed and contained, for example, a series of questions relating to the nature of the bathroom facilities contained within the respondent's home.

As one can see from these examples, these surveys can be extremely detailed and often contain requests for information of a personal nature which the recipient of the questionnaire, for reasons of personal privacy, may wish not to reveal. The problem is particularly acute in the case of rural and small town areas where the surveyor may be an acquaintance of the respondent. The surveyor, although he is sworn to secrecy and is subject to heavy penalties if it can be proved that he violated this confidentiality, is required, depending upon the nature of the survey, to either direct the questions verbally to the householder, in which case he also records the responses of the householder, or scan the questionnaire after it has been completed by the householder.

These practices can, naturally enough, cause a great deal of consternation among respondents. If a respondent is reluctant to answer the survey as a result of these procedures, the surveyor is—in the case of some but not all of the surveys—instructed to advise the householder that he can send the completed form directly to Statistics Canada rather than having it pass through the hands of the surveyor. I am aware of this practice. This option is not, however, sanctioned by law. It is merely a matter of policy which could, where it exists at all, be withdrawn at any time by Statistics Canada. Nor, as I am informed, is the surveyor in these cases instructed to advise the respondent of the option at their first encounter, but only after some hesitation has been expressed by the respondent.

According to Statistics Canada, the purpose of the penalty provisions within the act is to ensure that the validity of statistical information which is collected is not distorted by the refusal of some recipients to respond. But Statistics Canada also admits that the majority of Canadians contacted are more than willing to co-operate with the requests for information

without the provisions of section 29 even having to be mentioned. This raises the question why the penalty provisions are required at all. If the refusal rate is indeed so low, why is it necessary for the threat of prosecution to be used in order to coerce the small minority of Canadians who refuse, on grounds of principle, to reveal information which is in many cases of a highly personal nature? Why could not Statistics Canada simply substitute the reluctant householders with others who show no reluctance? And if the refusal rate is indeed so low, Mr. Speaker, how real is the danger of statistical distortion in the first place?

Another point I should like to raise is the extent to which section 29 is actually used as a threat. According to Statistics Canada the interviewers are not allowed to threaten the respondent with legal action. However, if they are asked they will indicate, and I am quoting directly a Statistics Canada official, "the Statistics Act provides a legal authority to collect the data." There are two difficulties with this statement. The first is that what Statistics Canada tells its surveyors may not be what they in fact do.

● (1710)

In a national survey, an undertaking of some magnitude, it is almost inevitable that a few of the surveyors chosen, no matter how selectively they are screened, will go about the performance of their duties in a manner which is heavy-handed and which would not be condoned by their superiors. The correspondence I have received from constituents and other concerned Canadians would certainly bear this out.

The second point is that the distinction between the threat of prosecution and merely having pointed out the legal authority by which Statistics Canada collects information is a very fine and subtle one. Most Canadians are law-abiding citizens who genuinely desire to fulfil their obligations under the law. Knowledge that they are breaking the law and are subject to prosecution is liable to be, for the ordinary citizen, as compelling a reason to comply with requests for information as an actual threat of prosecution itself. In fact, for many Canadians knowledge that they are breaking the law is a terrifying experience. The final point I would like to raise is that Statistics Canada indicates that prosecution of individuals pursuant to section 29 occurs very rarely and only after a great deal of deliberation by the agency. The last prosecutions arose out of the 1971 census and were ten in number.

Statistics Canada states that as a matter of policy prosecutions are laid only in regard to those refusals that relate to a census of population. If this is indeed the case and prosecutions are, as a matter of policy, brought only in regard to refusals which arise out of a population census, why ought not the law to be brought into line with the policy? Why ought we to retain in our laws extensive powers which officials say they do not use but which continue to exist nonetheless and could presumably be used, or abused, by them at some time in the future?

We must, in my view, be constantly on guard against provisions of this kind. We ought never to be content with the assurances of public officials that laws, though undesirable and unnecessary, will be administered by them in a prudent fashion. If laws contain provisions which are unused and superfluous, those provisions ought to be removed from the law once and for all.

I have no quarrel with the aims of the surveys undertaken by Statistics Canada. Indeed, I would hope and encourage Canadians to co-operate to the fullest extent with Statistics Canada in its collection of data. The surveys it undertakes provide a wealth of very valuable information which is useful in determining the social and economic policies that will be desirable for Canadians in the future. This information is of use not only to governments but also to a multitude of private individuals and institutions. However, at the same time we must have a corresponding respect for the freedom of the individual. It is necessary in this area, as in others, to strike a balance between the legitimate needs of society and the rights of the individuals that comprise it. Unfortunately, this balance has in recent years swung rather drastically in favour of the bureaucracy. The federal bureaucracy has, as we are all painfully aware, grown at an enormous pace and now involves itself in virtually every aspect of our daily lives.

We have before this House a bill, the human rights bill, which attempts to provide a certain degree of protection against the infringement of civil liberties. One of the most prized of civil liberties, and the one that is the subject of this bill, is the right to one's privacy, the right not to be compelled to reveal personal information against one's wishes. It is for this reason, Mr. Speaker, that I have introduced Bill C-123 to this House. I believe that private individuals ought to be able to withhold from Statistics Canada information about their personal lives which is not required for a population or agricultural census. To require otherwise is to pay lip-service to the concept of civil liberties. In the final analysis, Mr. Speaker, it boils down to a contest between statistics and individuals; and in my view statistics must never be permitted to become more important than individuals.

Some hon. Members: Hear, hear!

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, it is a pleasure to join in this debate on the bill presented by the hon. member for Kingston and the Islands (Miss MacDonald). I have served with her for some years on the Standing Committee on Justice and Legal Affairs and I know how sincerely she is a proponent of civil liberties. I agree with her in many of her efforts in that regard, and commend her for them. I was pleased to see the hon. member indicate early in her speech that she would bring an amendment to this bill when it reaches committee. The effect of the bill, therefore, would not be to exempt corporations from the reporting requirement that they are now subjected to in the Stastistics Canada Act. If this bill reaches committee, we would certainly agree with that kind of proposal.

Canada's statistical system has for many years been based on two important corner-stones. On one hand there exists a

solemn guarantee that the information provided by respondents will be treated with absolute confidentiality and will never be released to anyone outside Statistics Canada in a form which could identify the respondent without the prior written authorization of the respondent. Statistics Canada employees are sworn to secrecy and severe legal penalties are prescribed for any breach of confidentiality. During the years in which Statistics Canada has served the Canadian people there has never been any substantiated case of a Statistics Canada employee having intentionally violated this principle. The second corner-stone of the statistical system is that in return for this solemn guarantee that information about them will be treated in strictest confidence, individual Canadians and Canadian business entities have a statutory obligation to respond to legitimate statistical inquiries carried out by Canada's central statistical agency.

If I may divert for a moment, may I say how important it is to Canada and to the factual economic base of information that is necessary that we have the greatest trust and faith in Statistics Canada. Recently, during the time of the estimates of the Department of Industry, Trade and Commerce, there was an inquiry into some matters of Statistics Canada. After those two meetings, where full opportunity was given to members on both sides of the House to question whether there had, in fact, been any leak in confidential information, no such evidence appeared at any time.

● (1720)

Subsequent to that, in my capacity as parliamentary secretary to the minister responsible I had further occasion to go into the allegations and surrounding circumstances in great detail. As a result of what I was able to find out, I am confident that Canada is well and truly served by an agency of which we can all be very proud. The confidentiality of information, the high standard of professional excellency insisted upon by the chief statistician, Dr. Kirkham, and, indeed, the high standard of professional excellence of all the people in that organization can lead Canadians to have pride and certainty in the accuracy of the organization not only in relation to the results but also in relation to the very up-to-date and scientific methods and procedures used by the agency in the conduct of its business.

Canadians should realize that notwithstanding certain innuendos levelled against the organization from time to time, none of them has ever been proved. On the contrary, these allegations have only demonstrated that Statistics Canada has been conducting itself according to the highest standards, and we can all be proud of it as Canadians. The overwhelming majority of Canadians, far from resenting the compulsory nature of Statistics Canada surveys, readily co-operate by providing basic data for the production of important national statistics. This is undoubtedly due to the importance Canadians attach to good statistics as a basic element in public and private decision-making and for informed discussion of the public issues that concern them.

[Mr. Poulin.]

Although the overwhelming majority of Canadians readily co-operate with Statistics Canada, there are nevertheless significant numbers of individuals who are not prepared to co-operate voluntarily. In some cases this reluctance is based on the legitimate concern over the right to individual privacy. Statistics Canada is most sympathetic with this position and recognizes that its legislative authority is not a licence to bombard the people of Canada with frivolous, irrelevant or offensive inquiries. But in this day and age there are certain kinds of basic information which government, be it federal, provincial or municipal, simply must develop as a basis for policy and program responses to the many complex problems of our society. In order to address these problems—sometimes just to identify them—there is no substitute for good information. It is no easy task, in a democratic society, to balance these two conflicting principles of the right of the individual to privacy and the need to obtain certain essential information.

If I might digress for a moment, I find a serious inconsistency in the position of the hon. member for Kingston and the Islands. On one hand she is proposing an amendment to the Statistics Act which could have a serious impact on response rates to Statistics Canada surveys and which could, in turn, jeopardize the reliability of important economic and social indicators. At the same time, her political colleagues are frequent critics of the reliability of these same indicators and champions of improved statistical reliability.

There is one important point I would like to stress. This government is not opposed in principle to the concept of making the response to certain official statistical surveys voluntary. Indeed, at the present time officials of Statistics Canada are studying the scientific and technical implications on the quality of data that the introduction of voluntary responses would have. It is possible that in the future some Statistics Canada surveys could be conducted on a voluntary basis. However, to introduce voluntary response to virtually all surveys, as this bill proposes, without first having carefully analysed the resulting impact on the quality of the statistics, would be an irresponsible leap into the dark with possibly devastating consequences for the statistical system.

Furthermore, Mr. Speaker, in the area of business surveys, where there are obvious costs associated with compiling the necessary responses to Statistics Canada surveys, it could not be assumed that businessmen would be willing to continue incurring such costs when it is not legally binding on them to do so. It is true that those businessmen who are themselves users of statistical data and recognize their value would probably continue to respond to surveys. But there are many businessmen, particularly those who own or manage small businesses and who make less direct use of statistical data in their daily affairs, who would simply not participate in surveys if they were voluntary.

This government recognizes the necessity of reducing the paperwork burden on businesses, and especially on small businesses. However, the solution is not to simply eliminate survey-taking or to shift overindiscriminately to voluntary response. Information relating to small business is critical to the compi-

lation of statistical series on such subjects as output, employment, prices and trade. Similarly, insofar as these series constitute components of the national income and expenditure accounts, small business data contribute to the production of our aggregate economic indicators.

With the creation of the new Ministry of State for Small Businesses, this government has given a clear indication that it is concerned about the paperwork burden which falls on the small businessman. Statistics Canada, for its part, is actively pursuing ways and means of reducing its share of this burden. The use of administrative records such as income tax returns as a substitute for statistical surveys is a concrete example of such a reduction. This year alone, Statistics Canada will be able to exempt between 70,000 and 75,000 respondent businesses, mostly small businesses, from various surveys.

Another means of reducing the response burden is by using sample surveys instead of the traditional complete consensus. However, when sample surveys are used the importance of obtaining a response from every member in the sample is all the more critical since in such a situation each respondent represents several hundred others. Again I must emphasize that to introduce the concept of voluntary response to such surveys without first analysing the potential impact very carefully, and subsequently making necessary adjustments to compensate for any changes in response rates, would be irresponsible.

In summary, Mr. Speaker, the possibility of introducing voluntary responses to some Statistics Canada surveys is under examination by officials of the department who are carefully assessing the impact such a change would have on the reliability of Canada's official statistics. In addition it must be stressed that Statistics Canada is very sincerely concerned with the response burden imposed by its survey-taking activity and is actively pursuing several specific programs designed to reduce this burden. Finally, we should not forget that although Canadians have a statutory obligation to provide responses to official surveys conducted under the authority of the Statistics Act, they are, by this very act, provided with an iron-clad guarantee that the confidential information they provide will be carefully protected and will never be released in an identifiable format without prior express written permission from the respondent in question.

As a result, Mr. Speaker, I would hope that other hon. members will join with me in defeating this bill, one which, though superficially innocent, could be potentially detrimental to our national statistical system.

Mr. David MacDonald (Egmont): Mr. Speaker, when I first read the bill introduced by the hon. lady from Kingston and the Islands (Miss MacDonald) and then listened to her words of wisdom, I wondered whether there would be any further speakers because I assumed the path of sanity and responsibility on the part of the government would simply be to accept the measure and refer it to the committee along with the amendment my hon. friend indicated would be proper at that stage. Instead, we have been treated to one of the greatest pieces of nonsense I have heard during private members' hour for some time.

I think much too highly of the hon. member for Ottawa Centre (Mr. Poulin) to believe that he himself was the author of the speech he presented to us. When he launched into his paean of praise for Statistics Canada it was obvious that it must have originated with that organization itself, because no one else, not even his own department, would indulge in the kind of nonsense which has taken up the time of this House for the last ten minutes. When the hon. member went on talking about the accuracy of results, scientific techniques and the up dating of Statistics Canada, I wonder that even the author of that purple prose in Statistics Canada could have said it with a straight face, realizing over the past few months and years the numerous instances of the many obvious weaknesses that exist with respect to the gathering of statistics in this country.

● (1730)

I come from a province which has been plagued for years with this fact. I am sorry I did not bring the material along and send it over to the parliamentary secretary, but I would remind him that they had to go to the point of including at the bottom of the page of statistics that related to Prince Edward Island the note that their own figures were indeed so insufficient that they were not prepared to stand by them.

I had a couple of classic examples of this in the last few months, and I think the one that really struck me as the most ludicrous was the situation in which we were asking Statistics Canada for information as to the number of housing starts in Prince Edward Island. They arrived at some mysterious figure by some kind of ethereal survey which they conduct on a regional basis in which they compute the number of housing starts, and I knew from the figures they reported that they were so wildly at variance with reality that no person in their right mind would accept them even for a moment.

What I did, Mr. Speaker, was what any person on Prince Edward Island would normally do. I telephoned the Prince Edward Island Housing Authority which records each and every month the absolute number of housing starts on Prince Edward Island, because you cannot build a house on P.E.I. today unless you first of all receive permission or a licence from the provincial government. In other words, at this very moment any individual can telephone the authority and get the absolute number of housing starts. This is something which has apparently not yet seeped through to Statistics Canada, which is still indulging in its own kind of crystal ball gazing with respect to housing. That is only one recent example, Mr. Speaker.

We have talked over the past few weeks of the unemployment problem. It is unfortunate that the Minister of Manpower and Immigration (Mr. Cullen) did not hear this wonderful eulogy about Statistitics Canada or he might have wanted to speak ahead of me. I have received numerous letters indicating that there is no way that they are basing their present program of job creation and the tuning of the amount of money to be spent in various constituencies on the facts provided by Statis-

tics Canada because they are so wildly inaccurate. I assume that the Minister of Manpower and Immigration talks to the Minister of Industry, Trade and Commerce (Mr. Chrétien) and that they do not keep these kinds of juicy bits of information from each other. I know that the parliamentary secretary, in computing his own LIP program, would not for a moment rely on Statistics Canada information with respect to unemployment in his constituency. If he did, he would not be sitting in his seat very comfortably for very long. The list is long, Mr. Speaker.

I must make a confession here. I may not be able to get off Parliament Hill this evening, because I can think of at least two instances where apparently I broke the law.

I treat this particular move by the hon. member for Kingston and The Islands as a very modest move indeed. What it does is to try to bring modern law to some point of sanity. For the parliamentary secretary to treat this as being superficially innocent is for him to engage in some new form of misdirection which is surely beneath both his capability and his responsibility.

When I first established my constituency office in my constituency of Egmont, I recall that for some reason known only to the forces at Statistics Canada we were suddenly on their mailing list to provide monthly employment surveys about, "our industry". This mystified my constituency secretary, who was a direct employee of the constituency office, because we were not operating any major commercial enterprise. Yet faithfully, month after month, Statistics Canada would send this form letter to the Egmont office, company, or what have you, asking us to give them the following information: "How many employees have you on your payroll? What were the transactions during the past month?"

My secretery, being a very responsible sort of person, asked me what she was going to do about this. So I said; "Do with it what you do with all the rest of the junk mail that comes in—throw it in the wastepaper basket". I can see I was encouraging my secretary to break the law, but I thought it would be much better to break the law in this instance than to return forms which would be absolutely useless to whomever was the anonymous official at Statistics Canada who was circulating this kind of monthly questionnaire which had no relevance to my constituency office in the constituency of Egmont.

Because of the kind of society we have today, Mr. Speaker, it is obvious that we need a throrough overhaul of much of the methodology that is used in gathering statistics. A classic example of this occurred during the last major census in 1971. Hon. members will recall that the census was to take place during the month of June. During that month all of the census gatherers were sent out across the country. Now, Mr. Speaker, it so happens that during that month of June I and my family moved from Ottawa to Prince Edward Island, as we normally do. Before we left we had a visit from a person from Statistics Canada who asked us dutifully to fill out the form she supplied, which we subsequently did. Then a few days later when we arrived in P.E.I. we were visited by the local statistics gatherer for census Canada in P.E.I. and were again asked to complete the form. When I protested and said I had already completed one in Ottawa and thought it would be a little redundant if we became statistical reportees for the province of Prince Edward Island, she told us in no uncertain terms that it was an absolute requirement, that we were residents of Prince Edward Island and that we should file a full return for the five of us living on P.E.I. This we again dutifully did.

If that kind of rigidity, and the kind of rigidity expressed today by the parliamentary secretary, are what we are up against, Mr. Speaker, then the hon. member for Kingston and The Islands has merely touched the tip of the iceberg. We have a much more serious problem than any of us realize. I have some belief that this may well be the case.

A few years ago, Mr. Speaker, I was somewhat disturbed, when attempting to grapple with a good, sound statistical base for the Atlantic provinces in order to deal with our ongoing problems of economic and social disparity, to realize that so much of the information that we required was not available to us because so far we had not updated our social and economic fact gathering sufficiently to give us a much clearer picture of the chronic and structural problems facing the Atlantic region.

It is one thing for individual members to be faced with a series of forms which do not add anything worth-while to the over-all statistical base of the country. But it is another thing not to be conscious of the fact that without good statistical information, as the parliamentary secretary suggested, we would not be able to do our job effectively as parliamentarians and legislators.

It seems to me that if the only response is that we provide criminal penalties for those who do not respond to questionnaires presented to individuals, then the department, or this particular agency of government, is in a very serious state indeed. I believe that we are faced with a situation in which it is not a question of whether or not the department has means of harassing people. I fail to be convinced by the argument that the parliamentary secretary brought forward when he said that there would be a very serious impact on response rates. I have to ask the parliamentary secretary in all seriousness, what kind of documentation, what kind of support, does he give for that? It seems to me that the response rates are going to be determined in almost all cases by the willingness of the individual to provide information which he knows is in the best interests not only of himself but of his community, province, and country.

Surely if the only argument that Statistics Canada has with respect to the information that is going to be gathered, is that if you do not provide the information you are going to be breaking the law, and you will be subject to the laying of criminal charges, then Statistics Canada will become poverty stricken in its approach to people and in the services that it provides to Canadians. Therefore I would hope, Mr. Speaker, that what has been said by the parliamentary secretary this afternoon are the ill-considered remarks of some PR flack in StatsCan and not the thoughful response of the hon. member or, I would hope, of a minister who believes it is in the best interests of this country to have a Statistics Canada branch

which is functioning responsibly, sensibly, and also with proper respect for the human and civil rights that have been properly represented here this afternoon by the hon. member for Kingston and the islands.

● (1740)

Mr. Gilbert Parent (St. Catharines): Mr. Speaker, I was almost intimidated by the hon. member for Egmont (Mr. MacDonald) and nearly shied away from speaking, but seeing that he said he thought no one was going to speak after the hon. member for Kingston and the Islands (Miss MacDonald), and then himself proceeded to do so, I decided that I would too.

[*Translation*]

On studying Bill C-213, one could get the impression, Mr. Speaker, that a concerted effort is being made to harm, annoy, harass and even threaten the Canadian public, that a plan is even now being implemented or that steps have been taken for Statistics Canada to do so. Nothing could be further from the truth.

In all its activities, whether they are directed towards industry, employers or Canadian individuals, Statistics Canada is endeavouring, above all, to get the voluntary co-operation of the respondent, and not to threaten him with penalties as stipulated in the Statistics Act.

[*English*]

I think hon. members would agree that the record of Statistics Canada over the years for producing high quality, timely, and relevant statistics speaks well for the level of co-operation the agency has been able to obtain. There is a motto at Statistics Canada: "The respondent is our most important resource". Better than anything else I think this summarizes the approach the agency takes to the Canadian public.

The requirements related to compulsory response outlined within the Statistics Act have been in effect for some 60 years since the early history of legislation pertaining to the production of statistical information. Those who object to compulsory response may be overlooking, as has already been discussed by my colleague, the complementary provisions of the Statistics Act which outline the privileged relationship between the agency and the respondent and provide an absolute guarantee of the confidentiality of individual information. In support of such guarantees, employees of Statistics Canada are required to take an oath of secrecy and they too are subject to severe penalties for breaching the trust reposed in them. The hon. member for Kingston and the Islands mentioned that this was not the answer, and the hon. member for Egmont said we should not be penalized in any way for trying to gather information.

In 1976, if I recall correctly, surveys were sent out in my riding of St. Catharines by Statistics Canada. I know a few people who were involved in that exercise and I asked them what the response was when they went to the homes with the survey forms and asked people to fill them in and return them. The initial response was about 40 per cent.

Mr. MacDonald (Egmont): Did they prosecute the rest?

Mr. Parent: They did not prosecute but they had to go back and ask people to fill them in, and the majority did. There was no prosecution that I know of but I guess in this, like everything else, we are quite cavalier about laws that are made when we attach penalties to them, yet in any country if we relied on the average citizen he would co-operate. What I am saying is that when we bring in laws that have penalties to back them up, it is not the worst thing in the world so long as the information requested is truly necessary.

I agree with hon. members that information should be available to us, and the questions should be reasonable and geared to help people carry out their duties and not simply for the sake of gathering statistics. I think we should be able to gather the information necessary for running this country.

The hon. member for Egmont had a question about housing starts in Prince Edward Island and he went to Statistics Canada. Why did he not go to the provincial housing authority in the first place if he knew they had the information? I agree that we should be upgrading our system of gathering information, but to say that because Statistics Canada is going about it the wrong way it should be scrapped, is something with which I cannot agree.

Statistics are vital to many areas of planning and decision-making within the business community and government. An important example of how statistics directly affect individual Canadians is the case of labour contracts, pensions, and family allowances which are based upon escalation clauses keyed to the consumer price index. Clearly the production of these and other statistics which affect the well-being of all Canadians necessitates the gathering of information and this, in turn, requires inputs by citizens. I am confident that those who furnish this information do so willingly, recognizing the net benefit to them in the long run.

As I have said, the compulsory response provisions of the Statistics Act have been carefully counter-balanced by confidentiality provisions to prevent the disclosure by Statistics Canada of information which could be related to an identifiable respondent. These confidentiality provisions have always been scrupulously respected by Statistics Canada. Not only are these very rigorous security measures but, more important, the great majority of employees take their responsibilities very seriously. My colleague pointed out earlier that in all the years Statistics Canada has been in operation no one has ever been proven to have knowingly given out information which would in any way hurt a respondent.

In case it should seem that Canada is out of step with the rest of the world, let me say that in other countries such as the United Kingdom, France, West Germany, and Sweden, all of which have highly respected statistical systems, their statistical legislation also finds it necessary to embody similar provisions related to compulsory response, coupled with the necessary procedures for prosecution and fines, but truly only as a last resort.

It should be pointed out again that a refusal in a sample survey is not merely the refusal of an individual to furnish information solely about himself. The individual who refuses to answer a sample survey is denying information about hundreds or, in some cases, thousands of people from the particular group which he represents. Statistics Canada does not institute legal procedures at the initial point of refusal. The agency's policy has been one of co-operation and assistance, with a final resort to persuasion in order to obtain a high level of response. Though prosecution is rare, it has to be available to the agency as an ultimate sanction in order to maintain the high response rate necessary to the production of meaningful statistics. An example will serve to illustrate this point.

Several years ago a survey was conducted with a universe of some 68,000 corporate respondents. After an initial response of 61 per cent, a letter was sent requesting the remaining 26,000 non-respondents to complete the survey questionnaire. This resulted in a further response of 70 per cent, leaving a balance of some 8,000 non-respondents. A second letter indicating the legal requirements to respond produced a further response from 58 per cent of those non-respondents. Again, subsequent correspondence produced a further 71 per cent response from those 3,000 remaining non-respondents. Of the less than 1 per cent balance of non-respondents, a certain number had gone out of business. However, after a review, 20 were considered for prosecution, and the Department of Justice was consulted. The Department of Justice announced that prosecution proceedings would be commenced. Then all but three corporations responded, and these three were prosecuted and fined for non-compliance with the Statistics Act. Therefore we are looking at three corporations, out of a possible 68,000, which were prosecuted. We hope that it was not the stick that brought the others to a final response, but if the stick were not there I do not think the response would have been a complete one.

● (1750)

At one point Statistics Canada discontinued prosecution proceedings for a large annual survey with a view to relying upon respondent co-operation, as the hon. member for Egmont said. After several years it was found that response rates had begun to deteriorate sharply, with the result that prosecution procedures were reinstated. Even though the final stage of prosecution has not been necessary to obtain a high response rate, it is evident that a system of law which does not provide for sanctions would weaken Statistics Canada's historical success in producing meaningful statistical information.

As my colleague has mentioned, there are cases where it may be feasible to introduce voluntary response as a method of conducting some surveys, and officials are carefully studying this question. However, I think the evidence I have just outlined confirms the position stated by my colleague that there could be a serious negative impact on the quality of statistics produced by Statistics Canada if the provisions in the Statistics Act to compel response were suddenly eliminated.

I might add that the real losers, if such a deterioration took place, would be the Canadian public. It is not inconceivable that incentive grants, certain transfer payments, pension and family allowance indexing, collective bargaining, and a host of other activities and programs would be adversely affected by a deterioration in the quality of the statistical indicators produced by Statistics Canada. These activities affect the lives of literally millions of Canadians, and I am therefore hard pressed to understand the cavalier way in which the bill under consideration appears to deal with this issue. There is no mention, either in the bill or its accompanying explanatory note, of the possible impact of the bill on response rates and data quality, and I therefore assume that the hon. member for Kingston and the Islands is simply unaware of the possible ramifications of her proposal. It is for these reasons therefore, Mr. Speaker, that I would urge, as has my colleague before me, that members of this House reject this ill-conceived bill.

Mr. D. M. Collenette (York East): Mr. Speaker, my two colleagues, the hon. member for Ottawa Centre (Mr. Poulin) and the hon. member for St. Catharines (Mr. Parent), have spoken at some length concerning the possible impact on the quality of statistics which might result from the implementation of Bill C-213. Hon. members may have the impression that Canadian practices with regard to the gathering of official statistics are somewhat behind the times and that we continue to hang on to archaic and unnecessary procedures that other, more enlightened countries have found it possible to discard.

The officials who operate Canada's national statistical system are always anxious to learn from their colleagues in other countries about new developments which will make it possible to maintain or improve the quality of their outputs, while at the same time reducing the burden on respondents. In this connection it may be useful for me to go over a review which Statistics Canada conducted in 1975 of the statistical legislation of other countries. The review concentrated on five countries, the United Kingdom, France, Sweden, the Federal Republic of Germany, and the United States. All of these countries have well developed, highly sophisticated, national statistical programs, and all have one or more pieces of legislation which regulate the collection, compilation, analysis and publication of statistical data by their respective statistical agencies. It is clear from this review that all of them rely, for the continuing viability of their operations, on some form and extent of mandatory reporting, although like ourselves they do not use this as a stick with which to beat respondents.

In the United Kingdom, for example, the legislation which governs the operations of the business statistics office contains a provision for undertaking legal action against non-respondents to official surveys of business establishments, with a maximum fine of $125 for a first offence and up to $500 for a second offence.

In France the legislation governing their Institut National de la Statistique et des Etudes Economiques also contains provisions for a penalty of up to $500 for a first offence for businesses which refuse to respond to official surveys. If a firm

is convicted of a second offence within a three-year period, the fine is increased to a minimum of $1,000 and a maximum fine of up to $5,000. In addition, special penalties can be assessed against large firms, that is, those with more than 100 workers. Upon conviction for a second offence within three years, they are liable to fines of from $10 to $50 per employee up to a total maximum fine of $10,000.

In Sweden also persistent non-respondents to official surveys of the National Bureau of Statistics are liable to prosecution at the request of the national bureau under king-in-council decree. If convicted, non-respondents are liable to a fine of up to 500 kroner, or approximately $125.

The West German situation is also similar. In that country there is legislation which provides for a maximum fine of up to $2,500 for non-response to official government statistical surveys.

The situation in the United States is slightly more complicated due to the fact that there exists in that country several departments or agencies which collect official statistics. However, the two most important are the U.S. Bureau of the Census and the Bureau of Labor Statistics. The legislation covering the operation of the U.S. Bureau of the Census provides for penalties for non-response to annual surveys as well as to certain monthly and quarterly surveys. Conviction under these provisions can result in fines of up to $500. The situation in the case of the Bureau of Labor Statistics is somewhat different. Many of its surveys are conducted on a voluntary basis. However, in such areas as surveys of occupational safety and health statistics programs, response is compulsory and there are provisions for fines of up to $500 for non-compliance.

Although I would like to continue my remarks on this worth-while bill, in view of the hour, Mr. Speaker, may I call it six o'clock?

Mr. Deputy Speaker: It being six o'clock, and the hour appointed for private members' business having expired, I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND ESTABLISHED PROGRAMS FINANCING ACT, 1977

MEASURE FOR MAKING CERTAIN FISCAL PAYMENTS AND OF ESTABLISHED PROGRAMS FINANCING CONTRIBUTIONS TO PROVINCES, ETC.

The House resumed consideration of the motion of Mr. Macdonald (Rosedale) that Bill C-37, to provide for the making of certain fiscal payments and of established programs financing contributions to provinces, to provide for payments in respect of certain provincial taxes and fees, and to make consequential and related amendments, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Jake Epp (Provencher): Mr. Speaker, just prior to my calling it five o'clock I indicated it was my view that it is important at this juncture in our history to look at the various regions of Canada and interpret how they see Confederation working. As a member from western Canada I see it as my task to present to the government how I see Confederation working in my part of the country, and hopefully we can get together on some problem solving which I feel would enhance Confederation in the future.

I also stated it is my view that over the last ten years Quebec has dominated Canadian public affairs to too high a degree, that in view of the fact that this has happened other areas of Canada, and specifically western Canada, have not received the attention in public debate and in policy making I feel they should have, and that this has added additional strains to Confederation.

I also stated that those of us who come from western Canada are not separatists, but looking at the various articles which are currently appearing in the daily media one would almost think that is what we have become. I have in my hand an article which appeared in the Saturday, February 19, Toronto *Star*. It also appeared today in the Ottawa *Journal*. It is written by Richard Gwyn, and it is entitled "The West Could Slide Out Of Confederation." While there are some observations of that writer which are accurate, I suggest that that is overstating the case rather dramatically.

Having said that we western Canadians are federalists, I believe that it is important to note that we entered Confederation of our own free will after the terms of Confederation had already been drawn up and were operative. They were operative in 1867, and all the western provinces joined Confederation after that date in a voluntary manner. However, throughout the past 110 years of Canadian history we have stressed one Canada, that we are part of that Canada, and that we want to remain in Canada.

While a few voices in western Canada today might be loudly demanding separatism, I suggest to hon. members on both

sides of the House that they are few in number and that the noise they create far exceeds their popular support.

Some hon. Members: Hear, hear!

Mr. Epp: Having stated that, I would be incorrect in saying that there is nothing seriously wrong with Confederation as western Canadians see it. There is a strong feeling of alienation felt by people who support all parties. There is a strong feeling that we are so far removed from the centres of decision-making power that we really count for very little.

Perhaps over the years we have developed an inferiority complex, but no matter what the cause the fact remains that this feeling of alienation is there. We are concerned that the problems of unemployment, investment, growth, and expansion are not getting the serious consideration which is needed because we keep concentrating on questions of Confederation. One would think that after 110 years of our history we would have grown mature enough to recognize that this union is here to stay and that we can develop it.

● (2010)

Although there is alienation in the west, we are still Canadians. We may criticize, say something is wrong with Confederation; we may not like the centralized decision-making power of the government, of any government, but that does not make us bigots. We have a deep love of our land and very much want to see our particular area of the world developing.

I believe the *Economist* puts it too strongly in its article when they talk of hatred in the west. Let me quote Mr. Gwyn's article.

Hatred is too glib, a shade too strong a word. Indifference, impatience, frustration, contempt, are better descriptions of the west's mood.

I believe he is right.

Not only do we feel alienated; we are frustrated. We believe nobody is listening to us, that the government thinks that we are few in numbers and consequently not worth listening to. Mr. Speaker, we are fed up with brokerage politics. We have seen one area of Canada pitted against another. If one may use a Biblical reference, I guess we are like the early apostles, like voices crying in the wilderness. No one wants to listen.

The west also recognizes that it lacks input into central decision-making, as is reflected in federal-provincial relations. I say that because the premiers of western Canada have raised this very same complaint, but little has been done to rectify it. We are not interested in tokenism. We want to be involved. Is this government genuinely interested in western views, or does it look on us only as people who live somewhere in the west and who keep repeating a long litany of complaints?

What has happened since the days of July, 1973? When the Liberals formed a minority government the Trudeau administration was deeply concerned about the erosion of its support in western Canada. What did it do? It called the Western Economic Opportunities Conference in July, 1973. Oh, it was a great media performance. A lot of work was put into that conference. Position papers were submitted, and we western Canadians were in high hopes of seeing solutions to some of our problems emerge from that conference, of seeing the west become more greatly involved in central decision-making. Unfortunately little changed. In 1974 the government was returned to power with a majority, and all the promises made at the Western Economic Opportunities Conference went by the board.

[Mr. Epp.]

Interestingly enough, the views expressed by the western premiers at the recently concluded federal-provincial conference were virtually the same as those expressed in Calgary in July, 1973.

The list of concerns is long, and I shall mention a few. The hon. member for Churchill (Mr. Smith) has repeatedly made representations for the upgrading and further use of the port of Churchill. The farmers of Saskatchewan, farmers of northwestern Manitoba, and members of the Hudson's Bay Route Association have asked that the port of Churchill be utilized to its fullest potential. But the government has not acted; we have seen little action in that regard. Western Canadians have longed complained about tariffs, those applying to farm products and those applying to manufactured goods. Hopefully the present round of negotiations in Geneva will correct some long-standing grievances.

I will not go into the question of freight rates for it has been repeated ad nauseam; nevertheless, that problem still exists.

If I were parochial I would discuss at great length Air Canada's move from Winnipeg. Some people think that the move of certain Air Canada facilities from Winnipeg to Montreal eight years ago has been forgotten, that the move was never questioned. In the 1974 election campaign the Prime Minister (Mr. Trudeau) dropped into our area and, as a result, we got a hangar. You should see that hangar now, on the west side of the airport. Yes, it is being built.

Mr. Hamilton (Swift Current-Maple Creek): What a hangar, Jake.

Mr. Epp: Yes, it is quite a hangar. Ironically, that hangar is not on MOT land. I understand the department must negotiate with the Department of National Defence in order to have access to the hangar.

Mr. Hamilton (Swift Current-Maple Creek): If they want to do repairs, it takes them 45 minutes to get from the air base to the hangar.

Mr. Epp: I have mentioned some of our grievances, but we see little evidence of the government's willingness to tackle them.

Let me raise another matter of importance to our nation. We want to develop our resource industry, certainly; but also, we want to develop a mature and economically viable secondary industry. In this connection let me put on record the conclusions set out in the presentation of the Department of Industry, Trade and Commerce to the conference of July, 1973. It said:

(a) Large quantities of Canadian natural resources are exported in relatively unprocessed forms, and recent trends, notably with respect to minerals, indicate the proportion exported in crude form is increasing.

We want the opposite to happen. Unfortunately we are exporting crude resources and, by so doing, exporting jobs from Canada, including western Canada.

I have fought two election campaigns. I spent much time talking to people in rural communities who wanted to make their communities viable. We witnessed the trend toward larger sized farms, for it was thought that only large farms could be viable economic units. My point is that we must process more of our agricultural and natural resources, and it must happen in western Canada. It is not happening now.

I continue quoting from the conclusions of the Department of Industry, Trade and Commerce:

(b) A wide range of resource commodities provide potential opportunities for adding value, through processing prior to export.

It is not happening. I continue quoting:

(c) If these opportunities for adding value could be realized, there would be significant direct benefits to the economy in terms of increased incomes and employment, and the resulting processed materials could provide a basis for forward integration into fully-manufactured products.

A department of the federal government recognizes the need for action, but what has happened?

While the government's actions have strained the bonds of Confederation, western Canadians have come to realize that they possess economic clout. We have always been concerned about our population being somewhat sparser than that of central Canada; nevertheless we have developed a new economic clout which has been embodied in the form of agricultural and natural resources. In other words, the world today needs commodities. There is a developing need for our commodities, not only outside Canada's borders but inside. In fact Gwyn argues it is almost a sense of revenge that westerners have, that finally they have some levers with which they can move the central government. It is my view that while we want to see those natural resources developed, it is incumbent that all Canadians share in those resources.

● (2020)

There is one other point I want to make. Many of us in Canada, especially in western Canada, are of a background other than either of Canada's two official languages. In the past ten years, for very good reasons, many of these people who sometimes are referred to as ethnic Canadians—I prefer to have no hyphenated Canadians—have been made to feel that they are not as important in Canadian life as they might have hoped they would be.

Multiculturalism has been used by this government as a whipping boy. There was a minister between 1972 and 1974. After once again receiving a majority, that portfolio was removed and it has now been placed under Labour. That community, whether it is based in Toronto or in the west, is not fooled by machinations of that type.

What these people had been hoping for, and I hope it takes place in our future, is that they will be judged, not by their background, not by the accent with which they speak one or both of Canada's official languages, but by their contribution. That is what is important.

I know the Postmaster General (Mr. Blais) is trying to get a word in, but the fact is, and I say it to him directly, that just because he might disagree with me, that does not remove the alienation. It is there. It is time that Canadians looked at their total resources to see how they can best be used for the development of this country.

In conclusion, I want again to emphasize that we are federalists. We are proud to be Canadians. However, we are no longer willing to give in to economic blackmail. We are interested in sharing in the task of nation building. We are not asking for special status, but we demand equal status.

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I am pleased to be able to enter the debate on this important, indeed historic, bill that has been tabled by my colleague, the Minister of Finance (Mr. Macdonald). In keeping with my own departmental concerns, I would like to direct my comments today to the new and innovative financial arrangements between the federal and provincial governments in the areas of hospital insurance, medical insurance, and the extended health care services.

The introduction of the established programs financing arrangements will culminate years of discussions between the federal and provincial governments about an appropriate financial arrangement to replace the current cost-sharing arrangements for medical care and for hospital insurance. For them and for us this new financial arrangement represents another important step in the maturation of our national health care system.

Probably the single most significant development in the health field in Canada over the last two decades has been the implementation of our universal health insurance scheme. The federal government's primary concern in this area was to ensure the development of uniform health insurance programs throughout the country. As a result, we offered to share the costs of these programs on the condition that provincial plans met the broad criteria of administration by public authorities, universality, comprehensiveness, and portability from one province to another.

As a consequence of the shared-cost programs legislated for hospital insurance in 1957 and for medical insurance in 1966, Canadians have been provided with high quality and universal health care insurance. Indeed these universal health insurance programs have become so deeply ingrained in the Canadian fabric that any retrograde step in the form of halting or even reducing these programs is absolutely unthinkable.

It is this strong commitment by Canadians and by all the provincial governments that encourages us to propose a major change in the financial and administrative arrangements between the federal and the provincial governments. Because the very existence of these programs is no longer questioned, the administrative presence of the federal government can be

reduced and the operation of the system can become even more effectively controlled by the provincial administrations.

The established programs financing arrangement is a major step toward increasing provincial flexibility in the administration of health care programs. Under the new arrangements the federal government will continue to pay a substantial proportion of the costs of medical care and hospital insurance. But, by providing a financial contribution that is not tied to the provincial program expenditures, several very important program and administrative objectives will be achieved.

First, provinces will be able to achieve greater efficiency in the use of their health care resources. No longer will provincial health priorities be influenced toward health care delivery forms that are covered by shared-cost programs. Whether or not a provincial dollar is spent on home care, acute care or physician's services will no longer influence the size of the federal contribution. Thus provinces will have the flexibility required to develop the most appropriate, but also cost-efficient, health care delivery system.

We have heard arguments, Mr. Speaker, from provincial ministers and from some hon. members opposite, that our terms are not flexible enough. These arguments usually come from the same people who want much higher levels of guarantees of revenues under the terms of our proposed agreements. Now of course, complete program flexibility together with very high levels of guarantees is an impossible request for any responsible federal government to meet. The result could be program anarchy together with very high costs—the worst of both worlds. Similarly we cannot keep a careful rein on expenditures while providing very high flexibility for to do so would be to encourage different provinces to pick and choose different pieces of a complete array of services. Once again the result would be no real guarantee for all Canadians of a reasonably uniform standard of services. We have, therefore, opted for a reasonable level of guarantees together with fully adequate, but by no means infinite flexibility in program design.

Second, the established programs financing arrangements will facilitate a streamlining of the federal-provincial administrative structures thereby eliminating administrative steps which are no longer essential. Examples would include federal auditing of provincial plans or protracted discussions about the shareability of specific provincial expenditures.

Third, and I view this as being of considerable importance, it will facilitate a gradual redirection of energies at the federal level toward other aspects of health care such as health standards, research, and manpower planning, as well as toward social services and the primary prevention of health problems.

[*Translation*]

Within these general comments concerning the flexibility of the new agreements and the greater administrative discretionary powers of the provinces, I would like to give some explanation of the basic requirements of the hospital insurance and Medicare plans. Even if federal-provincial administrative mechanisms will no longer be as complex and if the federal contribution will no longer be based on the cost of provincial programs, the financial share of the federal government will continue to be related to the implementation in provincial medicare programs of the following objectives: the globality of the guarantee concerning services, universal application to the whole population, transferability of benefits among provinces and service availability not restricted by excessive user fees, and finally, non-profit administration by a public agency.

These basic objectives are well established in the present system and all provincial governments understand them well. Keeping them will therefore not really impede the flexibility of the provincial programs and the new financial arrangements. To facilitate the introduction of the new financial arrangements in the case of hospital insurance and medicare, it is necessary to amend certain aspects of the Hospital Insurance and Diagnostic Services Act and the Medical Care Act. These amendments are contained in Bill C-37 now before us.

The changes required come within three categories. First, the financing formulas established under the Hospital Insurance and Diagnostic Services Act and the Medical Care Act will no longer apply after March 31, 1977. Then, we shall have to make minor changes to the type of information required from the provinces. Until now, the provisions concerning this point in the Hospital Insurance and Diagnostic Services Act and the Medical Care Act were based on the existence of cost-sharing formulas.

In the future, we will need more general information so that the federal government can supervise the application of the basic requirements of these programs, produce the statistics required at the international level, exchange comparable information between the provinces and proceed to the planning and assessment of the national system of health with the cooperation of the provinces. Finally, those changes will be introduced to facilitate amendments to the provincial programs. For example, the federal Minister of Health will not be required to agree officially with amendments concerning the registration of hospitals and authorized costs. However, we will always need the information that the provinces can give us on such matters. As concerns particularly the basic requirements of the health programs, the legislation concerning hospital insurance and medical care will remain unchanged. Next year we hope to have the cooperation of the provinces to establish a single legislation on health insurance which will cover both the hospital insurance and the medical care programs, and which will provide an integrated legislative structure determining the federal government's role as regards health care.

• (2030)

[*English*]

I would like as well to comment on the initiative being taken by the federal government to provide an additional contribution to the provinces to assist them in the provision of supplementary health care schemes. The per capita transfer for the extended health care services will assist provinces in the development and provision of new health care services that are appropriate given the health problems of their particular clientele and which are cost-efficient as compared with more

traditional methods of delivering health care. As my colleague, the Minister of Finance (Mr. Macdonald), told hon. members when he spoke concerning this legislation, we have informed the provincial governments of our intention to proceed with these measures in this House as rapidly as possible.

Over the past years many provinces have taken initiatives in areas such as home care and ambulatory care but these services have had to be financed to a large extent by provinces. Indeed, one of the major problems with the existing cost-sharing arrangements is that federal financing has been provided for the more costly forms of health care to the detriment of some innovative, and cost-efficient, delivery techniques. Under the new financial arrangements, which move away from detailed cost-sharing formulae, the federal government will be contributing in a manner that provides provinces with more flexibility to work toward the most appropriate and cost-efficient set of health care programs.

Up to now the federal government has provided the provinces with considerable financial assistance for adult residential care under the Canada Assistance Plan cost-sharing arrangement. Another part of the proposal currently before the House is to bring adult residential care into a per capita, block-funding, arrangement. By this expedient all levels of adult residential care will be financed through a similar financial arrangement. This will ensure that distortions in provincial programming of institutional care due to the financial arrangements will be minimized. Again, the provinces will have the flexibility to provide their residents with the most appropriate level of care without being impaired by financial and administrative formulae. This bringing together of all types of adult residential care under a common financial arrangement is a good example of the steps that are being taken by this government to harmonize the relationship between various health and social services programs.

These new arrangements for hospital insurance, medical care and post-secondary education will provide provinces with greater financial assistance, through the transfer of tax room and the cash payment, than would be transferred with the present shared-cost arrangements. The entitlements under established programs financing are estimated, for 1977-78 alone, to exceed by about $750 million the entitlements that would be generated by the present shared-cost programs. I should note that the estimates for the shared-cost programs are based on the provincial estimates of their program costs.

In addition, the arrangement for the extended health care services also provides the provinces with some additional financial assistance. For 1977-78 more than $100 million in additional financing will be provided by the $20 per capita transfer than would be provided for these services through the Canada Assistance Plan.

The implementation of these new financial arrangements for the health care programs will result in a substantial federal financial contribution in a manner that provides provinces with the flexibility in program decisions necessary to achieve greater efficiency in the use of their health care resources. This will be accompanied by a streamlining in the administrative structures within my own department.

Hon. members may perhaps recall that last November I announced that I would be moving to integrate the health and the welfare sides of my department under a single deputy minister. This move was prompted by the twin desires to achieve greater administrative efficiency within my department and to provide more efficient and effective health and social services to Canadians. Since it is virtually impossible to draw a meaningful line between social and health services, it is my conviction that we must move toward much closer co-ordination of the two general areas. Several provinces have already moved in this direction and Bill C-37 will help them to move further, as will the provision of a single locus of administrative responsibility within my department.

[*Translation*]

As I mentioned earlier, the federal government will now be in a position to further redirect its energies towards social services and primary prevention in the area of health. So I would like to conclude by indicating a few initiatives now under way or soon to be undertaken. The basic objectives of the government policy in the area of health and social welfare can be summed up in the two following propositions: first, we intend to provide the highest possible degree of physical and mental well-being and development for all members of our society, within available resources and, second, we intend to ensure as great distributive equity and justice as possible among individuals and groups considering the means available to reach that individual development and well-being. Those objectives prompted the federal government to show leadership in the area of health insurance in the 1950s and 1960s.

The health insurance system that came about as a result of those initiatives has no doubt greatly contributed to the achievement of the basic objectives of our health policy. Those very objectives are now prompting the federal government to lead the way in the area of social services and primary prevention, particularly with respect to physical and social environment and lifestyle. Those new challenges have been accepted by the federal government and concrete action is under way. The nature of these initial steps necessarily had to be limited. However, I am convinced that the success of those first initiatives is obvious if one thinks, for example, of our efforts to make the wearing of seat belts compulsory and reduce speed limits, as well as the following initiatives: our campaign entitled Dialogue on Drinking, for example; the development of an over-all program affecting the living habits of each and everyone and entitled Operation Lifestyle; more and more stringent and efficient food and drug regulations; and finally development as a high ranking priority of higher safety and health standards in the work environment.

I would also stress, Mr. Speaker, that I shall introduce shortly a piece of legislation for the funding of other social service programs provided by the provinces. Such a bill will strengthen the provinces' financial capacity to give Canadians social services, in order that they enjoy greater flexibility and receive a more generous federal contribution for special initia-

tives. It must therefore be considered an essential supplement to the bill now before us.

In the health care area, our main concern over the years has been for the financial aspects of shared-cost programs. Simultaneously however, we have participated with the provinces in various projects such as the development of health standards, manpower studies, program assessments, program data analyses and the development of special expertise such as the extension of various techniques to health care.

The federal government will continue its efforts in those areas and we want to maintain close co-operation with the provinces and other health groups so as to implement and maintain priority projects along those lines. To conclude, Mr. Speaker, the new financial arrangements with respect to health insurance and the new health programs will provide the provinces with the increased flexibility and financial help needed to improve their health care systems. Those arrangements, in addition to the new initiatives by the Canadian government in the social services areas and primary health prevention, and to the continued participation and leadership by the government in other health areas, will assure Canadians of constant progress in the achievement of the basic goals of our health and welfare policy.

● (2040)

[*English*]

Mr. John C. Crosbie (St. John's West): Mr. Speaker, I wish I could rise to congratulate the government on the legislation that is now before the House but I am afraid that is impossible, not that I would vote against it, because too many of the provinces of Canada would suffer damage if the House were to defeat these iniquitous conclusions which are now before us. What I would point out in my remarks tonight is just what happened on the way to these conclusions.

If we look at what happened within the last year or two of negotiations on fiscal arrangements, I believe we will see to a very great degree why the people of Canada and the provincial governments today feel there should be some different constitutional arrangements in Canada. They feel that way because of the rough way they have been treated in these negotiations by hon. gentlemen opposite.

I should like to entitle my remarks tonight "A Funny Thing Happened on the Way to the Forum", and to tell the House some of the funny things that happened on the way to the conclusions which are before the House tonight. This is the forum that the funny things happened on the way to; I do not know of any funny things that happened in the forum, but some funny things happened on the way to get here.

Why do the provinces feel aggrieved, and why are the people of Canada feeling aggrieved? Why is it that practically every article one reads these days refers to the fact that there is a need for more decentralization within Canadian constitutional arrangements? Why is there this demand now, which has become particularly prevalent within the last six months or a year? This demand has arisen, in my opinion, as a result of the roughshod way that hon. gentlemen opposite have run over all the provinces on the way to reaching the conclusions that are now before this House in the form of this legislation.

The provinces of Canada, or at least seven of them, badly need the financial assistance that is offered in this legislation. If I use as an example the province I am most familiar with, the province of Newfoundland, there is no question that the province of Newfoundland needs the tax equalization and contributions to shared cost programs which are contained in this bill, and I would have to vote for the bill for that reason. Newfoundland is to receive a tremendous amount of revenue, and since it is so important to the general scene in Newfoundland I cannot very well vote against the bill.

I have some figures here, Mr. Speaker. For example, in 1975-76 of the total revenue of the province of Newfoundland the government of Canada contributed 52.4 per cent by way of tax equalization and shared cost programs on both current and capital accounts. For 1976-77 the amount estimated is 51.7 per cent, or some $461 million of revenue which the government of Canada will contribute to the province of Newfoundland. This does not mean to say that because the government of Newfoundland receives a large share of its revenue from the government of Canada that we are just going to lie down and take whatever is handed to us without expressing any independent views on what happened to reach this conclusion and what should have happened.

Provinces like Newfoundland badly need financial help and hon. gentlemen opposite, knowing that, feel that they can throw their weight around without fear or trepidation for that reason. I want to show this House some of the ways they have done that, Mr. Speaker. It is my view that the process by which this result was reached was not a example of co-operative federalism. We used to hear a lot about that from hon. gentlemen opposite, particularly when the Prime Minister (Mr. Trudeau) first took office. We were going to have co-operative federalism. What we have in this bill is not co-operative federalism but the result of strong arm federalism. It is the result of forced put federalism; it is the result of bully boy federalism, not co-operative federalism. It is arm twisting federalism that we see in the legislation that is now before the House.

We also used to hear a lot about participatory democracy. This bill is not an example of participatory democracy but of closed conference autocracy. This is what is before us tonight. The great participatory democrat of 1968 has become the closed conference autocrat of 1977—make no mistake about that. If the Minister of Finance (Mr. Macdonald), with his brass knuckles, is not sufficient to quell the ten provinces, then out comes the Prime Minister himself, the expert with the stilleto, the expert in fiscal Kung-Fu, to put the final kibosh on the provinces.

There are five things wrong with the arrangement now before the House. It is forcing the provinces to take all the risks in regard to the increasing cost of hospital and medical care as well as in post-secondary education, but particularly in regard to the first two, hospital insurance and medicare. The federal government is putting the onus of meeting increased

costs on the provinces, many of which did not initiate these programs. These programs were initiated by the great white god in Ottawa who initiated hospital insurance and medicare and made it impossible for the provinces not to go into those programs. Now the federal government no longer wishes to share the increasing costs in those fields and is putting the risk on the provinces. There are five or six provinces that are in no financial position to take that burden. They did not initiate these programs, but now the risks are on them. Those provinces did not impose inflation.

● (2050)

If we want to know why hospital costs have gone up in the last ten years we should look at this government which overspent us into inflation. It said we were not going to have inflation. It said inflation was imported—it came from Afghanistan, from Pakistan—it came from everywhere but Ottawa. This is the government that has all the financial powers, the fiscal powers, the Bank of Canada, and which controls the currency and the printing presses. But it cannot control inflation, Mr. Speaker.

The provinces were faced with inflation which was not controlled by this government and which was running at 10 per cent or 12 per cent. Hospital costs rose and other costs rose, and the federal government blamed the provinces for the increasing cost of hospitals and so on and said they had to take the risk of it.

What happens if the federal government unleashes another burst of inflation across Canada and these provinces are left with the increasing cost of hospital care and medicare? All this will be put on the provinces that can least afford it. That is one of the weaknesses of this legislation. The federal government would not make a commitment to review the situation in some regular fashion by 1980; it insisted that the changes come by 1977. It is not committed to any review of what happens to these programs by 1980. The Minister of Finance laid down the fiscal tablets like Moses and the provinces either accept them or are buried in the bullrushes. No one should get the idea that the proposals embodied in this legislation were accepted by the provinces. The provinces have not accepted these arrangements willingly—only after a long period of bullyragging and brute pressure by the Minister of Finance and his colleagues. We do not hear any loud hosannas coming from any province as a result of this arrangement, so it has not been accepted willingly.

The fourth weakness is that this is going to leave the weaker provinces squeezed, in a position of financial distress, with inferior services that will remain inferior until some other government is elected that will be more careful about the realities of Canada.

The fifth weakness of these arrangements is the damage that has been done to federal-provincial relations. That cannot be underestimated. When all the statesmen in Ottawa and elsewhere in Canada are considering the difficulties with Quebec and all the rest of it, they might well consider the damage done to the whole structure of Canada in the last several years in reaching these arrangements. It is my view that the constitutional crisis in Canada is very likely to be solved much more easily when there is a change of government—

Some hon. Members: Hear, hear!

Mr. Crosbie: —and if the practitioners of strong arm federalism are put out to grass where they belong.

This is a complicated piece of legislation, and these are complicated arrangements. The ordinary person in Canada cannot be expected to understand them. Even we in this House, wise as we are, have difficulty understanding them, so the ordinary person in Canada will not know what this is all about. But over a period of time they can get a general impression. We are dealing with a complicated issue.

What are the provinces complaining about? Some of the changes were made by the federal government without consultation—without "by your leave". They were told to do it just because the federal government has the fiscal muscle and no one can stand against them. There are at least a dozen instances of this in the last few years. A revenue guarantee was given by this government in 1972 that, as a result of a new income tax act and all the changes in personal income tax and corporate taxes, the provinces would not lose any revenue. The federal government promised to guarantee them against loss of revenue and entered into an agreement for five years in order to get that pledge. The federal government developed its own formula, however, for calculating what the revenue losses would be.

The federal government with its all fiscal experts—hundreds and thousands—ten thousands of them, I suppose—rank upon rank of them, came up with a formula to assess the loss of any province by virtue of the changes in income tax and corporate tax. But these losses far exceeded what the federal mandarins expected. It cost a lot more money than they expected. It cost a lot more money than they anticipated. Without so much as asking the provinces if they agreed, in 1975 the Minister of Finance announced that he was going to change the revenue guarantee—that the formula being used to calculate what the provinces got was going to be changed retroactively for 1974-75. His own formula, the federal formula, was going to be changed without their consent, and in 1977 the whole guarantee program would be terminated and there would be no compensation for that either. It was just an announcement, not even a proposal. The hon. gentleman just made the pronouncement that this was going to happen.

Naturally the ten provincial governments were irritated to be told that something settled several years earlier was to be changed retroactively, in addition to causing losses of hundreds of millions of dollars. This is one example of what went on in reaching this agreement.

As a result of that decision the province of Newfoundland is to lose at least $8 million per year under the revenue guarantee. There was to be no compensation, although the previous minister of finance—a more warmhearted gentleman who could not stand the company opposite because they were too

hardhearted, and who is now practising law in Toronto in preparation for his next move—gave an assurance that there would be something to replace the revenue guarantee after five years. That was changed unilaterally by the federal government, the people who set up the formula—heavy handed and heavy fisted—hamhanded and hamfisted—uncaring.

They entered into an agreement with the ten provinces a few years earlier. And what else did they do, Mr. Speaker? They decided to put ceilings on some of these programs because of rising costs—costs caused by the inflation they had induced or failed to prevent. But they were not going to bear the brunt of that and placed it on the provinces who could ill afford to bear the brunt.

One of the changes they made was in the health insurance and medicare field. In the June, 1975, budget they decided to put a per capita growth rate ceiling on their contributions to medicare. It was not agreed upon by the provinces but just decided by the federal government. The medicare program that hon. gentlemen opposite started in 1967 and made it impossible for the provinces to stay out of was now costing too much—more than they anticipated because of their lack of care and failure to halt inflation, so they put on arbitrary per capita growth rates of 14.5 per cent for 1976-77, 12 per cent for 1977-78, and 10 per cent for 1978-79 and subsequent years. There was no consultation. The provinces were told the federal government will only share increasing costs if they do not exceed those percentages. That naturally has a tendency to induce bad feelings between the provinces and the federal government.

● (2100)

The miracle is that we still have a country, with the way the provinces are being treated. This is supposed to be a federal state. We are supposed to have one government at the centre and ten provincial governments supreme in their own sphere, but because of the fiscal power, because the federal government controls the tax system directly and indirectly, and because it controls the monetary system, it has the whip hand. This is no longer a federal system but a Liberal unitary system.

A unilateral change was made in medicare. The Minister of National Health and Welfare (Mr. Lalonde) wanted to change the arrangements in health insurance because health insurance costs were rising too quickly to suit him. He does not deal with hospitals; he does not enter into collective negotiations and collective bargaining with CUPE and other unions that represent hospitals. He is not dealing with situations where hospital workers have been underpaid since the beginning of history, but in the last four or five years have willingly organized collectively and were exercising some muscle. They were determined to see their wages increased so they could get a living wage. The minister did not have to deal with that. He certainly had no sympathy for them because he decided he had to put on controls, and what was going to be spent on hospitals would be limited.

[Mr. Crosbie.]

He came forward with proposals that the federal government would set a limit. He said the government would give the workers the same percentage increase as the increase in the gross national product each year. If their costs increased more than the percentage of the gross national product, they would still only get that percentage. That was the great brainstorm which he presented to the provinces, but the provinces would not accept it.

The proposal was made in 1972 and was rejected in September of 1974. Then the minister gave notice that in five years' time the government would terminate the whole hospital health insurance program. That is the government's idea of co-operative federalism. The new co-operative federalism is "If you do not do what I say, we will terminate the program and you will not get one cent for your hospitals."

I am surprised backbenchers opposite support such a hard hearted, arbitrary, dictatorial set of cabinet ministers.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Ethier): Order, please. The hon. member for St. John's West (Mr. Crosbie) has the floor.

Mr. Crosbie: Mr. Speaker, let us look at another part of the established program financing which was established so that the ordinary people do not realize they are having their throats cut in health insurance, medicare, and education. They call it established program financing, EPF.

Let us take a look at post-secondary education. What did hon. gentlemen opposite do about this? They had instituted a system of supporting post-secondary education a number of years earlier. I will not go into the details of how they did it, whether it was per capita or 50 per cent of the costs in post-secondary education from trade schools to universities. But they became annoyed when these costs continued to rise. They were annoyed that the cost of operating trade schools, technical schools, and universities was rising. Having looked in the mirror and recognized the cause as being themselves, at least in part, due to the inflation which they permitted, or due to the fact that this was inevitable, they decided that the burden they were sharing for post-secondary education should no longer be shared on a 50-50 basis. They decided to put a 15 per cent ceiling on aggregate federal payments in any one year, a ceiling on the increase in federal payments. That was the decision they imposed several years ago.

The result of that in one province, Newfoundland, with which I am familiar, and that is why I hark back to it—I prefer to talk about something I know about—but this is true even more in other provinces, was that in 1975-76 Newfoundland received $1.3 million less from the federal government for post-secondary education than it would have received had the 15 per cent ceiling not been imposed unilaterally. All this was done unilaterally, not by way of negotiation or agreement. It was done by the hon. gentlemen opposite, the hon. King Kongs flexing their fiscal muscles and saying, "This is it", with not so

much as "by your leave". It is any wonder that Canada is being disrupted and divided and that certain provinces feel they should quit? It is because of that kind of treatment.

Some hon. Members: Oh, oh!

Mr. Crosbie: I am dead serious, Mr. Speaker. I have witnessed this for five years, and I am as serious as can be that in large part the reason for the dissatisfaction in federal-provincial relations is the arbitrary and arrogant attitude and actions of the hon. gentlemen opposite. I should not be warning them and telling them this. They might change in the next few months.

Some hon. Members: Oh, oh!

An hon. Member: Don't you believe it.

Mr. Crosbie: Imminent elections cause the Liberals to do wonders. Anything is likely in the next few months. Even the Minister of Finance might become most conciliatory and might throw out a few million dollar to the provinces in the next few months. Perhaps I should not be mentioning these things at all.

Let us speak about something that is still more dastardly. Hon. gentlemen opposite should listen to this because it is another example in federal-provincial relations of the co-operative federalism as practised by the hon. gentlemen opposite, the hon. King Kongs. In December of 1975 the federal finance mandarins made an estimate of what they would have to pay for post-secondary education in the next fiscal year. The federal government entered into programs with the provinces for a few years and came up with an estimate. In the financial year 1976-77 they were going to spend $538 million, they would transfer that to the provinces under post-secondary education. They told the provinces this and the provinces accepted the federal figures. But lo and behold, in May of 1976 the federal financial wizards, the experts, hundreds of them, discovered that it would not be $538 million in 1976-77 under that program but rather $649 million. They made a mistake, they underestimated the cost.

It might have been the fault of the Liberals because of the Liberal induced inflation. They were going to have to spend $111 million more than they had expected. I am sure you will think that they took that on the chin, because of course they had to meet their commitments. They made a mistake in their estimates, but since the program had been established for years you might think they would accept that. Not on your life! They did not accept it. They told the provinces the country was under fiscal restraint. I say they should have been under penal restraint to do what they did, Mr. Speaker.

Some hon. Members: Hear, hear!

Mr. Hnatyshyn: Right in the solar plexus.

Mr. Crosbie: They said to the provinces, "We underestimated by $111 million. We know we should pay you that money, but we are under fiscal restraint and we cannot pay it to you until next year. You will not get what you are entitled to this year because we do not want to be embarrassed by going back to the House of Commons and having to admit there is another $111 million in supplementary estimates". So those shylocks, no-lucks, went to the ten provinces and told them they had to wait until next year for the $111 million. How is that for co-operative federalism? How is that for the great Liberal principle of participatory democracy? Bushwhackers! There will be no democracy in this country until we get those scoundrels out.

Some hon. Members: Hear, hear!

● (2110)

Mr. Crosbie: I just want to make one reference to Newfoundland in this connection to show the enormity of the crime. Because the government is going back on its commitments in 1976-1977, Newfoundland receives $2 million less for post-secondary education than it should. Presumably it will get the $2 million next year. It has been postponed.

I mentioned in another debate in this House several weeks ago—and the Minister of Finance took it very lightly, and he should not have—the fact that the federal government in another fantastic example of co-operative federalism—that is, you co-operate or you get nothing at all—unilaterally indexed the personal income tax in 1974. I believe it was the former minister of finance, Mr. Turner, who brought down that budget which unilaterally indexed the personal income tax. The government collects the provincial income tax for nine provinces, and they have to accept uniform conditions. The federal government is doing this because that is best for Canada. It causes less confusion, it is more efficient, it saves money, and it obviates 11 governments each having to collect its own.

The hon. gentleman entered into an agreement with nine provinces to collect their income tax, but unilaterally, without consultation, without notice, and without as much as "by your leave" or a please or a thank you, indexed the personal income tax, which caused all nine provinces to lose millions of dollars over the last three years. The federal government did not even agree to compensate them for this loss. As a result of that unilateral indexing—and I could care less if the federal government indexes its own income tax; that is its own income tax; let it do what it likes with its own—instead of just indexing its own, it indexed the income tax for nine provinces. Perhaps it had to do it for technical reasons, but if it had to do it for technical reasons it should have made up the revenue lost to the provinces. However, the government opposite did not do that. It just imposed indexing itself and caused the loss of hundreds of millions of dollars to those provinces.

In the case of Newfoundland the loss this financial year is $30 million. That is $18 million in income tax, and the rest in the negative effect that had on tax equalization. The Minister of Finance took $30 million out of the coffers of the province of Newfoundland in this fiscal year by that one change made without the consent of the province and without its consultation. He refused to reimburse the province for that, and every

time it is brought up he just smiles to himself as though it were the work of a genius. The hon. gentleman is going to discover that that is not something which is taken lightly. It is another reason federal-provincial relations are in the state they are. I am sorry. The figure for Newfoundland for 1976-77 in direct revenue loss is $14.9 million, and the estimate of negative tax equalization brings it up to $30 million. Of course, in the other larger provinces the figure is much higher.

All these funny things happened "On the Way to the Forum", but these were not very funny for the provinces which participated. That is why there is a strain in federal-provincial relations. That is why there is exacerbation, if that is the word to use. That is why feelings are not good. That is why people are suggesting we need to take a look at the BNA Act and the distribution of powers.

A lot of the pressure for that kind of constitutional review will disappear when the hon. member for Rocky Mountain (Mr. Clark) forms his government this year, next year, or whenever the next election is called.

Some hon. Members: Hear, hear!

An hon. Member: It's Bow River.

Mr. Crosbie: He will be the member for somewhere; never mind about that. You are just lucky he doesn't run in your district.

Mr. MacFarlane: I hope it will be outside the 200-mile limit.

Mr. Crosbie: What is needed is not so much a constitutional change in Canada as a change in personnel in the government. We need someone who will be co-operative, someone who will negotiate, someone who will consult, someone who does not think he has all the answers, and someone who does not have the Liberal habit of thinking that he and only he has the answers, and that he is God's gift to Canada. When we get a change in the seats opposite this constitutional crisis will be vastly diminished.

In this House several weeks ago the Minister of Finance said that there was $1.25 billion more in the pockets of people because of indexing. I do not know how much of that applies just to federal tax and how much to provincial tax. However, I say that the hon. gentleman has a duty to put back in people's pockets what the government of Canada can afford, not what the provinces of Canada cannot afford.

I come from a province which cannot afford to rub two nickels together at the present time. It cannot borrow any more than it is borrowing. It cannot impose any more taxes. It already has the highest tax rates in Canada. It has the highest tax in the five main tax fields—sales tax, personal income tax, corporation tax, liquor tax and gasoline tax. They are the highest in Canada. The people in Newfoundland have the lowest per capita income. They have less ability to pay these high taxes. The government of Newfoundland cannot turn down what the government of Canada offers in the final analysis, but we do not have to take it quietly. If we think we are being treated unfairly we can protest, and we are protesting, and we are going to protest the dismal estimates which were tabled in this House a few days ago.

The estimates tabled in this House are an abomination. Of the $45 billion in estimates which were tabled in this House last week there was practically nothing for Newfoundland to fight the unemployment problem there. In the estimates of the Department of Public Works an amount of $300 million is for single purpose and general purpose buildings across Canada, but look at what is to be spent in Newfoundland: $276,000 in Fortune and Burin-Burgeo, and $700,000 for planning a tax data centre in St. John's. That is $1 million out of $300 million, one three-hundredth out of the department of patronage, the Department of Public Works.

An hon. Member: Disgraceful!

Mr. Crosbie: Only one three-hundredth is to be spent in Newfoundland, the province with the highest unemployment and with a construction industry which is having the greatest difficulty. What is the department spending in Ottawa-Hull, in this rich part of Canada? It is spending $63 million out of the $300 million from Public Works. That amount is to be spent in this fat-cat area of Ottawa-Hull for more government buildings.

Mrs. Holt: Do your arithmetic, and you will know that that is not right.

Mr. Epp: You mean it's more?

Mr. Crosbie: I am not including Campeau. Campeau is in there under lease-backs. I am including direct government expenditures by the Department of Public Works to build buildings. What is the unemployment rate in Ottawa-Hull? It is very small. What is the unemployment in Newfoundland? It is at least 20 per cent to 25 per cent.

I went through the estimates looking at the items of $250,000 and more which were going to be spent. This was supposed to be shown in the estimates. I could not find $30 million spent in Newfoundland on those kinds of items. I am not talking about DREE now; I am talking about direct expenditures like transport, public works and fisheries. Only $750,000 is to be spent for small crafts and harbours in the whole of Newfoundland and Labrador, in all their 160,000 square miles. Over $2 million is to be spent in Nova Scotia, over $2 million in New Brunswick, and over $4.5 million in Quebec. Is that co-operative federalism? Like—I have to keep my language parliamentary. This is a diversion.

The people who brought these estimates down in this House should be ashamed of themselves. They are going to leave the people of Newfoundland to wallow in their unemployment problem. We have the guts to stand on our own two feet and not give in to them with regard to the off-shore minerals off Nova Scotia, Prince Edward Island and New Brunswick. We do not fall over and play dead. I will be speaking about that tomorrow, so I will not waste my time on it tonight. The pipsqueaks are putting the squeeze on Newfoundland because

we will not fall over and play dead; not on your life, Mr. Speaker. There is one of them now. I am going to move that that hon. gentleman's salary be reduced to two cents, and that is twice what I think he is worth.

● (2120)

If I may get back to federal-provincial relations—I am not in good form tonight, having risen at six o'clock this morning to catch a flight for Ottawa—I shall return to my main theme. I shall deal with my other theme tomorrow afternoon, hopefully. For the present I want to tell the House of other examples of bullying tactics, of dragooning, of Upper Canadian bullyboy behaviour.

Mr. Abbott: Hear, hear!

Mr. Crosbie: The hon. member for Mississauga (Mr. Abbott) had better watch out. If he ever comes down to Newfoundland he will find out what consumers can be like.

Mr. McKenzie: He'll be consumed.

Mr. Crosbie: The federal government agreed with the provinces on a program called revenue stabilization, that is, the federal government guaranteed that a province's total net revenue would not be less than its net revenue in the immediately preceding two years if the rates and structures of its taxes were to remain unchanged during those two years. That was the revenue guarantee.

That guarantee was most helpful for the financially less well endowed provinces, because they could go to the bond markets more easily. When you went down to the States and mentioned a revenue guarantee, it sounded good. People down there knew that the federal government's revenue guarantee meant that a province's revenues would not slip back, that is to say, if they did slip back from the level of the previous year, the federal government would make up the difference. The federal government never had to pay one cent under that principle. It never cost it one cent, one sou, one copper. It cost the government nothing to agree on that principle with the provinces; but it helped provinces like Newfoundland when they became involved in the financial markets. The guarantee provided fiscal stability.

What did the federal government do with our revenue stabilization program? While the negotiations were going on to establish the principles embodied in this bill, the federal government came to the provinces and said, "We want to do away with revenue stabilization. We no longer want to implement that policy." In other words, it was another twist of the arm. The Minister of Finance had the poor old provinces by the arm, and he gave it another twist, as much as to say that if they did not behave, if they did not accept what he was offering, they were going to be hurt even more. The federal government said that revenue stabilization was to go by the board, although the program was not costing it one cent.

Some members of cabinet might realize the dirty struggle which was going on, and I hope they are listening.

Mr. Paproski: Listen, Gillespie, and you may learn something.

Mr. Crosbie: I hope they are either listening or that they will read *Hansard*. What the government did was another example of its attitude to federal-provincial relations. Given all this, some of you may wonder why the ten provinces were able to get together and make a joint proposal last December 7. They did it because they wanted to save themselves. For the first time in federal-provincial relations, the ten provinces agreed together, on all of these—

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but his allotted time has expired. He may continue if there is unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Ethier): The Chair recognizes the hon. member for Shefford (Mr. Rondeau).

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Ethier): Does the hon. member for St. John's West (Mr. Crosbie) have unanimous consent to continue?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Ethier): The hon. member for St. John's West (Mr. Crosbie) may continue. Order, please. I see the hon. member for Timmins (Mr. Roy) rising on a point of order.

Mr. Roy (Timmins): Mr. Speaker, I rise on a point of order. I said no.

Mr. Paproski: Mr. Speaker, I rise on the same point of order. The hon. member cannot rise on that point of order after Your Honour has recognized the hon. member for St. John's West. (Mr. Crosbie).

The Acting Speaker (Mr. Ethier): That is a valid point of order. I had recognized the hon. member for St. John's West.

Mr. Crosbie: Mr. Speaker, I will only take a minute or two.

Mr. Stollery: Mr. Speaker, I also rise on a point of order. I also said no, and I am sure I said no before Your Honour recognized the hon. member for St. John's West.

The Acting Speaker (Mr. Ethier): Order, please. It is possible that I did not hear. I shall ask again. Is there unanimous consent for the hon. member to continue?

Some hon. Members: No.

The Acting Speaker (Mr. Ethier): I could not hear the sense of the House; therefore I shall ask again. Is there unanimous

consent for the hon. member for St. John's West to continue his speech?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Ethier): There is not unanimity. The Chair recognizes the hon. member for Shefford.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, it is unfortunately funny to note that the wranglings in the House are similar to those now experienced in the Canadian confederation. This Bill C-37 dealing more especially with the federal-provincial relations is an extremely important measure and as timely in 1977 as it was in 1976.

The coming into power of the Parti Québécois in Quebec on November 15 last was necessary to give an entirely new significance to Canada's federal-provincial relations. In my opinion, this political development in Quebec should be approached by the federal government in a realistic and serene mood, not with a tendency to say to Quebec: We will prove to you Quebecers that federalists are right. Such an attitude would only worsen the federal-provincial relations, because it should not be forgotten that all provinces feel that they are assailed when one of them is threatened by ultimatums, reprisals, official or unofficial sanctions.

The real problems which have led Quebec to its present condition—and this goes for the Canadian confederation—were not solved or settled at the right moment and now that we are before a fait accompli, long-term or effective solutions which would be beneficial to the provinces and to Canadian unity are rejected. A mature individual does not depend on ultimatums to take decisions.

● (2130)

Problems left in abeyance far too long without any solution created a state of fact within the Canadian confederation and when one wants to settle them, the good faith requisite for a frank dialogue often does not exist any longer unfortunately. A great many people have nothing to lose in fact. Why? Because they have lost everything and that is the reasoning one hears, wrongly or rightly, around Quebec everyday: Through what miracle would it be possible for the Canadian provinces to operate better tomorrow than in the last 110 years?

The present confederation seems to have been an impediment to the provinces' emancipation, if one considers the existing mentality in the Canadian provinces in 1977, in Quebec as well as outside Quebec. This impediment has been caused by overly great centralization and by the central government monopolizing provincial powers, ordering the provinces instead of being of service to them. This is the real cause of the conditions as we know them today. The provinces are less and less the blind servants of the federal government, and that is good, for it will prevent, I hope, excessive centralization by the federal government, which would prevent the provinces from becoming weak members in the family which is our nation. Mr. Speaker, let us imagine a child who would have grown in the same clothes at 12 and at 20. It is easy to imagine that at 20, he would feel stifled by the clothes he wore at 12.

The provinces have gone a long way, but during the last 110 years the Canadian confederation has gone in the opposite direction, strangling the provinces, which are increasingly capable of taking their responsibilities and ever less willing to depend on a centralizing government which they created to serve and not to strangle or provoke them by removing from them—and this has been said by many members in this House—by taking away from the provinces rights that belonged to them and which it now administers in their place.

Mr. Speaker, why should a county council do on behalf of a municipality what this municipality is perfectly capable of doing itself? Why should a provincial government do on behalf of a county council what this county council can do better than any other public organization? Why should the federal government do on behalf of a province what the provincial authorities can do more easily than the federal government? Where does this desire to centralize everything come from, Mr. Speaker? For the closer the authority is to the people, the better the chance people have to be as they have always been. Decisions made far from the people are always detrimental to the people. The farther the authority is, the better the chance financial institutions have of exploiting the people through centralization. That is why the financial institutions do not like to see decision making processes too close to the people. The farther away the decision making, the better served the financial institutions.

Mr. Speaker, the first thing which should come under the exclusive control of every province is its own credit. Each Canadian province should be provided with the services of a branch of the Bank of Canada. This branch should be fully and entirely responsible for the credit in the province, and the decisions as to the use and control of the credit of the province should come under the exclusive control of each province.

Mr. Speaker, Hydro Ontario is responsible for the distribution of electric power throughout Ontario, just like B.C. Hydro in British Columbia and Hydro-Quebec in the province of Quebec. Similarly a branch of the Bank of Canada would be responsible for financial credit in each of the provinces. So the federal government could no longer jeopardize the financial credit of the provinces by endlessly borrowing on their financial credit and guaranteeing loans for its own financing with the wealth of a province.

Mr. Speaker, this brings me back to the British North America Act which gave responsibilities to the provinces while centralizing the financial resources in the hands of the federal government. What is at the root of the quarrelling we have known since the beginning of confederation, the fact that while the provinces have clearly defined obligations and duties, the financial levers are in the hands of the federal government? This is why the last 35 years or so have been witness to perennial disputes over federal-provincial conferences, over taxation powers, over financial powers which the provinces do not have but which are held by the federal government and

which in turn mean further obligations for the provincial governments.

This is why, Mr. Speaker, as long as the federal government will not give the provinces the financial power enabling them to meet their provincial obligations, the Canadian confederation will unfortunately be in trouble and will continue to be threatened, not only by Quebec, but also by the other provinces. Why? Because the provinces were given responsibilities and the federal government was given the financial powers to meet those responsibilities.

Why this perpetual conflict in our federal-provincial relations, and why does the federal government refuse to tackle the financial problems to allow the provinces to achieve what they want and what they can do in their own sphere and within their own territory?

Mr. Speaker, this is why, like the former prime minister of Canada said, it is useless and pointless to talk about democracy in this Chamber as long as we have not placed financial powers in the hands of those who have provincial obligations towards the population. This is why, Mr. Speaker, we would like the government to realize before it is too late that it is up to the federal government to take action to save Canadian unity and Canadian confederation.

You cannot blame children who want to leave the family home when they have reached an adult age if they are given only promises and told: Come and argue constantly at federal-provincial conferences, and you will still go back with promises because the federal government has not wanted, at least until now, to give the provinces the financial powers that they had before, but that the federal government took over because of an international event in 1939, at the start of the Second World War.

Mr. Speaker, instead of wanting to control the provinces, the federal government must therefore become somewhat more flexible, more understanding, and stop issuing secret directives to the world of finance so as to strangle a government which may have socialistic tendencies, I admit it, but which has still been chosen by the majority of Quebec voters. Let us therefore give this government the opportunity to pass good legislation if it has any. Let us give this government the opportunity to become bankrupt if the only thing it can offer the population of Quebec is economic bankruptcy. Mr. Speaker, I hope that this government can take its responsibilities and that it can request not the separation of Quebec from the Canadian confederation, but the financial powers needed to enable Quebec to fill its own aspirations.

[*English*]

Mr. Bob Wenman (Fraser Valley West): Mr. Speaker, I am a Canadian. I believe in Canada. I believe in one strong united nation. I believe in a federation of regions united in mutual respect and common interest, in both the richness of regional diversity and the unity of a creative federalism that, in spite of many gusts, has burned so brightly on since 1867.

While it might well be that Canadians are drawn toward regionalism because they are disenchanted with a repressive central government, the striving for an expression of identity from a regional perspective deserves close examination as to its potential to give expression to a new type of regional federalism. This new balanced federalism need not be a decentralization or a weakening of either federal or provincial responsibilities. Canadians have nothing to fear from strong regions as long as there is strong national government as well.

What we clearly need to ensure is a rational redistribution of responsibilities between the federal and provincial governments, a rational redistribution that involves clarity and the elimination of overlapping jurisdiction and duplication. This would mean that both the provinces and the federal government must be willing to forgo some programs, recognizing that certain services are delivered better by other levels of government.

• (2140)

The country has been committed to universality in social programming, which suggested that we should treat all regions as though they were the same although we knew they were not. Why, for example, apply a massive employment program in a region which has no real unemployment problem, but rather a weakness in its transportation links? Why not develop programs in response to regional needs rather than on the basis of universality for the sake of universality? We are a diverse country and we need institutions which reflect and accommodate that diversity.

Canada is in fact a federation of diverse regions. Why not recognize this situation and build from it? Why not recognize regional aspirations, maximize them, and allow them to replace the small but powerful vested interest groups which express their demands only too effectively on an old, tired structure which capitulates because of the impotency of a castrated parliament, stripped of its authority, dignity, and ability to produce for, and in the interest of, the majority of Canadians?

The clash of opposing regional forces is the seed from which Canadian identity must and will grow. Directed positively, in a spirit of co-operative federalism, it could be the new dynamism to drive a renewed confederation. Let us recognize not just two regions of Canada but rather the many diverse regions of our country, acknowledging each for the validity of its own unique cultural, social, political and economic aspirations. Let us recognize that Canada is great because of its freedom from uniformity, because of its capacity to tolerate, accept, and appreciate the great freedom of choice inherent in that diversity. Let us not be limited by our diversity; let us be elevated by it. Let us feel that our potential, is broadened and enhanced by it instead of retreating in fear from the reality, from the expressed desire for this new type of regional balanced federalism.

The present government has waited too long before recognizing the regional aspirations of Canadians. The bill before us is but a token attempt at recognition of those aspirations. The government and its leader are attempting to play the role of the saviours of Confederation. Mr. Speaker, this Prime Minis-

ter (Mr. Trudeau) and his government are not the saviours of Confederation, but rather the saboteurs of Confederation.

An hon. Member: Shame!

Mr. Wenman: Their arrogant confrontary tactics and abuse of power have led to a centralization of government never contemplated in the partner concept envisaged by the creators of the union of this nation.

Four thousand people responded to a questionnaire in my constituency and 80 per cent of them said that talk of separatism in several regions of Canada was really not a call for separatism as such but rather a larger concern that the government of Canada and its bureaucracy in Ottawa are too big, too much out of control, and no longer responsive to the wishes of the Canadian people. Eighty per cent felt that the real concern of Canadians is not separatism at all but rather a concern for better, smaller yet strong government. This strong western sentiment was exactly the sentiment which saw the government change in Quebec and will see a change in the national government of Canada.

I am confident in my Canadianism and I am confident in the Canadianism of my constituents. Ninety-five per cent of my constituents who responded to the questionnaire said, "Yes, I want my province or region to remain a part of Confederation in Canada." We have no doubt about our personal Canadianism in Fraser Valley West, but we feel that too much credibility has been given to non-representatives, separatists, vocal minorities.

Mr. Speaker, I want my province to remain in Canada because I am a Canadian. I believe in Canada. I believe in one, strong, united nation.

Some hon. Members: Hear, hear!

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, as one considers the mathematical formulas in Bill C-37 and also the fact that the legislation is presented to us as a *fait accompli*, it is no wonder that so many speakers in this debate have sought to take a broad approach to their feelings about Confederation. It is precisely that leadership from the Canadian parliament on the crisis of Confederation at this moment in our history that the Canadian people have a right to expect. I think the Canadian people want to hear from their members of parliament how we feel, what we are going to do to save our country if we hope to hold it intact at this particular moment.

I think it is unfortunate that the Prime Minister (Mr. Trudeau) has not sought to come into the House of Commons to share, the kind of views he expressed in Washington today, to come into the House of Commons and take part in a full scale debate in this House on national unity and the future of our country—a national unity which we could define for the good of the Canadian people. It is not only the threat of the break-up of Confederation and the linguistic and cultural issues that we are facing, but also we will be considering in the debate on national unity the economic problems and regional disparities of our country, because that also is what needs to be discussed in a broad ranging debate on national unity. That is why the members of this House, as we look back in the debate of the past two days on this bill, have sought to take a wider approach. Members are tired of the great issues of our country being faced and settled in federal-provincial conferences, in TV addresses to the nation, and in speeches to the Congress of the United States. I believe it is here that we ought to be giving the leadership the Canadian people want.

We heard tonight the views of members from Newfoundland and British Columbia about the desire of people in those provinces to stay in Confederation and to respond flexibly to the threat that faces our country right now. I want to say a word about the people of Alberta. I think that not enough positive statements are being heard which truly reflect the feelings of Alberta. I must say to you, Mr. Speaker, that I deeply resent the kind of media coverage some eastern journalists have been giving Alberta when they interview people who say that we in Alberta don't care if Quebec does separate and that our future is not really on the line. I think that such views within Alberta express the feelings of only a very small fraction of the people in Alberta. The people of Alberta I come into contact with want very much to recognize that the problems posed by the November 15 election in Quebec are problems that have to be solved by all Canadians together.

I resent that great Liberal, Bryce Mackasey, going into Alberta and saying that Albertans won't pay the price, that Albertans wont pay the price for staying in Confederation, and then being interviewed on the media as if this was a great discovery which had been made and one worth relaying to the rest of the people of Canada. I think that Albertans are paying the price, and I recognize that we are going to have to go on paying a price for national unity.

I think it is absolutely unfair to depict Albertans as being narrow on this subject, even on the subject of bilingualism and biculturalism. I can tell you, Mr. Speaker, that people in Edmonton line up to get their children into French schools in the city of Edmonton and that there is a thriving French community in the city of Edmonton which enjoys French language television and French language radio and newspapers. Many things have been done in our province to reflect the diversity and the fullness of the Canadian character.

I think it is a calumny to say that Albertans won't pay the price for staying in Confederation when we are already paying the price in energy subsidies which we pass on to the rest of the country through our willingness to take less than world price on energy. Then these are the freight rates. The discrimination in freight rates has been documented in this House for many years.

Speaking about transportation, Mr. Speaker, we think about the decision handed down today by the Supreme Court of Canada in the Pacific Western Airlines dispute which the federal government brought through a series of actions all the way into the Supreme Court. The Supreme Court ruled by a nine to nothing decision today to uphold the province of Alberta in its acquisition of PWA. I think the action of the Alberta government in acquiring PWA for reasons which

Premier Lougheed made very clear, namely, that it was essential to development in northern Alberta and to the province's over-all, long-range planning and to diversify its economy, has now been vindicated by the Supreme Court of Canada and is an indication why a flexible federalism is absolutely essential. The provinces do have a right to expand and develop their own regions through a system of transportation along the line Premier Lougheed has indicated.

● (2150)

I think it would be a very serious mistake indeed for the Minister of Transport (Mr. Lang) to carry out the implied threat that he made prior to the handing down of the Supreme Court decision. He implied he would bring legislation into the House to roll back the decision of the Alberta government to acquire PWA. I warn the Minister of Transport, with all the energy at my command, that we will fight any such legislation down to the last post. We will uphold the right of provinces to develop their own regional strengths, including their own transportation systems.

I think more of us in this country are recognizing that regional input is absolutely essential if we are to have the kind of flexible and creative federalism that is necessary and which Bill C-37 allows us to consider in greater fullness. It is essential to be realistic about the extent of the threat that is facing Canada. However, it is more important not to despair or to accept separatism as inevitable. I want to reaffirm to the House tonight that the people of Alberta by no means are accepting the so-called inevitability of separatism. We are going to indicate in the months ahead, by a mobilization of outspoken federalism in our province, that those who are telling the rest of Canada that Alberta does not care are wrong. As I say, I do not think that separatism is at all inevitable. The idea, the emotion, and the power of a united Canada is shown to be stronger and better than René Levesque's constricting nationalism.

The alternative to the PQ argument must always be visible. It must be perceived by French-speaking Canadians that they can fulfil themselves culturally in Canada at least as well as they could in a separated Quebec. Certainly a great effort to make the bilingual nature of this country a working reality should not be abandoned. Real progress is being made in the public service and in the schools, and I have given the House an illustration in this regard so far as Edmonton is concerned. Real progress is being made and should be continued.

There are justifiable complaints in western Canada. Indeed, there is a similarity in the expressions of concern and alienation felt within the province of Quebec and those felt in other regions. We heard about Newfoundland tonight. I can tell the House that the people of Alberta also feel a sense of frustration which is caused by an inflexible type of federalism which is maintained by an overly centralist concept administered by the present government. I think we are looking forward to the day when we can have a greater decentralization of powers, and in order to approach this great question we must have the right attitude. In that way we recognize that a compromise is going to be necessary to hold our country together, in the same way that compromise was necessary in order to build and establish Confederation in the first place.

I look forward, then, to a national debate centring right here in the House which will be about the ways that a compromise can be achieved with honour and with practicality. I think that reason and toleration will help us to understand that what we are talking about is not so-called "giving in", to Quebec, but of implementing new relationships between Ottawa and the provinces that will lead to a deepened sense of national unity. It is in the interests of Alberta as much as Quebec to search for a new mode of Confederation, one that builds nationhood out of the strengths of all regions, rather than imposing a centralized system from the top.

I do not think that this debate is going to be easy by any means, which is why I think none of us should pretend that we have the final answers at the moment. Rather this is the time for speaking and for listening and for moving together, whether in Newfoundland, British Columbia, Alberta or Quebec. Together we must be tolerant of the views of one region or another at this moment when we are trying to find the way in which our country can be held together.

I want to mention that one thing I am going to do as, I hope, a small contribution in my capacity as a member of parliament, where I think I have some responsibility to exert some leadership in finding solutions to this problem, is to hold a Town Hall meeting in Edmonton on March 28 under the title "The Kind of Canada I Want". I am going to invite the people of Edmonton to come and speak from their hearts of their concern for the kind of Canada they want. I am going to invite the media from the province of Quebec to cover this event, and I hope they will convey to the people of Quebec in a direct manner the feeling of the people of Edmonton that they do care and that they are willing to pay the price for holding our country together.

It is not enough, Mr. Speaker, for members of parliament simply to stand and to say they want the country to stay together. I think we have an obligation to give some leadership and to show how we try to lead the way to these solutions, instead of just waiting for them to appear at some federal-provincial conference. If the Canadian parliament is going to re-assert its claim to leadership in this country in the form it was constituted, I think members of parliament ought to be able to advance some solutions to the crisis that faces us.

Speaking only for myself, I think we find a better concept of a more creative kind of federalism through a consideration of the report that was issued by the Joint Senate and House of Commons Committee on the Constitution, which reported to this House in June of 1972 and which did try to find a way between outright balkanization and a centralism that people in many provinces find excessive. I think if we can express a consensus on decentralization we would have a bold, new and exciting way to restore the vitality of Canada.

I see it is ten o'clock, Mr. Speaker; I will continue at a later time.

Adjournment Debate

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

FISHERIES—EXTENSIVE HERRING KILL IN BAY OF FUNDY—REQUEST FOR DETERMINATION OF CAUSE AND ASSISTANCE TO FISHERMEN

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, on December 7 of last year I asked a question on behalf of some of the fishermen of Grand Manan who had experienced a very serious loss of income as a result of circumstances absolutely and completely beyond their control. These people have presented their case to the staff of the Ministry of the Environment. They have been patient, they have been polite, and they have not been demanding. They have merely presented the facts of the case as they saw them on their own behalf. They made all the expenditures that would have been necessary for a fruitful season, but they reaped no harvest whatsoever as they cast their nets upon the water.

I rise tonight to appeal on their behalf. I think that if we examine the report on expenditures by the Department of the Environment through its fisheries branch, we will find that the department has aided and assisted a great many people in the fishing industry in Canada. It seems only fair, then, that the same spirit, the same degree of recognition, should be shown to these people as has been shown judiciously and properly to others in Canada, including fellow fishermen. I think it is discrimination to leave these people out, particularly so in view of the very gentlemanly position which they have adopted and the very fine way in which they have presented their case.

● (2200)

I think it is necessary to take into consideration the basic economy of the island of Grand Manan. There is probably no community in Canada more dependent upon a single source of income than that island. Except for a very short tourist season which makes some contribution, the income of many on the island is based principally on fish. When any portion of this income is denied fishermen of that area, by virtue of an act of God or man, the economy of the area suffers.

Fishing is not a guaranteed income; by its nature it is cyclical. This is particularly pertinent to this group of fishermen this year because it was one of the perhaps two out of five years they could have anticipated a very generous and adequate income. The weir fisherman is one who must accept that perhaps not more than two out of five years are going to be really prosperous. With good luck in the other years of that five he would recover his investment, and in the fifth year would make virtually nothing.

It is not only unfortunate that a weir may be found to be absolutely fruitless for an entire fishing season, but in this particular season fish were in an abundance rarely seen anywhere, and the anticipated income was the one they needed in the five-year period to give them a decent average.

These people have not made an exorbitant demand upon the public treasury of Canada but merely asked that they be assisted as weir fishermen have been in the past. Their presentation indicated what their income might have been, and they asked that the minister recognize that and give them assistance on a fair basis. Some of their claims have been regarded as very high but I can assure you, Mr. Speaker, in view of the presence of fish at that particular time, they have not exaggerated what their income might have been had not circumstances interfered.

The fishermen of these parts have been hampered by regulations, licensing, and stock control. The income of the area has suffered seriously, and the processing industry has found it difficult to survive. This is an island which I think should have special consideration in every respect in regard to fishing. The licensing structure has hampered them severely. When you have no other source of income, and when it is restricted by the imposition of quotas and licenses, then the flexibility of earning power has been licensed out of existence. A few extra days of effort in another field might have added to their income, but they are denied that. They are abused by the licensing structure. It is not as if these people were on the mainland of New Brunswick or Nova Scotia where they might have an opportunity to earn money from other sources; their basic and only income is from fishing.

I submit that when a group of people such as this is denied the opportunity to reap the harvest through circumstances not of their making, the minister should take that into consideration and treat them as other fishermen in Canada. They should have some compensation.

Mr. Jim Fleming (Parliamentary Secretary to Minister of Fisheries and the Environment): Mr. Speaker, as the hon. member is well aware, a thorough investigation of the herring kill of last summer has been carried out by the research scientists at the St. Andrews Biological Station in New Brunswick. All evidence indicates that the herring kill was due to natural causes as opposed to an explosion. The results of this investigation, including a report from the Department of National Defence, were brought to the hon. member's attention as well as that of the fishermen involved at a meeting held on Grand Manan a few weeks ago. The claims for the loss of income by the fishermen are understandable, but in the light of these results it has not been possible to compensate those affected by the kill.

However, the minister as well as his officials realize fully that there are a number of problems faced by the weir fishermen which need to be addressed, such as the instability of catches by the weirs. In this connection a second meeting was called by the Department of Fisheries and the Environment to discuss these problems with the weir fishermen. These meetings were well-attended, useful, and have established the potential to implement some long-term changes in the weir fishery, principally the development of a catch-insurance

scheme and a more direct involvement of the weir fishermen in the management of the fishery.

TRANSPORT—REQUEST OF ATLANTIC PROVINCES FOR FUNDS TO IMPROVE TRANS-CANADA HIGHWAY—GOVERNMENT POSITION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, the purpose of my short comments tonight is to elaborate on my question of December 2 last to the Minister of Transport (Mr. Lang) with regard to the submission by the transport ministers from the Atlantic region on the desperate need for a highway strengthening program in the Atlantic region. However, as selfish as it may seem, I am particularly concerned about the deterioration of what can only be referred to as a fourth class Trans-Canada Highway in my part of the province in western Newfoundland, particularly between Port aux Basques, through St. George's, Stephenville, Corner Brook and on to Deer Lake. These are five communities which comprise the comparative urban areas of western Newfoundland. This too is part of Canada.

This section of the Trans-Canada Highway and connecting links form the basis of an interconnecting highway system which is vital in the building of an economic base for western Newfoundland. While I realize that it must fit in with an over-all transportation plan for the province, the extreme pressure placed upon the use of the present system has indeed reached alarming proportions. The pressure on the increasing use is brought about by the fact that the available system of rail for the transportation of goods and services has deteriorated to a point where the basic industries have had to turn to rubber transport in order to compete in far off markets, and I refer mainly to our basic pulp and paper industry and the linerboard industry in Corner Brook and Stephenville. This has resulted in the increased traffic of tractor-trailors to the point where it is becoming absolutely dangerous for vehicular traffic other than the massive tractor-trailors which have been travelling the roads in ever increasing numbers in the past years. I can only stress that unless something is done on an emergency basis, we will all regret what is likely to happen.

The frustration which I have to endure at the evident procrastination of the government is that it appears that in spite of the countless studies on transportation which have been undertaken, there will now be further delays as a result of the impending appointment of a royal commission to study once again transportation problems in my province, when as recently as 1974 a voluminous study was produced on the trans-Newfoundland corridor transportation. I do not recall how many volumes there were, but volume C on the Trans-Canada Highway gives a complete picture of the conditions, the requirements, the cost, and the expected benefits. It goes into every detail which time will not permit me to go into tonight. I wonder why the government has to await another study before taking any action.

It adds to my frustration to know that there is a fundamental lesson we should all have learnt from history, that the basis of any economy in developing an area to take advantage of its resources is a proper transportation system. However, to add further to my frustration I read today a news release by the minister announcing a $30 million agreement for construction and improvement of highways in the northern part of the province of Alberta. I say God bless Alberta, it deserves it, but I ask, how long do we in Newfoundland have to wait for the infrastructure support necessary to give us a transportation base which is so vital to our future economy?

• (2210)

Just yesterday the minister indicated in reply to a question of mine that as a result of meetings with the Atlantic transportation ministers an agreement was reached to divert funds from other programs and to direct those funds toward the highway strengthening program for the Atlantic region. I sincerely hope that this will come about, and while it is a foregone conclusion that the royal commission study will come into effect, I hope the minister will, as he indicated to me previously, demand that the transcorridor study be referred to and become an important part of the relative factors to be considered by the commission to avoid further delays.

Even though the transportation studies will go through another process of delay, it is most important that on an emergency basis implementation of highway improvements take place in Newfoundland, regardless of the over-all acceptance of a policy for the province which will fit in with Canada's over-all new transportation policy, which I hope will be to the benefit of all Canadians.

I hope that the very capable parliamentary secretary to the minister will be able to give me answers which I can relate to the people of Newfoundland, and I hope he will assure them that this necessary transportation system will be made available by the government he represents.

Mr. Marcel Roy (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I wish to thank the hon. member for raising this important matter. I appreciate this opportunity to speak on this subject this evening for two reasons: because of its subject matter, and because the hon. member has raised this matter on a historic day for all Canadians. The President of the Privy Council (Mr. MacEachen) mentioned today during question period the visit of the Prime Minister (Mr. Trudeau) to the President of the United States.

On March 10, 1976, the Atlantic ministers responsible for highways met with the Minister of Transport (Mr. Lang) in Ottawa. They presented to him with their joint submission for a ten-year highway program of assistance for the provinces to strengthen and improve primary highways in the Atlantic region, including the Trans-Canada Highway. The proposal involved the strengthening and upgrading of more than 2,000 miles of highways in the four provinces.

In the months following the presentation of the submission Transport Canada has carried out an economic analysis of the projects which the Atlantic provinces considered to be of particularly high priority. As the hon. member might appreciate, this has been a time-consuming task, due to the number of

projects involved and the need to collect data on which an accurate analysis could be based.

As the hon. member is aware, the Minister of Transport is pleased to join with the government of Newfoundland in the appointment of a commission which will examine a range of transportation problems in his native province.

The question of federal assistance for primary highways in the Atlantic provinces was specifically discussed, among other things, when the minister met with the maritime premiers and the Newfoundland minister of transportation a few weeks ago, on February 7, and as the minister noted in the House on February 21 there was agreement in principle with the general idea that certain moneys which otherwise would have been spent in the Atlantic region in relation to certain programs—and it was agreed that those moneys were not particularly serving their original purposes of promoting development—would be diverted toward such matters as a highway strengthening program.

As the minister also pointed out, that agreement in principle will be worked out in detail in the next few weeks in terms of concrete actions and programs. In this regard it is hoped that an announcement will be made in the relatively near future.

In closing I would remind the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) that the question he raises tonight respecting highway upgrading is very much associated with the nature of rail services to be offered and also with the kind of marine services which will be available in the future.

EXTERNAL AFFAIRS—CUBA—SUGGESTED RECONSIDERATION OF RELATIONSHIP IN VIEW OF SUPPORT OF RHODESIAN GUERRILLAS

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, on February 9 I rose to ask the Prime Minister (Mr. Trudeau) the following question, as reported on page 2873 of *Hansard*:

. . . In view of the massacre of missionaries in Rhodesia by guerrillas, and in view of the admission by Cuban officials that their Montreal offices are used for training guerrillas and the fact that these guerrillas are destined for Rhodesia and carry on continuing murder and harassment of missionaries, will the Prime Minister reconsider Canada's relationship to Cuba as well as its generous financial and material aid to that country?

I could not help being shocked by the callous and unfeeling effrontery of the Prime Minister's reply. He said:

No, Mr. Speaker. I believe that the question is based on a *non sequitur*. He might just as well ask if we are going to reinforce our delegation to the Vatican and help from that side.

That question did not come out of the blue. It stems from the obvious contradiction inherent in the government's foreign policy.

On February 2, 1976, the hon. member for South Shore (Mr. Crouse) directed the following question to the then secretary of state for external affairs, as reported on page 10520 of *Hansard:*

As the Cubans landed two unscheduled flights in Canada where they were refuelled, while en route with Cuban troops for the fighting in Angola, will the minister inform the House what steps he has taken to inform Premier Castro of Canadian displeasure over this action and whether any steps have been taken to prevent the recurrence of this procedure, in order to prevent Canada from being directly embroiled in this conflict?

The then secretary of state for external affairs answered as follows:

. . . we have made it plain to the Cuban authorities that we would reserve the right to inspect in future such unscheduled flights. We have also made it clear that we would not tolerate—

I emphasize the words "would not tolerate".

—any such use of Canadian facilities for military purposes if, indeed, that was the case.

That same day the hon. member for Esquimalt-Saanich (Mr. Munro) asked the following question, as reported on page 10518 of *Hansard*:

I wonder if the minister could assure us that Canada has taken steps to refuse further refuelling stops for Cuban aircraft at Gander at least until Cuba repatriates its troops from Angola. After all, Guyana and Barbados refused permission for stops; why not Canada?

The next day, on February 3, 1976, the former leader of the opposition, the hon. member for Halifax (Mr. Stanfield), pointed out to the Prime Minister that in view of the Angola crisis it would be quite normal for the Prime Minister to postpone his pending visit to Cuba. He said, as reported on page 10569 of *Hansard*:

Accepting that Canada and the Prime Minister's government disapprove of foreign adventurism of the sort that Cuba is pursuing in Angola, why did the Prime Minister not take this opportunity to make this point very effectively to Cuba and to the world by simply postponing his visit to Cuba at this time?

He went on to say, as reported at page 10570 of *Hansard*:

Despite what the Secretary of State for External Affairs said as a result of the visit of the Prime Minister, the general perception abroad is that it was great for Fidel Castro. What did it do for Canada?

The hon. member for Victoria (Mr. McKinnon) then asked the following question:

Can the minister inform us if there have been any flights recently by Warsaw Pact countries which used Goose Bay airport as a staging or refuelling point between Cuba and points in east Europe or Africa?

The then secretary of state for external affairs replied in part:

. . . I believe that there have been two scheduled flights in the last months to Cuba stopping down at Goose Bay.

The right hon. member for Prince Albert (Mr. Diefenbaker) then asked the Prime Minister questions about conversations with Fidel Castro. He asked, as reported on page 10572 of *Hansard*:

What did he say with regard to Angola? . . . What did he say? Instead of evading the subject just tell the House, even though the language be brutal.

The Prime Minister answered in part:

In so far as Premier Castro's views, he made them known to me. I have the feeling that he has a good knowledge of Africa and a good feeling for the realities there.

That took place one year ago. Since then we have had a startling revelation by an American, David Bufkin, who was recruited by the Cubans in Mexico and trained in Montreal, and then turned a double agent in Rhodesia. That revelation amounts to a barefaced admission on the part of the Cubans that they were using their facilities in Canada to train guerril-

las in Montreal. It was being done on Canadian soil. This is done in order to further the cause of the revolution in Cuba. My question to the Prime Minister again is what are we doing with regard to our relationship to Cuba in light of our continuing foreign aid, preferential tariffs in our trade relations with Cuba, and the 3 per cent loans? It is about time we called a spade a spade. If the Cuban people need foreign aid from us, by all means let us give it to them. However, in light of what the Cubans have been doing under the leadership of Fidel Castro, if their economy is good enough that they can export the most heinous and callous commodity imaginable, that of revolution and refined guerilla warfare, it is time to re-evaluate our position with regard to Cuba.

● (2220)

It is time that the Canadian people and the world know exactly what our foreign policy is with regard to these countries that want to export revolution. I therefore ask the parliamentary secretary to clarify once and for all the position of the Canadian government in relation to a country that insists on exporting revolution and ravishes the sanctity of Canadian soil is so doing, and not just give in return a token expulsion of Cuban diplomats.

[*Translation*]

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I want to congratulate the hon. member for Surrey-White Rock (Mr. Friesen) for raising such an important question as the presence of Cuban mercenaries in Rhodesia.

However, it seems that the department was not sure about the question the hon. member was going to raise tonight because I have been given an answer which applies to the massacre of missionaries in Rhodesia following interventions by people who went to work and wage war in that country.

It is unfortunate that I should not be able to give him the answer he is entitled to expect but since there was confusion in the two questions which had been raised on February 9 about the massacre of missionaries in Rhodesia and the presence of Cubans, and even though the same question had been raised by other members of his party, unfortunately I do not have the answer and I think the matter might have to be taken up another night on the late show so that departmental officials will then prepare the satisfactory answer which the hon. member for Surrey-White Rock is certainly entitled to expect.

Once again, I am sorry and I humbly admit that there was confusion in the department. They must have thought that the question the hon. member was going to raise tonight had to do with the massacre of missionaries. But he raised the other question about the presence of Cuban people in Rhodesia. I am very sorry—

[*English*]

Mr. Friesen: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Ethier): Order, please. The Chair cannot accept a point of order at this time.

The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m.

Motion agreed to and the House adjourned at 10:27 p.m.

HOUSE OF COMMONS

Wednesday, February 23, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

EXTERNAL AFFAIRS

REQUEST FOR INQUIRY INTO DEATH OF THE ARCHBISHOP OF UGANDA—MOTION UNDER S.O. 43

Mr. James A. McGrath (St. John's East): Mr. Speaker, yesterday the President of the Privy Council, speaking on behalf of the government, indicated that a motion under Standing Order 43, which I had moved on Monday regarding the tragic Uganda situation, was not acceptable because of the fear that it might precipitate a debate. I am now prepared to assure the government House leader that the Official Opposition is prepared to pass this motion today without debate. We take this position in view of the continuing and growing dimension of the tragedy in Uganda. I would therefore, with the leave of the House, move the following motion under the terms of Standing Order 43, seconded by the hon. member for Egmont (Mr. MacDonald):

That this House condemn the government of Uganda for denying due process of law to its citizens and calls upon President Amin to permit an impartial inquiry by the Commonwealth or the United Nations into the circumstances surrounding the deaths of the Archbishop of Uganda and two Ugandan cabinet ministers.

Some hon. Members: Hear, hear!

Mr. Speaker: Presentation of such a motion pursuant to Standing Order 43 can be made only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No!

* * *

URBAN AFFAIRS

PROPOSED RECONSIDERATION OF DECISION NOT TO SUPPLY FUNDS FOR URBAN TRANSIT SYSTEMS—MOTION UNDER S.O. 43

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I rise in accordance with Standing Order 43 on a matter of urgent and pressing necessity to move a motion which I believe, given recent news reports, will receive support from both sides of the House and which can be accepted without debate. In view of the announced intention of both the Canadian National and Canadian Pacific Railways to increase fares and drastically reduce commuter train services in the Montreal area, leaving 20,000 commuters without service, and in view of similar circumstances in other urban areas, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House urge the government to reconsider its decision not to implement its 1974 election promise to provide $290 million for urban transit systems in Canada.

Mr. Speaker: The motion can be presented only with unanimous consent. Is there unanimous consent?

Some hon. Members: No!

* * *

[*Translation*]

PENITENTIARIES

REQUEST FOR JUDICIAL INQUIRY AT MILLHAVEN, QUEBEC AND NEW WESTMINSTER—MOTION UNDER S.O. 43

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, I rise under the provisions of Standing Order 43 to ask for the unanimous consent of the House to discuss a motion on an important matter of urgent and pressing necessity.

Following the visit to the penitentiaries and considering that there is a lot of violence and that the subcommittee has no judicial power and can only make recommendations, I move, seconded by the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds):

That the House give its unanimous consent to urge the Solicitor General to establish a judicial inquiry under the chairmanship of Mr. Justice Dutil or any other prominent person, considering that such an inquiry could eliminate both physical and mental violence in penitentiaries, and particularly in the C.D.C. in Quebec and in the institutions of Millhaven, Ontario, and New Westminster, British Columbia.

Mr. Speaker: The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; therefore the motion cannot be put.

[*English*]

URBAN AFFAIRS

REQUEST THAT GOVERNMENT FULFIL PROMISE TO SUPPLY FUNDS FOR URBAN TRANSIT SYSTEMS

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, I rise on a matter of urgent and pressing necessity under Standing Order 43. In light of the withdrawal of federal funds for Go-service to Milton, Oakville and Burlington, I move, seconded by the hon. member for Hamilton West (Mr. Alexander):

● (1410)

That this House instruct the government to fulfil its 1974 election promise and supply $290 million in federal funds to assist urban transit as promised.

Mr. Speaker: The presentation of such a motion pursuant to the Standing Order can only be made with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

NORTHERN AFFAIRS

SUGGESTED COMMITTEE STUDY OF ADEQUACY OF REGULATIONS FOR OIL AND GAS DRILLING IN THE NORTH—MOTION UNDER S.O. 43

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I wish to move a motion under the provisions of the same Standing Order. Given that the Department of the Environment has gone on the record as having grave doubts about the adequacy of Dome Petroleum oil spill clean-up plans, and that the well blow-out at K-91 in the Beaufort Sea may be still blowing out and that if oil had been involved we would have a major ecological disaster in the area, and that the blow-out and the failure to contain it could have been avoided through stricter control on the drilling, I move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House refer the question of the adequacy of the drilling provisions and their enforcement, and the risks to the environment in light of an inadequate oil clean-up technology, to the Standing Committee on Indian Affairs and Northern Development before any decision is made on the renewal of any drilling authority in the Beaufort Sea.

Mr. Speaker: Pursuant to Standing Order 43 such a motion can be presented for debate only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

[Mr. Speaker.]

[*Translation*]

FISHERIES

SUGGESTED ACTION AGAINST VESSELS VIOLATING 200-MILE LIMIT—MOTION UNDER S.O. 43

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, pursuant to Standing Order 43, I seek the unanimous consent of the House to move a motion on a matter of urgent and pressing necessity.

It would seem that 55 foreign fishing vessels recently violated the 200-mile fishing limit and thus did not respect the agreement which has just been concluded on January 1, 1977. Therefore, seconded by the hon. member for Rimouski (Mr. Allard), I move:

That a House committee be called at once to consider action to be taken against the owners of fishing vessels who are alleged to have contravened this agreement.

Mr. Speaker: The provisions of Standing Order 43 require the unanimous consent of the House for the presentation of such a motion. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

ORAL QUESTION PERIOD

[*English*]

TRANSPORT

PROPOSED COMMUTER RAIL SERVICE BETWEEN MIRABEL AND MONTREAL—GOVERNMENT POSITION

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should like to direct a question to the Minister of Transport. In light of the government's announced intention to discontinue its assistance for commuter services, does the minister still intend to go ahead with his commuter rail service between Mirabel airport and the city of Montreal?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am certainly glad to see the hon. member for Crowfoot back in the House. I want him to know that I have missed him, even though I will have to say that the two parts of his question present some difficulty for me in view of the fact that one part is, so far as I know, wrong and the other is somewhat speculative. The fact of the matter is that as far as commuter services are concerned we do have a standing program, which was announced a year ago, for assistance in connection with commuter operations.

Mr. Horner: In 1974.

Mr. Lang: No, the actual commitment of $100 million over a period of four or five years was announced a year ago. We

have had some discussions with the provinces in that connection and regarding other programs in the broad field of urban transportation, with a view to determining whether we could find the most effective ways of assuring that those moneys were available for the items most needed. These discussions are leading to some further action and decision by the government which is still to be taken.

As for the other part of the question there is, of course, no specific plan for a rail link to Mirabel, and this is the part of the question which falls into the category that I described.

* * *

AIR TRANSPORT

APPLICATION OF QUEBECAIR TO FLY PASSENGERS FOR EUROPEAN AIRLINES—GOVERNMENT POSITION

Mr. J. H. Horner (Crowfoot): A supplementary question, Mr. Speaker. I am bent on trying to assist the government to save money, and I did notice in the papers a report that Mirabel last year lost in operating costs $50 million. Has the government any desire to grant Quebecair the privilege of flying European passengers for European airlines from Toronto to Mirabel for which Quebec has asked permission and for which the European airlines are prepared to pay Quebecair?

Hon. Otto E. Lang (Minister of Transport): At all times we are looking at the question of which air services will best provide convenience to passengers as well as the way in which maximum advantage can be drawn from the facility at Mirabel, with convenience to passengers very much in mind. I should say to the hon. member that there was an exchange in the House which was a little more precise than his reference to the $50 million loss. When the figure of $47 million is attributed to the Mirabel loss, which includes $43 million loss in the interest on the debt, he will appreciate that this is carrying a full picture which was not common in the past and which is probably better said than not said, but it is a bookkeeping entry rather than an operating loss.

* * *

TRANSPORT

VIA CANADA PASSENGER SERVICE—ALLOTMENT OF FUNDS FOR PURCHASE OF EQUIPMENT

Mr. J. H. Horner (Crowfoot): I might say that one could study the answers for some time in order to determine just what was said.

I should like to ask the minister, in light of the announced intention of Via Canada passenger service, whether the government has given them any money for the purchase of rail cars and a rail system to put Via Canada into effect in the Quebec-Windsor corridor?

Hon. Otto E. Lang (Minister of Transport): Appropriations will be made as required. We have called for and are now receiving and reviewing the tenders for from three to ten new train sets for that particular service. As soon as the tenders are evaluated, these will be ordered and produced. Of course, payments will be requested from parliament as the time frame and the order require.

PROPOSED ELIMINATION OF COMMUTER SERVICE IN MONTREAL AREA—GOVERNMENT ACTION

Mr. James A. McGrath (St. John's East): I have a supplementary question for the Minister of Transport. Given the announcement of Canadian National and Canadian Pacific to the effect that they will immediately commence a phase-out of their commuter train operations within the area of metropolitan Montreal, thereby depriving approximately 100,000 people in the greater Montreal area of any means of commuting, may I ask the minister what programs or plans he has, given the fact that federalism is on trial in the province of Quebec at present, to discharge the commitments made by this government in 1974 to the people of Montreal?

Hon. Otto E. Lang (Minister of Transport): As I said earlier in my answer to the hon. member for Crowfoot, we have in place a commuter program for which up to $100 million is available to assist in the purchase of equipment and the like in connection with commuter services. It is a specific form of assistance for these types of commuter services. Of course, while federalism is very important, it is also true that certain things are the responsibilities of the provinces within that federalism. It has been our view that commuter services, and indeed urban transit services, are primarily the responsibility of the cities and provinces in which they are found, and while we have made various forms of assistance available to them, the responsibility rests primarily with the province and the city. That has been recognized in the case of Montreal by the creation of a committee under the previous government to study the total situation, and we hope it will produce results which will allow CN and CP services to continue.

Mr. McGrath: I have a supplementary question for the minister who seems to have a very short memory because in 1974 the government made this business of commuter transit a federal responsibility—

Some hon. Members: Hear, hear!

Mr. McGrath: —by a solemn undertaking made by the minister's colleague, the then minister of urban affairs, and by the Prime Minister.

My question to the Minister of Transport is: given the fact that there is now considerable unrest within the Liberal caucus from members from metropolitan Montreal and metropolitan Toronto, including the hon. member for York East who has gone to the press on this, what programs is the minister prepared to discuss with CN and CP whereby the government of Canada, which still has responsibility for railways in this

country, will underwrite some of the losses incurred on these commuter runs, especially in metropolitan Montreal and metropolitan Toronto?

Mr. Lang: I think it is quite clear that quite apart from whatever financial assistance may be offered over the time in relation to what is essentially a provincial program, it remains a provincial and municipal program, which is what I said when I said it is their prime responsibility. I also indicated that in connection with the commuter programs we announced a year ago we would make $100 million available over five years for the assistance of developed programs in the commuter field, so in that regard we did move to make some money available along the lines which had been indicated at the time of the 1974 election. What we have also faced, however, is a severe restriction upon financial resources within the total federal field, and therefore we have had to reflect carefully upon what other things we can do.

* * *

● (1420)

URBAN AFFAIRS

PROPOSED ELIMINATION OF COMMUTER SERVICES IN MONTREAL AREA—SUGGESTION MINISTER MEET WITH PARTIES CONCERNED

Mr. James A. McGrath (St. John's East): Mr. Speaker, my final supplementary is for the Minister of State for Urban Affairs, who has assumed an even greater responsibility as far as the government is concerned in the province of Quebec. Given the fact that the government has now officially reneged on its commitment to the cities with regard to urban transportation, and given the serious situation developing in Montreal and the announced intentions of CN and CP to withdraw commuter services in that city, will the minister meet with representatives of the urban Montreal community, Canadian Pacific and Canadian National to try to ensure that there will be no cutback of commuter services in metropolitan Montreal, and will the minister make an annoucement in the House in that regard?

[*Translation*]

Hon. André Ouellet (Minister of State for Urban Affairs): Mr. Speaker, my answer to all those questions is yes.

* * *

[*English*]

NORTHERN AFFAIRS

DRILLING BY CANMAR IN BEAUFORT SEA—REASON FOR FAILURE TO HAVE INDEPENDENT REVIEW OF PROGRAM

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development, and it concerns the continuing problems in the Beaufort Sea. I would like to quote from Page 72 of the technical assessment of the drilling program. I am quoting the minister's own technical report as follows: "The most important question that arises is why Canmar blindly drilled into an overpressured zone, taking into account all the sophisticated pressure detection equipment in use". Given the fact that this study is now being conducted by the same people who made the mistakes in the first place, can the minister advise why he did not make sure there was an independent review, separate and apart from the officials who made the decision on site to go ahead with that very risky drilling project?

Hon. Warren Allmand (Minister of Indian Affairs and Northern Development): Mr. Speaker, the review is not being carried out by the same persons who agreed to the drilling in the first place. I believe the hon. member is referring to certain preliminary reports or reviews which were prepared by different people and which are being submitted to the communities in the Mackenzie Delta for their reaction. Once we get that reaction we will then prepare a final report which will deal with the conditions and the obligations of Dome Petroleum with respect to any new drilling season, but the review process is presently under way. It is not being done by the same people.

PROPOSED FIVE-YEAR PERMIT TO DRILL FOR OIL AND GAS IN BEAUFORT SEA—GOVERNMENT POSITION

Mr. Stuart Leggatt (New Westminster): I hope the minister will check his answer out with the director of the northern natural resources and environment branch, Mr. Joyce. As reported in *Hansard* at page 3047 of February 15 the minister indicated that a five-year drilling permit is a very speculative matter. Given the fact that the minister's own officials have publicly advocated a five-year drilling permit, and given that his own officials have gone public, would the minister undertake that there will be an independent review of this, and would he refer this matter to the standing committee so that there can be some objectivity in terms of the kind of drilling permit which is granted?

Hon. Warren Allmand (Minister of Indian Affairs and Northern Development): The government will make the decision, and not the officials. Furthermore, our decision will be based on input from the communities and from outside persons and officials.

* * *

[*Translation*]

ENERGY

PROPOSAL TO MAINTAIN DAYLIGHT SAVING TIME TO CONSERVE ENERGY

Mr. Eudore Allard (Rimouski): Mr. Speaker, I should like to put a question to the Minister of Energy, Mines and Resources.

Considering that in the near future our country will be confronted with a shortage of oil and natural gas and that

several Canadian provinces have expressed the wish to return to daylight saving time, could the minister tell the House whether he intends to meet the provinces to restore daylight saving time throughout the year thus saving energy and making maximum use of daylight?

[*English*]

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, a number of studies have been made in respect of daylight saving time and the question of whether Canada would benefit by extending the season from I think six months to eight months. Those studies have been done for Canada and compared with the results in the United States. The information I have received is that it would not be in the over-all interests of Canadians to extend the period of daylight saving time even though there would be some savings in energy because there would be other costs associated with the change, including questions of personal safety.

[*Translation*]

Mr. Allard: Mr. Speaker, I should like to put a supplementary.

I thank the minister for his explanations, but I wonder how he has reached the conclusion that energy would not be saved, considering that during the war we were on daylight saving time for four years. It was done for war needs to expedite work and save energy.

[*English*]

Mr. Gillespie: Mr. Speaker, I indicated in my answer to the hon. member that in fact there would be a saving with a longer period of daylight saving time. I expect we will be going on daylight saving time very shortly and we would in this coming year spend the same length of time, which is roughly six months, in a daylight saving system as we did in prior years. The question I raised was whether there would be a net benefit in a longer period of daylight saving time. I indicated there would be, based on the studies I have seen, some saving by lengthening the period of daylight saving time but there would be other costs associated with doing that. One of those is the question of personal safety.

* * *

TRANSPORT

FUNDS FOR DEVELOPMENT OF URBAN TRANSIT SYSTEMS—PROPOSAL MINISTER MEET WITH PARTIES CONCERNED

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, my question is for the Minister of Transport. Noting the government's decision to withdraw federal funding from urban transportation as promised during the 1974 election campaign and being aware of the serious effect this decision will have on the GO system to Milton, Oakville and Burlington, will the minister reconsider this decision and see if funds can be diverted from other projects so that this program can go ahead, inasmuch as there has been a tremendous amount of planning done in this area.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I should again clarify to the hon. member that the difficulty is that fiscal and financial restraints mean that we cannot do fully what was contemplated at the time the announcement was made in 1974. We have, however, done certain things as I indicated earlier, in relation to the commuter field; we are also looking at ways of re-adjusting other programs and the question of the total amount of money available for the broad field of urban transportation. Final decisions in that field have not yet been made.

Mr. Kempling: Mr. Speaker, I thank the minister for his answer. Would the minister consider these two propositions: Would he meet with the municipal authorities in Montreal, the Toronto-Hamilton corridor and Winnipeg? Will he also give a reference to the Standing Committee on Transport and Communications and allow it to examine the whole matter and report back to the House?

Mr. Lang: Mr. Speaker, I have indeed met with some representatives of the groups to which the hon. member referred. I can give consideration to the other representations of the hon. member.

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ENERGY

CANDU REACTOR—PROPOSED LICENSING AGREEMENT WITH RUMANIA—GOVERNMENT POSITION

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Will the minister confirm that the government is in the process of negotiating a licensing arrangement with Rumania to supply that country with the design of the CANDU reactor and the engineering help to build it? And, if so, can the minister say how this conforms with the sentiments expressed yesterday by the Prime Minister that nuclear proliferation and nuclear safeguards are the kinds of issues that will determine the stability of tomorrow's world? Will the minister please explain how a nuclear licensing arrangement with Rumania is contributing to that stability?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I can confirm that Atomic Energy of Canada Limited has been in negotiation with Rumanian authorities with regard to the purchase of equipment and the licensing associated with a CANDU reactor. I think the hon. lady should know that no deal will be made, no licence arrangement will be signed, even though there will be substantial benefits to Canada, probably in the order of $300 million.

Some hon. Members: Oh, oh!

Mr. Horner: You mean we will lose that much on the deal.

Mr. Gillespie: Mr. Speaker, the strange thing about the opposition is that one moment they are complaining we are not interested in unemployment. The next moment, when there is

an export opportunity, they are hollering because they do not want us to take advantage of that opportunity. If they would deal with the issue seriously and permit me to give them a serious answer, I would like to do that. The point I made is very important. Canadians realize there would be thousands of jobs associated with the sale to Rumania. It is also very important that Canadians and the media understand the government will not authorize any licencing agreement to Rumania unless the full safeguards that Canada would insist upon would be put in place by Rumania. It is also important that the hon. lady realize that Rumania is a signatory to the Nuclear Non-Proliferation Treaty.

● (1430)

Miss MacDonald: While there may be commercial considerations, there are also very strong moral considerations in this question. Can the minister say if in these discussions that are now taking place, it is the policy of the government to supply Warsaw Pact countries with nuclear facilities, bearing in mind that these countries are normally dominated by the U.S.S.R. which refuse to allow IAEA inspections, even though they may have ratified the NPT? Can he tell the House if Canada has discussed this sale with our NATO allies and what their reaction is to this whole new direction in our nuclear policy?

Mr. Gillespie: Mr. Speaker, there are a number of points which I think the hon. lady does not fully understand.

Some hon. Members: Oh, oh!

Miss MacDonald: I have been briefed and you haven't.

Mr. Gillespie: If you want to debate the issue, why don't you wait because we are going to deal with energy policy this afternoon? Perhaps that would be the time to make your debating point. If you want an answer to the question, I will give you one. I do not think you understand that Rumania is presently installing a nuclear facility. If your fear is that Canada will be providing to Rumania a facility which would enable Rumania or other Communist nations to build the bomb, quite clearly you are working on the wrong assumption. The second point is that we will not authorize such a sale unless there are IAEA inspections with respect to such an installation.

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[*Translation*]

TRANSPORT

POSSIBILITY OF DREDGING ST. LAWRENCE RIVER AT L'ÎLE D'ORLÉANS

Mr. Raynald Guay (Lévis): Mr. Speaker, I would like to direct a question to the Minister of Transport.

Pursuant to numerous representations made to the Minister of Transport by the Chamber of Commerce and the industry of metropolitan Quebec City as well as several other agencies of the Quebec City area, namely the Quebec Urban Community, south shore industrial commissions and hon. members from greater Quebec City, concerning dredging of the St. Lawrence northern crossing, I would like to know whether the minister has made a decision with regard to a works program to overhaul and maintain in good repair the channel of the northern crossing at a minimum depth of 41 feet of water. No doubt the minister is aware that this is a priority for the economic development of metropolitan Quebec City. In the affirmative, would he let the House know immediately what his intentions are?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I have had many representations on this question. Indeed, I have spoken with the Quebec members of the House of Commons about it. I will be meeting a delegation from Quebec City and I propose to discuss with them the question of how the cost of additional dredging ought properly to be borne. I indicated earlier that when one particular beneficiary of work like this is clearly identified, it is only reasonable to expect some contribution from that person or corporation. On the other hand, other benefits that may be assessed in terms of development or in terms of shared or diffused benefit may have to be borne by the government or the governments. The province of Quebec recently indicated its interest in seeing this project go ahead. I will be interested also in speaking with the government of the province of Quebec in relation to their possible role in sharing in the proposed work.

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ENERGY

DELAY IN CLEANING UP RADIATION IN HOMES IN ELLIOT LAKE—GOVERNMENT ACTION

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In view of the revelation that Treasury Board has held up funds for Atomic Energy Control Board to start remedial work on radiation contaminated homes in Elliot Lake, and in view of the minister's commitment as stated in *Hansard* on December 14, 1976 and I quote "we will not delay introducing the clean-up measures while we argue about whose responsibility it is", will the minister now state that he will live up to his commitment and not play fast and loose with the health of residents living in contaminated homes?

Hon. Alastair Gillespie (Minister of Energy, Mines, and Resources): Of course, Mr. Speaker. Let me also make clear to the hon. member that the problem he has identified is not a man-made one. It is a problem related to the natural outcropping. I think he will agree with me that the government of Ontario also shares a responsibility to help in this clean-up.

Mr. Symes: Does the minister agree that the AECB also has some responsibility in not surveying the land at the time the homes were built in a naturally contaminated area? In view of the fact that the health of people is at stake, this is no time for shuffling it off to the Ontario government on a jurisdictional

question. This government should admit the facts, get the remedial work done and then iron out the cost-sharing arrangement.

Mr. Gillespie: Mr. Speaker, work has been going ahead and I expect it to continue.

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AIR TRANSPORT

PACIFIC WESTERN AIRLINES—SUGGESTED RESCINDING OF ORDER PROHIBITING MOVING OF HEAD OFFICE FROM VANCOUVER

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question is for the Minister of Transport. In light of the fact the Supreme Court of Canada has now ruled that the Alberta government had the right to purchase shares in Pacific Western—

Some hon. Members: Hear, hear!

Mr. Woolliams: I knew I would finally lead this group to my left if I sat here long enough. Will the minister now rescind that arrogant order in council which set out that the head office of that company could not be moved from Vancouver to Calgary?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, because the order was not arrogant, it does not need rescinding. The order simply said that the move should not take place until the Supreme Court decision was handed down.

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ENVIRONMENTAL AFFAIRS

ARSENIC POLLUTION IN YELLOWKNIFE—DISCUSSIONS BETWEEN MINISTER AND HEALTH MINISTER PRIOR TO ESTABLISHMENT OF STUDY GROUP

Mr. Bob Brisco (Kootenay West): Mr. Speaker, my question is for the Minister of the Environment. Prior to the appointment of a work committee from the Canadian Public Health Association by the Minister of Health to examine the arsenic problem in Yellowknife, did the Minister of the Environment discuss the arsenic problem with the Minister of Health?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, if the hon. member is referring to the appointment of outside medical personnel, the answer is yes.

ARSENIC POLLUTION IN YELLOWKNIFE—REASON FOR FAILURE TO ESTABLISH INDEPENDENT STUDY GROUP

Mr. Bob Brisco (Kootenay West): In view of the minister's answer, I would now ask why he did not implement the clauses that are clearly in place in the Environmental Contaminants Act which allow for and indeed urge the cooperation of the work of the two ministers together to establish an independent committee for such an examination. The provisions are there. Why was it not done?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, we have cooperated. If I understand the hon. member's question, it is referring to the Clean Air Act.

Mr. Brisco: The Environmental Contaminants Act.

Mr. LeBlanc (Westmorland-Kent): Maybe I did not understand the hon. member's question.

Mr. Brisco: I thought I made it clear that there are provisions within the Environmental Contaminants Act for the two ministries to work together, for the minister to appoint an independent committee, and that this work was not done in spite of the consultation that exists between the two ministers. Why?

Mr. LeBlanc (Westmorland-Kent): Mr. Speaker, we have a special committee in place under the Canadian Medical Public Health Association.

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● (1440)

[*Translation*]

ANTI-INFLATION BOARD

DATE OF CABINET DECISION ON APPEAL FROM BOARD DECISION CONCERNING FLOUR MILL EMPLOYEES

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, my question is for the Minister of Labour.

In view of the milling trade strike now in progress in Montreal, the serious bread shortage as well as the increase in price of that product which affects especially low-income families, and the fact that for over a week now the federal cabinet has had before it the appeal of the union against the decision of the AIB to reduce the hourly rate which had been arrived at freely by the union and the companies concerned, can the minister tell the House when the cabinet will assume its responsibilities and reach a decision?

[*English*]

Hon. John C. Munro (Minister of Labour): My parliamentary secretary is meeting the representatives of the CSN on that matter this afternoon. I met with them last Wednesday night in Montreal. We are going over the reasons upon which they are basing their representations to cabinet for reconsideration. I shall not be able to report for a day or two as to whether we perceive any solid basis for them. We are endeavouring to be helpful in the situation to see whether there are other avenues through which the matter can be resolved.

Oral Questions

ENVIRONMENTAL AFFAIRS

PROPOSED REFUSAL OF PASSAGE OF TANKERS TO PROPOSED REFINERY AT EASTPORT, MAINE—RESPONSE OF UNITED STATES

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, I should like, through you, to direct a question to the Minister of the Environment. In view of increased activity in connection with the construction of an oil refinery in Eastport, Maine, and in view of the hazard this presents to the fishing industry not only in the Bay of Fundy but in an extensive part of the Atlantic Ocean adjacent to it, would the minister restate his position, and the position of the government, as set out by his predecessor, Mr. Davis, that under no circumstances will large oil tankers be allowed to pass through Canadian waters to supply any such refinery?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): The position stated by my colleagues, the former Secretary of State for External Affairs, the present Secretary of State for External Affairs, my predecessor as Minister of the Environment, and of myself is that Canada is opposed to tanker traffic in that area.

Mr. McCain: That is not as clearly stated as was previously stated—

Some hon. Members: Oh!

Mr. McCain: Has the minister's position been supported by the proper charts showing rock barriers both above and below the water surface of the bay and of the conflicting currents which exist in Head Harbour Passage and adjacent waters and has the government received any response from the United States authorities to the position it has taken?

Mr. LeBlanc (Westmorland-Kent): I know of no more formal objection to a project than a government-to-government note which is what happened in this case. I know of no communication from the United States government on the subject during the past months.

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CONSUMER AFFAIRS

ALUMINUM WIRING—MEASURES TO PROTECT PUBLIC AGAINST ALLEGED DANGERS

Mr. Herb Gray (Windsor West): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. There is an increasing body of evidence about dangers connected with the use of aluminum wiring in homes and commercial buildings. In light of this evidence and resulting public concern will the minister take immediate action to bring aluminum wiring and devices for connecting it under the Hazardous Products Act to set standards for safe use, or take other appropriate steps to protect consumers from the dangers in question?

[Mr. Munro (Hamilton East).]

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Mr. Speaker, officials of the department have consulted very closely with Mr. Jerabec who has been doing some personal research on this project. At this point there is no firm evidence that aluminum wiring with the connectors is hazardous as alleged. In the opinion of officials of the department, aluminum wiring is in itself certainly not hazardous. It is possible, though not proven, that installation of it as electrical wiring in homes might prove to be hazardous but in our view this would not be a matter to be dealt with under the Hazardous Products Act but would rather be a matter for authorities in the provinces and elsewhere who authorize such installations by electrical companies in homes.

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ENERGY

DISPUTE BETWEEN NEWFOUNDLAND AND QUEBEC OVER ATTEMPTED RECALL OF ELECTRICITY—POSSIBILITY OF MINISTER'S INTERVENTION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In view of the importance of developing the lower Gull Island site in Labrador to provide the Atlantic region with hydro, has the minister indicated that he might intercede in the controversy between Newfoundland and Quebec? Would the minister tell us whether he has taken any action to consult with both provinces in an effort to bring about a solution? I refer to the recall of 800 megawatts.

Mr. Alastair Gillespie (Minister of Energy, Mines and Resources): I think we should distinguish between the question of the Gull Island site and the recall of the 800 megawatts. They are separate questions. The latter issue is one which the governments of Quebec and Newfoundland expect to settle in the courts. As to the great potential of the Gull Island site, I have discussed that subject with the minister of energy in the new Quebec government and with the premier of the hon. member's province.

GULL ISLAND PROJECT—POSSIBILITY OF FEDERAL GOVERNMENT SHARING INCREASED COST

Mr. Jack Marshall (Humber-St. George's-St. Barbe): The minister indicated last year that there were $243 million on the line for Newfoundland to pick up to develop the Gull Island site. Has any discussion taken place with the Newfoundland government on the subject of increasing costs of such development? Would the minister consider increasing the amount mentioned because of the larger expenditure now involved?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): I talked to the premier of Newfoundland quite recently, within the last few weeks. I put it to him that we would very much like to sit down and discuss with him his most recent engineering and cost estimates for both the trans-

mission system and the generation system for Gull Island. He responded very positively and I believe officials of the two governments are at this moment discussing an updated series of figures.

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INDUSTRY

FOOTWEAR—GOVERNMENT ACTION TO PROVIDE PROTECTION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Acting Prime Minister in the absence of the Minister of Industry, Trade and Commerce. This question was asked of the Prime Minister. It relates to the serious situation which faces the footwear industry in Canada. If no action is taken by the government it is my understanding we can expect significant lay-offs. What steps is the government prepared to take in order to provide some protection for this industry which is certainly calling for leadership at this point from the federal authority.

Hon. Allan J. MacEachen (Acting Prime Minister): I can tell the hon. member that this subject was discussed yesterday between the Minister of Industry, Trade and Commerce with his cabinet colleagues at which time attention was drawn to the problems mentioned by the hon. member. The matter is under consideration at the present time. Further meetings will be held between the government and representatives of the unions involved, and if and when any specific measures are to be taken I can assure the hon. member they will be made known to the House.

Mr. Alexander: I am glad to see that for a change the government is on the ball. Would the minister advise us whether the government has ruled out the type of steps which were taken in order to protect the textile industry? Are we moving in that direction in order to protect the shoe industry?

Mr. MacEachen: The hon. member has drawn attention to the effective action which was taken by the Minister of Industry, Trade and Commerce with respect to the textile industry.

Some hon. Members: Oh!

Mr. MacEachen: Comparable problems are being experienced by other industries in the country. The hon. member will realize, of course, that though similar measures may be needed to deal with the problems he has in mind, that is not necessarily the situation. But measures are under consideration.

● (1450)

Mr. Alexander: A final supplementary question, Mr. Speaker. I understand that the Acting Prime Minister will be meeting with representatives concerned with this problem. Can he give me any idea when he believes that these meetings will have concluded in order that an announcement can be made in this House as to what steps the government will be taking? Has he a deadline in this regard?

Mr. MacEachen: No, Mr. Speaker. The meetings referred to are meetings to take place between the trade unions and the Minister of Labour within a matter of days.

* * *

TRANSPORT

WEST COAST FERRIES—IMBALANCE OF SUBSIDIES FOR EAST AND WEST COAST SERVICES

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of Transport. On February 11 the Prime Minister, in reply to a question of mine concerning subsidies for west coast ferries, took notice of the question on behalf of the Minister of Transport. The Prime Minister had said on December 22 that "there is an element still to be decided" concerning the west coast ferry subsidies. Can the Minister of Transport tell us if that element, whatever it is, has been decided and is the government now prepared to bring some equity into the method of subsidizing ferries on our coasts?

Hon. Otto. E. Lang (Minister of Transport): Mr. Speaker, we are having further discussions with the province of British Columbia at this time on the whole question of our respective responsibilities and the role which can be played. We are doing so in a very co-operative spirit and I hope there will be some further developments in this regard within the next several weeks.

Mr. McKinnon: A supplementary question for the same minister, Mr. Speaker. The minister's estimates show a little over $125 million for subsidization, directly or indirectly, of various ferry services on the east coast and nothing at all for west coast ferries. Are we to understand from that that the current inequities are to continue through to the next fiscal year?

Mr. Lang: Mr. Speaker, as has been made very clear, it is our objective to apply in an equitable fashion the policy in relation to water transport assistance and other programs in all parts of this country. It is toward that end that we have been working, both on the east and west coasts, as well as in other waterways. On the east coast, of course, there are two very exceptional services which have to be treated quite differently from any others because of their nature in terms of the constitutional arrangements which were made and which have to be taken fully into account.

Oral Questions

NATIONAL DEFENCE

PROPOSED RESEARCH CENTRE AT WINNIPEG—DELAY IN COMPLETING LAND PURCHASE AGREEMENT—GOVERNMENT POSITION

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, my question is for the Minister of National Defence and is in regard to the defence research centre which is to be located in Winnipeg. Since the minister has had in his possession for approximately two months the land purchase agreement from the city of Winnipeg, I would ask the minister when the documents will be signed and returned to Winnipeg, along with payment for the land where the research base is to be located.

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, it is my understanding that negotiations are in abeyance until further decisions are made.

Mr. McKenzie: A supplementary question. Last Friday the minister announced that it was going to take six months to a year to establish whether or not the base will be located in Winnipeg. Is he saying that he is asking the city of Winnipeg to hold this parcel of land until he makes up his mind what he is going to do with the base, and is he prepared to pay the taxes on that piece of property in the meantime until he makes a decision?

Mr. Danson: No, Mr. Speaker, I do not expect the city of Winnipeg to hold on all that time.

* * *

FISHERIES

LOBSTERS—POSSIBILITY OF ADOPTING PROGRAM TO RESTORE DECLINING STOCKS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Minister of Fisheries and the Environment. As the minister is aware, the catch of Nova Scotia's inshore lobster fishermen is down by some 50 per cent when compared with last year's. Since it is now reported that lobster larvae are scarce in the inshore waters of Nova Scotia and it is also obvious that the offshore lobster fishery has to be regulated much more than it has been up to the present time, would the minister consider the establishment of a Canadian program similar to one that was established some time ago in the state of Maine where female seed lobsters are returned to the sea after being caught and marked and the fisherman compensated for his loss, in order to assist in rehabilitating the declining lobster stocks along the coast of Nova Scotia?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, reports that I have had from the scientists in my department do not indicate that the offshore impact on the inshore fishery is the determining factor at the present time for the poor catch of the inshore lobster fishermen. There are other factors, including unusually cold water temperatures for the season, and also very severe winter conditions. However, the suggestion made by the hon. member, because of his experience, is one which I will look at very seriously; I think it may have some very positive implications.

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TRANSPORT

HALL REPORT ON PENSIONS FOR RAILWAY EMPLOYEES—INQUIRY AS TO GOVERNMENT ACTION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is for the Minister of Transport and I believe the Minister of Labour will be interested in it as well. On Friday, January 28, I asked the Minister of Transport a question relating to the report of Dr. Noel Hall on railway pensions which virtually throws the question of improving railway pensions back to the companies and to the government. The minister's reply was that the government would take a hard look at this report. Can the minister say whether the government is yet in a position to tell the House what it proposes to do about railway pensions in light of the Hall report?

Hon. Otto E. Lang (Minister of Transport): No, Mr. Speaker, we are not yet in that position. We are continuing to look at what is a very complicated matter.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Since the other part of my question on January 28 was whether the minister would take up with the CPR the particular recommendations made by Dr. Hall regarding CPR pensions, may I ask him whether he has been in touch with the CPR on this matter and, if so, what did the CPR say?

Mr. Lang: Mr. Speaker, I have not yet been in touch with them. I would want first to look at the implications of the whole matter before I try to take a position on it with an outside body.

* * *

CANADIAN WHEAT BOARD

DATE ANNUAL REPORT AVAILABLE

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is for the minister in charge of the Canadian Wheat Board. Can the minister tell the House when the annual report of the Canadian Wheat Board for the last crop year will be tabled?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I do not know the date but I will ask the Canadian Wheat Board to inform the hon. member.

HEALTH

GENETIC ENGINEERING RESEARCH—REASON FOR LACK OF GUIDELINES—POSSIBILITY OF LEGISLATIVE ACTION

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the Minister of National Health and Welfare. In view of its inherent danger to the public interest, and in view of the fact that the United States has had guidelines regarding the control of genetic engineering research since last July and the British have had these guidelines since last August, would the minister explain why similar guidelines do not exist in this country until this day?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, several committees have made detailed studies and, at the present time, a committee—

[*English*]

The committee has submitted its report. The Medical Research Council is accepting the recommended guidelines concerning the handling of recombinant DNA molecules and viruses. The press release will be released some time today, or tomorrow at the latest.

Mr. Yewchuk: A supplementary question, Mr. Speaker. In view of the fact that in addition to public institutions doing research of this kind private institutions are also doing it, and more research into genetic engineering could be expected to be undertaken by private institutions if it should become profitable, I would therefore like to know whether it is the intention of the minister to put forward legislative action of some sort to ensure that all aspects of this type of research are subject to the guidelines which might be proposed?

Mr. Lalonde: Mr. Speaker, we are indeed examining this particular situation in order to determine whether legislation is actually required or whether it can be done under regulations existing at the present time.

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POST OFFICE

SALE OF CANADIAN PHILATELIC MATERIAL AT DISCOUNT PRICES—GOVERNMENT ACTION

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, my question is for the Postmaster General. Some time ago I asked the Postmaster General about the sale of certain Canadian philatelic material at discount prices in New York and he stated that he intended to give the House some information as well as some explanation which may be suggested by this question. I would ask him whether he is now ready to answer that question. In addition, since the 30 per cent discount given to foreign dealers in Canadian stamps results in windfall profits on stamp issues which sell out rapidly, would the government reconsider this policy of discounting stamps to foreign dealers?

Hon. J. -J. Blais (Postmaster General): Mr. Speaker, after this matter was brought to my attention I did conduct an investigation and sales have been conducted in a way I could not approve. The practice has now been discontinued.

* * *

● (1500)

COMMUNICATIONS

CONFERENCE OF PROVINCIAL MINISTERS—PROPOSAL THAT MEMBERS OF OPPOSITION ATTEND AS OBSERVERS

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I would like to direct a further question to the Minister of Communications in light of the minister's answer yesterday about the conference in the west next month. Knowing the gracious minister is always open to constructive suggestions and in order to underline seriously the ecumenical nature of this conference, and since it is not a federal-provincial conference as the minister said yesterday, would she give serious consideration to having spokesmen from the opposition parties in the House attend that communications conference as observers because, as the minister said yesterday, the goal of the conference is to discuss various problems and to try to come up with some coherent policy? There has been a precedent for this at some of the earlier federal-provincial conferences.

[*Translation*]

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, the meeting in Edmonton would have been far more ecumenical had Mr. O'Neill agreed to take part in it. Still, it retains its consultative aspect which has become essential in the field of communications.

The communications ministers meeting in a federal-provincial conference had agreed to set up a ministers of communications council where, contrary to what happens at federal-provincial meetings, no firm decisions are made on the topics discussed. The council is therefore a forum in which the ministers can discuss the general communications policy and matters of common interest.

[*English*]

Mr. Roche: Mr. Speaker, since the government House leader has again denied the unanimous consent necessary to pass the motion of the hon. member for St. John's East, which would have the entire House join the worldwide demand for an investigation into the murder of the Anglican archbishop and two other officials in Uganda, even though this side of the House gave a formal assurance that there would be no debate—

Mr. Speaker: Order, please. Surely the hon. member realizes that the singling out of any member who has withheld his consent in respect of any proceeding in the House which requires unanimous consent is perhaps itself a cause for a point of order. If there is a serious point of order in what the hon. member has to say, I would be glad to hear it.

Mr. Roche: Yesterday, as recorded at page 3285 of *Hansard*, the government House leader took responsibility for denying unanimous consent to this motion. I only want to point out that since our side gave today a formal assurance that there would be no debate on this motion, which was the principal reason for not supporting motions under Standing Order 43, I think it is only proper to protest against his picayune interpretation of the rule—

Some hon. Members: Order.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The hon. member will realize that a motion put forward pursuant to Standing Order 43 requires unanimous consent in order that it be presented for debate. Once presented, it is debatable. Only last Friday the House learned that with great impact. Once the motion is presented, it is debatable and no member is able to guarantee that any motion, once put before the House, will not be debated by any other member because it is always the right of any individual member to rise to speak and that right cannot be denied either by the Chair or by any arrangement made in advance. Presenting Reports by Committees.

On the order: Motions.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. Now that we are on motions, would the government House leader be prepared to present to the House a motion dealing with the situation in Uganda? Let it come as a government motion and let us deal with it.

Some hon. Members: Hear, hear!

Mr. Paproski: MacEachen said no.

Mr. Speaker: Order, please. Only the ingenuity of the hon. member for Winnipeg North Centre could transform motions into a return to the question period.

[*Translation*]

Mr. Yvon Pinard (Drummond): Mr. Speaker, I rose earlier when the Chair called for the presentation of committee reports but inadvertently I was not recognized; would the Chair allow me to present a committee report?

Mr. Speaker: The hon. member for Drummond (Mr. Pinard) wishes to table a committee report. Is there unanimous consent of the House?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Pinard: Then I have the honour to table the first report—

[*English*]

Mr. Speaker: Evidently there is not unanimous consent to revert to the tabling of reports.

Some hon. Members: Oh, oh!

[Mr. Speaker.]

Mr. McCleave: I rise on a point of order, Mr. Speaker. I recognize the difficulty in which the hon. member finds himself, because the same thing has happened to me in the past. When Your Honour asked for presentation of reports, I saw the hon. member rise in his seat. I think, therefore, he should be recognized.

Mr. Speaker: Order, please. If, in fact—as is obviously the case—the fault was not with the hon. member for Drummond but with the Chair for failing to observe him when he rose at the proper time, perhaps the House will extend the courtesy to both of us by consenting to reverting to the tabling of reports.

Some hon. Members: Hear, hear!

ROUTINE PROCEEDINGS

[*Translation*]

JUSTICE AND LEGAL AFFAIRS

First report of Standing Committee on Justice and Legal Affairs, in both official languages—Mr. Pinard.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

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QUESTIONS ON THE ORDER PAPER

[*English*]

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 1,281, 1,282, 1,321, 1,525, 1,530, 1,536, 1,689 and 1,702.

[*Text*]

SERVICES DISTRIBUTION SYSTEM FOR COMMUNICATIONS RESEARCH CENTRE—SHIRLEY'S BAY, ONTARIO

Question No. 1,281—**Mr. McKinley:**

What was the final cost and the completion date for the contract awarded on February 11, 1976 to Calor Mechanical Ltd. to install a services distribution system for the Communications Research Centre at Shirley's Bay?

Hon. Judd Buchanan (Minister of Public Works): Final contract cost, $1,573,261 (estimated); Completion date, February 28, 1977 (estimated).

BUILDING OF NORTH WING MINISTRY OF STATE FOR URBAN AFFAIRS IN LA SALLE ACADEMY

Question No. 1,282—**Mr. McKinley:**

What was the final cost and the completion date for the contract awarded on October 16, 1975 to M.P. Lundy Construction Ltd. to build the north wing of

the headquarters building of the Ministry of State for Urban Affairs in the La Salle Academy?

Hon. Judd Buchanan (Minister of Public Works): Final contract cost, $1,400,000 (estimated); Completion date, April 30, 1977 (estimated).

Order Paper Questions

PUBLIC SERVANTS' SALARIES

Question No. 1,321—**Mr. Allard:**

In each department, how many public servants earn (a) $50,000 and over (b) $45,000 to $50,000 (c) $40,000 to $45,000 (d) $35,000 to $40,000 (e) $30,000 to $35,000 (f) $25,000 to $30,000 (g) $20,000 to $25,000 (h) $15,000 to $20,000?

Hon. Robert K. Andras (President of the Treasury Board):

Public Service Salaries By Salary Bands By Department[1]
As of November 1976
Salary Bands

Dept. Agency	$15,000 to 19,999	20,000 to 24,999	25,000 to 29,999	30,000 to 34,999	35,000 to 39,999	40,000 to 44,999	45,000 to 49,999	50,000 and over	Total
AGR	2,760	698	462	240	82	8	1		4,251
AIB	71	71	52	39	10		1		244
ARC	155	53	23	5					236
AUD	112	61	57	12	9	1	1		253
CAE	1,880	458	204	43	6	3			2,594
CCA	720	304	128	62	20	3	1		1,238
CEO	4	1	4	2	1				12
CLR	16	17	3	2	1				39
COL	12	8	19	6		1			46
COM	559	292	135	71	13	4			1,074
CPC	20	5	1	6	39	2			73
CTC	173	91	66	40	8				378
DND	4,137	828	294	159	37	7			5,462
DOE	3,046	1,365	741	395	74	7	2		5,630
DPW	1,257	593	328	164	19	5	1	1	2,368
DSS	1,262	707	611	202	21	4	1		2,808
DVA	827	109	66	57	31	12			1,102
EMR	947	499	316	184	37	2	3		1,988
ENR	57	50	36	30	10				183
EXT	395	230	167	67	62	102	1		1,024
FIN	116	79	48	64	22	6	1	3	339
FIR	10	13	18	18	4				63
GGS	4		2	2					8
IAB	22	2	1	1					26
IAN	2,163	968	420	154	8	3	1		3,717
IDA	167	182	80	53	7	3	1		493
IJC	4	3	6	3	2				18
INS	35	25	21	16	6		1		104
ITC	307	310	441	321	73	41	3		1,496
JUS	163	85	76	105	75	8	9		521
LAB	175	80	42	23	9	3			332
MID	4,534	577	345	129	27	9	1		5,622
MOT	5,052	2,380	1,151	271	31	8	3		8,896
MST	14	14	22	11	10	1	2		74
NCC	78	45	19	18					160
NHW	1,527	569	331	188	193	62		1	2,871
NLI	97	36	5	1					139
NMC	223	92	52	16	11				394
NPB	181	21	20	4	5				231
PCO	35	16	27	27	12	6	2		125
PEN	1,555	247	93	50	22	10			1,977
POD	5,387	393	184	57	8	3		1	6,033
PSC	1,063	713	178	91	11	2	1	1	2,060
RCM	85	19	2	1					107
REE	257	189	154	164	21	4	1		790
RTC	93	38	35	22	5	1			194
SEC	606	399	100	41	7	3			1,156
SOL	21	32	17	21	3	1			95
STC	982	346	251	188	43	4			1,814
TAR	6	1		7		1			15
TAX	3,490	1,045	626	157	11	2	1		5,332
TBD	63	105	138	149	37	7	4		503
UAH	31	20	21	36	2	1			111
UIC	2,106	199	102	51	9	3	1		2,471
	49,062	15,683	8,741	4,246	1,154	353	44	7	79,290

[1] Active indeterminate full-time employees subject to the Public Service Staff Relations Act, Schedule 1, Part 1.
SOURCE: Master Output Support File, Personnel Application Centre, Department of Supply and Services.

Departmental Code: AGR, Department of Agriculture; AIB, Anti-Inflation Board (includes AIA-Administrator, Anti-Inflation Act); ARC, Public Archives; AUD, Auditor General; CAE, National Revenue, Customs and Excise; CCA, Department of Consumer and Corporate Affairs; CEO, Office of the Chief Electoral Office; CLR, Canada Labour Relations Board; COL, Commission of Official Languages; COM, Department of Communications; CPC, Canadian Pension Commission; CTC, Canadian Transport Commission; DND, Department of National Defence; DOE, Department of the Environment; DPW, Department of Public Works; DSS, Department of Supply and Services; DVA, Department of Veterans Affairs; EMR, Department of Energy, Mines and Resources; ENR, National Energy Board; EXT, Department of External Affairs; FIN, Department of Finance; FIR, Foreign Investment Review Board; CGS, Governor General; IAB, Immigration Appeal Board; IAN, Department of Indian Affairs and Northern Development; IDA, Canadian International Development Agency; IJC, International Joint Commission; INS, Department of Insurance; ITC, Department of Industry, Trade and Commerce; JUS, Department of Justice; LAB, Department of Labour; MID, Department of Manpower and Immigration; MOT, Ministry of Transport; MST, Ministry of State for Science and Technology; NCC, National Capital Commission; NHW, Department of National Health and Welfare; NLI, National Library; NMC, National Museums of Canada; NPB, National Parole Board; PCO, Office of the Privy Council; PEN, Canadian Penitentiary Service; POD, Department of Post Office; PSC, Public Service Commission; RCM, Royal Canadian Mounted Police; REE, Department of Regional Economic Expansion; RTC, Canadian Radio-Television Commission; SEC, Department of Secretary of State; SOL, Department of the Solicitor General; STC, Statistics Canada; TAR, Tariff Board, TAX, National Revenue, Taxation; TBD, Treasury Board; UAH, Ministry of State for Urban Affairs; UIC, Unemployment Insurance Commission.

COMMUNITY EMPLOYMENT STRATEGY—BACKGROUND

Question No. 1,525—**Mr. Laprise:**

1. Which communities were chosen during phase one of the community employment stragegy?

2. How many persons, men and women, have been employed in these projects?

3. What was the duration of each project?

4. What was the cost of each project proposed by the Ministers of social welfare at the (a) federal (b) provincial level?

Hon. Jack Cullen (Minister of Manpower and Immigration): 1. Kamloops, Nanaimo, Lac La Biche, the entire province of Saskatchewan, northwestern Ontario, Hamilton-Wentworth, Lac St. Jean, Drummondville, Kedgwick-St. Quentin, West Prince, East Kings, Guysborough, Halifax (north-end/Spryfield-Kline Heights) Port au Port, Labrador Straits, Yellowknife-Rae Edzo.

2. The number of people placed in the existing labour market or in training as a result of CES activity is in excess of 2,000.

3. CES activity is ongoing in the above mentioned communities.

4. No costing for individual projects was agreed upon by the provincial and federal ministers involved. However, CES at a federal level has spent $6.4 million, which includes all operating costs in the regions and in Ottawa, as well as funding of the communities involved in the CES process.

USE OF PRIVATE EMPLOYMENT AGENCIES BY MINISTRY OF STAUE FOR SCIENCE AND TECHNOLOGY

Question No. 1,530—**Mr. McKenzie:**

1. Has the Ministry of State for Science and Technology obtained (a) part-time (b) full-time employees from private employment agencies in (i) British Columbia (ii) Alberta (iii) Saskatchewan (iv) Manitoba (v) Ontario (vi) Quebec (vii) New Brunswick (viii) Nova Scotia (ix) Prince Edward Island (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies (b) average hourly rate paid to employees (c) total amount paid by the Ministry in (i) 1975 (ii) 1976?

Hon. James Hugh Faulkner (Minister of State for Science and Technology): In so far as the Ministry of State for Science and Technology is concerned: 1. (a) 1975-76: 54 (Ont.); 1976-77: 71 (Ont.); There were no employees hired through private agencies from any of the other provinces. (b) 1975-76: 2; 1976-77: 4.

2. These employees are paid through Main Estimates under Professional and Special Services—Other Business Services.

3. (a) 1975-76: $6.10; 1976-77: $6.50; (b) figures are not available. (c) 1975-76: $50,191.96; 1976-77: $70,621.03 (expenditures to January 31, 1977).

USE OF PRIVATE EMPLOYMENT AGENCIES BY DEPARTMENT OF LABOUR

Question No. 1,536—**Mr. McKenzie:**

1. Has the Department of Labour obtained (a) part-time (b) full-time employees from private employment agencies in (i) British Columbia (ii) Alberta (iii) Saskatchewan (iv) Manitoba (v) Ontario (vi) Quebec (vii) New Brunswick (viii) Nova Scotia (ix) Prince Edward Island (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies (b) average hourly rate paid to employees (c) total amount paid by the Department in (i) 1975 (ii) 1976?

Hon. John C. Munro (Minister of Labour): 1. (a)(vi) 6.

2. Main Estimates.

3. (a) $5.25; (b) Unknown; (c) (i) Nil; (ii) $1,124.05.

CP-140 AURORA PROGRAMME

Question No. 1,689—**Mr. McKinnon:**

1. In regard to the CP-140 Aurora Programme, during the period 1975 to 1981, is Lockheed Aircraft Corp. directly, or through its suppliers, ordering industrial benefits totalling $213 million and, if so, to Januray 1, 1977, what is the value of the orders placed in Canada?

2. Is Lockheed to place contracts in Canada for structural components and spare parts valued at $168 million and, if so, to Januray 1, 1977, what is the value of such contracts?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): 1. Lockheed Aircraft Corporation has a contractual obligation to provide to Canada industrial benefits for Canadian manufactures either directly or through its suppliers in the amount of $213.2 million during the period February 1, 1975—December 31, 1981. Value of benefits to January 1, 1977 not yet known. However, value to end of 3rd quarter, 1976 was evaluated at $40.2 million against a year end obligation of $30.8 million.

2. Lockheed has a contractual obligation to place contracts in Canada for P3 structural components in the amount of $168.0 million. The value of the contracts placed with Canadian industry in this regard is approximately $8.0 million to January 1, 1977.

SUBSIDIZATION OF PRIVATE COMPANIES UNDER LOCAL INITIATIVES PROGRAMMES

Question No. 1,702—**Mr. Matte:**

1. Has the government, through the Local Initiative Programmes, ever subsidized small private Quebec companies with branches in the United States and, if so, what are (a) their names (b) the amounts of the subsidies?

2. Do the subsidized companies offer services available to the public and, if so, what are these services?

Hon. Jack Cullen (Minister of Manpower and Immigration): 1. No.

2. Not applicable.

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QUESTION PASSED AS ORDER FOR RETURN

[*English*]

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, in view of the lengthy and detailed nature of the answer to question No. 780, I would ask that it be made an order for return, and this return would be tabled immediately.

[*Text*]

DEPARTMENT OF REGIONAL ECONOMIC EXPANSION—HIRING OF CONSULTANTS IN 1975

Question No. 780—**Mr. Howie:**

1. From January 1, 1975 to December 31, 1975, did the Department of Regional Economic Expansion hire consultants and, if so (a) how many (b) in each case, what was (i) their terms of reference (ii) the time and length of their work assignments (iii) the amount paid to each?

2. Which, if any, of the consultants reports are confidential?

Return tabled.

[*English*]

Mr. Goodale: Mr. Speaker, I ask that the remaining questions be allowed to stand.

Mr. McKinnon: Mr. Speaker, I rise on a point of order. I have had a question outstanding on the order paper since last December 21. It is a very important question dealing with the strength of the forces, on certain dates. Unless they quit keeping records in the armed forces, they should have this information in about five minutes, unless they are trying to hide something, and I do not suspect they would want to do that. I ask the parliamentary secretary if he could tell them to hurry up. There is no reason for a two month's delay in answering a simple question.

Mr. Goodale: I would point out to the hon. member that in this session of parliament questions have been answered very expeditiously. The departments and agencies of government have been most co-operative and that has resulted in the highest rate of return for written questions that this or any previous parliament has seen for a long time. I can assure him that I will inquire into the specific question he has raised. If answering it is as simple as he suggested, I can assure the hon. member that an answer will be forthcoming very shortly.

Mrs. Appolloni: Mr. Speaker, I would ask the parliamentary secretary when we may expect an answer to my question No. 1,267 on the order paper, dated December 7. I might add that in view of the recommendations contained in the Badgley report regarding the dissemination of information on family planning and sex education, my question is particularly timely.

Mr. Goodale: Mr. Speaker, of course, the previous explanation applies in this case as well and once again I will undertake to look specifically at the question to see if the answer can be expedited, as I undertook to do for the hon. member for Victoria.

* * *

● (1510)

MOTIONS FOR PAPERS

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you be so kind as to call notices of motions for the production of papers Nos. 17, 19, 20, 21, 25, 42, 46 and 50?

Motions for Papers

[*Text*]

COPIES OF ALL CORRESPONDENCE AND AGREEMENTS RELATING TO FINANCING OF SUGAR CANE COMPLEX IN IVORY COAST

Motion No. 17—**Mr. Herbert:**

That an Order of the House do issue for copies of all correspondence, notes, minutes of meetings, documents and agreements relating to the financing by the Export Development Corporation of a cane sugar complex in the Republic of the Ivory Coast to be built by Redpath Sugars Ltd.

[*English*]

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the documents requested involve papers which are confidential and not of a public or official character, and their production would publish information received by EDC in confidence from sources outside the government. I would therefore ask that the hon. member withdraw his motion.

Mr. Herbert: Transfer for debate.

Mr. Speaker: Transferred for debate.

[*Text*]

COPIES OF ALL CORRESPONDENCE AND REPORTS RELATING TO HERITAGE VILLAGE, NEWFOUNDLAND

Motion No. 19—**Mr. Marshall:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all pertinent correspondence and reports between the government and the Province of Newfoundland surrounding the progress of a federal-provincial working group in the preparation of guidelines and criteria for the development of the concept and selection of a site to establish a heritage village to commemorate the Province's 25th Anniversary of Confederation.

[*English*]

Mr. Ed. Lumley (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, the answer to the question posed by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) is as follows. We have decided that it would not be in the best interests of federal-provincial relations to table these documents in the House of Commons at this time. The documents are confidential and relate to a federal-provincial activity. Moreover, the recommendations of the working group referred to in the inquiry do not represent the official positions of the respective governments. The recommendations of the working group have yet to be considered or approved by the two levels of government.

Mr. Paproski: Transfer for debate.

Mr. Speaker: Transferred for debate.

[*Text*]

COPIES OF ALL CORRESPONDENCE RELATING TO ACQUISITION OF DE HAVILLAND AIRCRAFT CORPORATION

Motion No. 20—**Mr. Whiteway:**

Than an Order of the House do issue for copies of the minutes of all meetings, correspondence, telegrams, contracts and/or agreements considered by the government in the acquisition of de Havilland Aircraft Corp.

[*English*]

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the documents pertaining to the acquisition of de Havilland Aircraft of Canada Limited by the government are based on considerable internal cost information and legal and professional opinion which was freely and privately made available to the negotiators. The data base also included confidential projections of cost and market data which if published could be harmful to the company's position vis-à-vis its commercial competition. For these reasons I ask the hon. member to withdraw his motion.

Mr. Paproski: Transfer for debate.

Mr. Speaker: Transferred for debate.

[*Text*]

COPIES OF AL L CORRESPONDENCE RELATING TO ACQUISITION OF CANADIAN AIRCRAFT CORPORATION

Motion No. 21—**Mr. Whiteway:**

That an Order of the House do issue for copies of the minutes of all meetings, correspondence, telegrams, contracts and/or agreements considered by the government in the acquisition of Canadair Aircraft Corp.

[*English*]

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the documents pertaining to the acquisition of Canadair Limited by the government are based on considerable internal cost information and legal and professional opinion which was freely and privately made available to the negotiators. The data base also included confidential projections of cost and market data which if published could be harmful to the company's position vis-à-vis its commercial competition. For these reasons I ask the hon. member to withdraw his motion.

Mr. Paproski: That is another cover-up. Transfer for debate.

Mr. Speaker: Transferred for debate.

[*Text*]

COPIES OF ALL MINUTES OF MEETINGS AND MATERIALS CONSIDERED BY COMMITTEE ON SEARCH AND RESCUE OPERATIONS, LAKE WINNIPEG

Motion No. 25—**Mr. Whiteway:**

That an Order of the House do issue for copies of the minutes of all meetings of the interdepartmental task force on integration of government vessels and aircraft and copies of all materials considered by the committee on search and rescue operations and the patrolling of Lake Winnipeg.

[*English*]

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the documents requested are internal departmental documents of a confidential nature and cannot be produced. I therefore ask that the hon. member withdraw his motion.

Mr. Paproski: Transfer for debate.

Mr. Speaker: Transferred for debate.

[*Text*]

COPY OF MEMORANDUM TO ASSISTANT CHIEF STATISTICIAN CONCERNING INACCURACY OF SOME BASIC SOURCES OF DATA

Motion No. 42—**Mr. Mazankowski:**

That an Order of the House do issue for a copy of the Statistics Canada memorandum written by J. S. Wells, Director-General, National Income and Expenditure Accounts Division to G. Leclerc, Assistant Chief Statistician, concerning the inaccuracy of some of the Bureau's basic sources of data.

[*English*]

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, the document requested is an internal departmental memorandum and cannot be produced. I therefore ask the hon. member to withdraw his motion.

Mr. Paproski: Transfer for debate.

Mr. Speaker: Transferred for debate.

[*Text*]

COPIES OF FILES IN POSSESSION OF DEPARTMENT OF SOLICITOR GENERAL RELATING TO PRAIRIE FARM ASSISTANCE ACT ADMINISTRATION

Motion No. 46—**Mr. Towers:**

That an Order of the House do issue for a copy of the contents of the file or files in the possession of the Department of the Solicitor General and/or the Royal Canadian Mounted Police relating to the investigation concerning Prairie Farm Assistance Act administration.

[*English*]

Mr. Art Lee (Parliamentary Secretary to Solicitor General): Mr. Speaker, notwithstanding that the investigation in this connection was with respect to a federal statute, the alleged offence was criminal in nature and came under the jurisdiction of the attorney general of Saskatchewan. Production of the files is being denied because, as I have stated, they relate to a matter in which the province of Saskatchewan was concerned and the concurrence of the provincial authorities to the release has not been forthcoming. I would like to mention, however, that the transcript of the preliminary hearing will be made available to the hon. member, upon request, by the office of the deputy attorney general, Regina, Saskatchewan. In the circumstances, Mr. Speaker, I hereby ask the hon. member to withdraw his motion.

Mr. Towers: No, Mr. Speaker; transfer for debate.

Mr. Speaker: Transferred for debate.

[*Text*]

COPIES OF ALL CORRESPONDENCE, DIRECTIVES AND PERTINENT MATERIAL BETWEEN CHIEF ELECTORAL OFFICER AND NEWFOUNDLAND COMMISSION

Motion No. 50—**Mr. Marshall:**

That an Order of the House do issue for copies of all correspondence, directives, telegrams and other pertinent material between the Chief Electoral Officer and the Commission appointed to carry out redistribution of boundaries in the province of Newfoundland.

[*English*]

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, there have been no correspondence, directives, telegrams or other pertinent material between the Chief Electoral Officer and the commission appointed to carry out redistribution of boundaries in the province of Newfoundland. I therefore ask the hon. member to withdraw his motion.

Mr. Marshall: Transfer for debate.

Mr. Speaker: Transferred for debate.

Mr. Goodale: Mr. Speaker, I ask that the remaining notices of motions for the production of papers be allowed to stand.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ALLEGED FAILURE OF GOVERNMENT TO DEVELOP FAIR AND JUST POLICIES RESPECTING OIL AND GAS RESOURCES

Mr. John C. Crosbie (St. John's West) moved:

That this House regrets the failure of the government to develop and apply policies in the fields of the oil and gas non-renewable energy resources that are fair or just or adequate for the people or the provinces of Canada today or for the future.

He said: Mr. Speaker, it is with considerable regret that I have to be critical of the government again today, having had to be critical of it last night; but one has to be truthful when speaking in this chamber and the subject matter of this motion will fit in with what I was saying last night. Hon. gentlemen opposite came into office on the basis of co-operative federalism, but they have now degenerated to strong-arm federalism or, as I said last night, to forced federalism or goon-squad federalism—anything but co-operative federalism. They came into office on the basis of participatory democracy, which has also vanished into limbo because the only democracy now is conference-hall autocracy.

The same thing is true in the energy field. What is the good of hon. gentlemen opposite publishing the study called "An Energy Strategy for Canada" when they ignore the recommendations of their own study or twist it in their administration so that it is unfair and unjust, as this motion says. The motion says that their policies are neither fair, just nor adequate for the people or the provinces of Canada.

I want to touch on three subjects in the short time allotted to me which I believe is 30 minutes. First, I want to touch on the new conservation policy, announced by the minister at the beginning of February, for Nova Scotia and Prince Edward Island dealing allegedly with conservation of energy in those two provinces and confining it to those two provinces for spurious reasons. Second, I want to touch on the failure of the

government to adopt a fair and just policy with regard to offshore minerals, the minerals off the shores of British Columbia, Nova Scotia, Prince Edward Island, New Brunswick, Quebec and Newfoundland.

Third, I want to touch on the failure of the government to do anything in the field of hydro development or in the field of financing or assisting hydro development, particularly with reference to the possible development in Labrador of hydro resources there; the government's picayune, penny-pinching policy with respect to those resources; and its failure to assist Newfoundland, for example, in developing the Gull Island project, one which would produce enough hydro energy to replace imports of 18 million barrels of oil a year.

With regard to the new policy announced by the Minister of Energy, Mines and Resources (Mr. Gillespie) at the beginning of February, the federal government announced assistance to Nova Scotia and Prince Edward Island. The minister announced a policy which would assist householders primarily in the provinces of P.E.I. and Nova Scotia in January and February. In the case of P.E.I., the program amounted to $12 million, of which $6.94 million was for a new home insulation program to be administered by CMHC. There are some other programs with regard to energy conservation and studies, but the main program is to help householders insulate their homes to save energy costs. This is a program of grants to householders in P.E.I. Prince Edward Island was selected and isolated for this treatment, together with Nova Scotia, because of its extremely high reliance on costly imported oil for electrical power generation.

The reason given for discriminating against the other eight provinces of Canada and restricting this program to Nova Scotia and P.E.I. was the costly imported oil for electrical power generation. In Nova Scotia and P.E.I., under this program people can get a grant of $350 if they want to insulate their homes themselves. They can get a grant of up to $500 if they have the work done by contractors. If you are a householder in Newfoundland, the Northwest Territories, Quebec, Ontario, British Columbia, Saskatchewan, Manitoba or Alberta, you will receive no assistance from the government except possibly a loan program from CMHC.

● (1520)

The reason given for this discrimination is that Nova Scotia and Prince Edward Island rely heavily on oil for electrical generation. It is true that they do. As a matter of fact, according to the release issued by the minister, Prince Edward Island has a 100 per cent dependence on oil for electrical generation, and Nova Scotia 63 per cent. In making that point the minister's officials have gone on in a statement to give a misleading figure for Newfoundland. In appendix C to this release they say of Prince Edward Island—and the same in the release for Nova Scotia—that Newfoundland's dependence on oil for electrical generation is 1.2 per cent. That is to make Prince Edward Island and Nova Scotia, which are being treated differently, look more plausible. What appendix C does not state is that they include in the Newfoundland figure all of Newfoundland and Labrador, including the huge hydro project at Churchill Falls which delivers nearly all the 5,600 megawatts to Quebec. That is all put into the Newfoundland figure to show that our dependency on oil is just 1.2 per cent.

That is a false and misleading figure. As a matter of fact, Newfoundland's dependency on oil for electrical generation in 1975 was 8 per cent on the island of Newfoundland where the bulk of the population lives—about half a million of them. In the present year it is going to be in the order of 21 per cent because the island of Newfoundland no longer has any hydro resources to develop and is left with the only alternative, oil-fired steam. So the releases put out by the federal government are not true or factual. They are designed to mislead. They are neither fair nor just. It is not 1.2 per cent in Newfoundland; in 1977 it will be 21 per cent on the island of Newfoundland.

Be that as it may, Mr. Speaker, these two provinces are highly dependent on oil for generating electricity. But what has this to do with the new policy of helping the householder? The minister's own release shows, for Nova Scotia, that the percentage of households using oil heating, not electrical heating, is 90 per cent. That is shown in appendix E. In connection with both Prince Edward Island and Nova Scotia, the release shows the dependency of Prince Edward Island householders for heating purposes is 100 per cent oil. In other words, in Nova Scotia 90 per cent of all households are heated using oil, oil furnaces or oil stoves, and in Prince Edward Island it is 100 per cent.

How does this policy of giving a householder a grant of $500 to insulate his home to save energy costs have anything to do with electricity? How does it save the use of oil for electricity in Nova Scotia? It has no connection with electricity. If 100 per cent of the homes in Prince Edward Island were electrically heated, and 90 per cent of the homes in Nova Scotia were electrically heated, and the electricity came from oil, one would be saving electricity and the oil used to generate it. That is not the case when it is going to go to households heated by furnaces that use oil directly.

If the object of this policy is to conserve oil and to conserve the imports of oil in addition to saving people money, then is a barrel of oil saved in Newfoundland or in Ontario not just as good to Canada as a barrel saved in Nova Scotia or Prince Edward Island? Do the people of Canada realize they are being discriminated against in this way? Just because of geographical location in two of the ten provinces of Canada the householders can get a substantial cash advance to insulate their homes. The minister's statements say that if they do this properly they will save 40 per cent of their energy requirements—40 per cent of the cost of heating their homes. You can get that in Nova Scotia and Prince Edward Island, but you cannot get it in the other eight provinces.

This is pure discrimination, Mr. Speaker. The government is using the excuse that there is more oil-fired electricity in those two provinces, but that does not carry any weight. It is not the real reason. This is going to be a $12 million program in Prince Edward Island and $80 million in Nova Scotia, of which $17 million is to come from the government of Nova

Scotia. In Nova Scotia it is $33.41 million for the home insulation grant program and another $17 million for a home insulation loan program, and almost $7 million in Prince Edward Island.

What is the reason for this discrimination? It has nothing to do with the reason given in the statement. It has been stated publicly that Nova Scotia is the author of its own misfortunes with respect to high energy costs. The government of Nova Scotia turned down the opportunity to go into nuclear energy with New Brunswick. Because the government of Nova Scotia prevented increases in prices charged for electricity over the last three or four years—Premier Regan prevented them from going ahead when they should have commenced earlier—now there is going to be an abrupt jump. For political reasons they were kept down over three or four years when costs were climbing. The Nova Scotia Power Commission incurred heavy losses because of that political policy. That is the reason they are taking an abrupt jump in Nova Scotia now. It is because they had the benefit of an Imperial Oil contract to supply oil for electrical generation purposes at a very low figure. Now there has to be an abrupt jump. There have been abrupt jumps in Newfoundland and all the other provinces, Mr. Speaker.

The person who put forward these reasons for not giving Nova Scotia special help was the Minister of Energy, Mines and Resources last year. He has been made to swallow his words by some forces beyond his control. What were those forces? They were political forces. The Liberal party of Nova Scotia got the government House leader down to Nova Scotia and pulverized him at a meeting about six months ago. They assured the minister that he had no chance of being elected and would have to go to the other place if he did not get a special program from the government of Canada. For six months Nova Scotia was rife with Alastair Gillespie jokes. It was not the Newfie joke in Nova Scotia; it was the Alastair Gillespie joke. The hon. gentleman has made a 100 per cent about-face in the face of this abuse.

Mr. Epp: He is still facing in the wrong direction.

Mr. Crosbie: After the abuse he took from the government of Nova Scotia, he brought in this new policy. There are two Liberal provinces left in Canada, Mr. Speaker, Prince Edward Island and Nova Scotia, and the federal government is struggling mightily to see that they remain Liberal. Nova Scotia faces an election this year. This about-face reminds me of the following ditty.

When Regan delved and MacEachen spanned
Who was then in command?
Certainly not the energy man.

I am sure the minister fought against this policy in the confines of the government, but he has been forced to toe the line by the government House leader and Premier Regan. This is a sad thing because the people of the other eight provinces are being discriminated against by the government. It is using tax moneys collected all across Canada to support a policy that discriminates against the other eight provinces, for no logical reason—nothing but a political reason. That is why this resolution decries the unfairness and injustice of these policies.

I have not the time to go into more detail about how silly it is to argue that only these two provinces deserve this policy because of their high content of oil-fired energy, 100 per cent in Prince Edward Island and 60 per cent in Nova Scotia. I support this kind of program in an attempt to induce energy conservation. It would be a step in the right direction were it applied all across Canada. But I say that what is good for Nova Scotia and what is good for Prince Edward Island is good for the rest of us Canadians.

Some hon. Members: Hear, hear!

Mr. Leggatt: You sound like General Motors.

Mr. Crosbie: The province of Newfoundland has been attempting to get equal treatment with Nova Scotia and New Brunswick since March, 1976, including letters from the premier of the province outlining reasons why we should receive at least the same treatment. I will briefly give some of these reasons; they would apply to other provinces as well. The people of Newfoundland are depending increasingly on imported oil to meet their energy needs—21 per cent this year. If hon. members opposite do not adopt a proper policy in developing hydro energy or to assist provinces with low capability to develop hydro resources, it will be ever-increasing: it will be 40 per cent in 1980.

● (1530)

We need assistance for that reason. We need assistance because the per capita personal income in Newfoundland is lower than in Nova Scotia, and about the same as in Prince Edward Island. If you look at need, you cannot just take one item such as the high electricity cost and isolate that. You have to look at all of the factors. The cost of living in Newfoundland is the highest in the country. You have to look at other factors like that to get that need. When you look at those factors you see that the need of Newfoundlanders is even greater than those in Nova Scotia and is equal to those in Prince Edward Island. It is also true for other parts of the country. Our climate has higher average temperatures than Prince Edward Island or Nova Scotia. We have higher wind velocities than P.E.I. or Nova Scotia.

An hon. Member: That is true.

Mr. Crosbie: I am not trying to illustrate that fact today. The cost of heating oil in Newfoundland is substantially higher than in Nova Scotia. It costs 3½ cents more for a gallon of heating oil in St. John's than it does in Halifax. The same is true of stove oil. The cost of heating oil is greater in Newfoundland than in Nova Scotia and Prince Edward Island. Seventy per cent of our households are heated by stove oil furnaces. Therefore, the need is greater there. Our electricity prices are the third highest in Canada despite the fact that we have a lot of hydro. It is high-cost hydro because it was only developed in the last 15 years at a high capital cost. It is delivered to scattered outposts. In addition, we have a rural

electricity program where half of the 10,000 people are receiving diesel power. They have to get diesel and not hydro.

I could go on with a number of other reasons which show that Nova Scotia and Prince Edward Island should not be singled out from the other provinces with respect to all these needs. By 1980, 40 per cent of the people of Newfoundland will be depending on oil-fired steam power. We cannot use coal and we cannot use nuclear: we have only one alternative to our hydro power in Newfoundland, and that is oil. We will hear the minister attempt, if he can, to justify this discrimination when he speaks. I say to the people of the other eight provinces that it is time they woke up and put some pressure on this government to start treating them fairly and start offering them the same energy conservation grants that householders in Nova Scotia and P.E.I. have been offered, as well as those in the Northwest Territories. This is not an energy conservation policy. This is a policy of political poltroonery, political preference. It is the rankest kind of discrimination.

I do not know the population figures, but at least 90 per cent of the people of Canada should be getting this. They should all be able to reduce the energy consumption in their homes across the country. I will be interested in hearing how the minister is going to continue to support this as a policy for those two provinces without extending it to the rest of us across this country who are so badly in need. As a matter of fact, unless he does change that policy I will try, as I said last night, to get his salary reduced to two cents when the estimates come before the House.

Some hon. Members: Hear, hear!

Mr. Crosbie: His energy strategy reads well until one looks to see how it is being carried out. It then becomes intermingled with the rankest kind of political consideration.

I now come to the second reason for moving this motion that the government's policies are unfair and unjust to the rest of the people of Canada. There are a dozen reasons and these will be discussed by other speakers. I shall only touch on two or three. I refer to the government's offshore minerals policy. The Liberal government in Ottawa argues that it owns and must control offshore mineral rights off the west and east coasts of Canada, our reserves of oil and gas. The Northwest Territories are not enough for them, the territories they already own; they want to own the resources that lie off both coasts.

An hon. Member: All three coasts.

Mr. Crosbie: However many coasts. They already have the Northwest Territories. In 1967 they got an opinion from the Supreme Court of Canada that in fact the federal government owns the continental shelf and controls and owns all the minerals that might lie off British Columbia. They got this through a narrow legalistic interpretation of the constitution. Because of that they are now attempting to claim that they own and must control the minerals that lie off the east coast as well. Why? What is the difference between minerals that lie under the land in Manitoba and Saskatchewan and minerals that are under the water off Newfoundland, Nova Scotia or British Columbia? Why, because they are under the water, should they belong to the government of Canada? If some court, through narrow legalistic reasoning, finds that the federal government has technical ownership, why should that government insist upon it? It would only insist upon if it was a centralizing government, a government that does not believe in federalism, a government that does not care whether the provinces stand or fall.

Does this government want the provinces to remain weak financially and subservient to the central power? The government has aggravated and irritated provinces such as Alberta and Saskatchewan because they want to use their own resources for their own benefit and get as much as they can out of it. It is the kind of government which claims it owns them and therefore is going to control them. That is the attitude of the hon. gentlemen opposite.

The federal government has entered into agreement with the provinces of Nova Scotia, New Brunswick and Prince Edward Island. At the beginning of February they made public an abbreviated version of the agreement reached with those three provinces. They have no agreement with Newfoundland or Quebec because we do not ever intend to agree with the Liberal policy in this direction. However, they have secured agreement with these three provinces which are not as strong as Newfoundland.

We were treated to a fantastic exhibition. Premier Regan almost laughed himself silly because he was so happy about this agreement. Why would he go along with such a piece of play-acting, because it is a pernicious agreement, an agreement that leaves all control with the government of Canada. It does not help those provinces fundamentally at all. The agreement gives away the control over oil and gas and the regulation of what the royalty system is going to be: all that is left with the government of Canada. The provinces are told they can have 75 per cent of the royalties or fees that might come from the areas where these minerals are discovered. Why was Premier Regan so happy? Why was he laughing and chuckling so much? He has an election coming up this year and has to try and make it sound like it really amounts to something. What will it be 75 per cent of? It will be 75 per cent of what the federal government decides it is going to be. Those three provinces will have no control over the administration, no control over the pace of development, no control over whether they go with companies that put their facilities on shore or not, or whether they have to employ Nova Scotians, New Brunswickers or Prince Edward Islanders. That will all be left to the minister and his government.

Would any one laugh and say this is a tremendous monument to confederation, if he did not have an ulterior purpose? There is only one reason—the election. Premier Regan should be crying all the way to the legislative assembly because of what he had to accept from the federal Liberals.

In addition, it has not yet been revealed—and it may be changed as I am revealing it—that the federal government is insisting that these three provinces cannot impose any provin-

cial corporation or any provincial taxes on the income of permit holders in this offshore region. They are allowed to get 75 per cent of the royalties and fees, whatever they may be and whenever they come in, but they are not allowed to impose any other provincial tax on the income of the permit holders. That is some deal!

They have the maritime offshore resources board with three members from the three provinces and three from the federal government. If any decisions cannot be agreed to, or if there is a tie in any particular respect, the Minister of Energy, Mines and Resources is the final authority. It is a complete sell-out, an admission that the federal government has complete control. That is not acceptable in Newfoundland; it is not acceptable in Quebec. It is not acceptable to the Progressive Conservative party of Canada which has a policy entirely contrary to the one being administered by this government. This is a party that believes in a federal system. It believes in having strong regions and strong provinces as well as a strong federal government.

● (1540)

This party has made it clear that when it takes power the PC government is going to recognize the offshore provinces as having ownership and control of the minerals that lie off their shores on the continental shelf. It will give them some kind of a future. We all know that when the money comes in, if it ever comes in, eventually it will reduce the equalization payment and the need for it. But that is not the only reason. These provinces want to control the rate of the development. They want to see their own citizens share in it. They want to see that the oil companies build onshore in their province if they are using their resource offshore, and for a variety of other reasons. That is enough, I believe, to ensure our support in British Columbia and all four of the Atlantic provinces when the next election comes.

At the time publicity was given to this agreement between the maritime provinces and Canada, the Minister of Energy, Mines and Resources indulged in a bit of bullying. He decided that he would bully the province of Newfoundland while this agreement was being announced and he made a statement that EastCan had been talking to him and told him they were not prepared to go ahead with an exploration program next summer unless a dispute between them and the Newfoundland government over oil and gas regulations proposed by the Newfoundland government was settled. Now the Newfoundland government has prepared its own regulations and regime for the offshore, just as the federal government did a year ago. We have not seen the federal government's regulations since. They were promised last year but the regulations and the legislation are still not here. Well, Newfoundland is doing the same. It is giving the oil companies its suggested oil and gas regulations for their comments. So the minister made the statement that EastCan was not going to explore or drill next year because of these regulations which Newfoundland proposed and because of the jurisdictional dispute. This was an attempt to bluff the province of Newfoundland into surrendering on the offshore minerals question.

An hon. Member: Oh!

Mr. Crosbie: Well, if the hon. member would look at the editorials down there he would see what they thought of that. We in Newfoundland are not going to be bluffed into giving up anything. We are waiting until the hon. gentleman from Bow River, Rocky Mountain, or whichever that great district is, gets in. Mr. Speaker, the minister said he intended to intervene with the government of Newfoundland and that he hoped "moral suasion" would convince the province to change its stand. Here is a man who is trying to steal our resources, proposing to use moral suasion on the government and people of Newfoundland.

Some hon. Members: Shame.

Mr. Crosbie: I should like to know whether EastCan authorized the minister to say anything about their discussions with him. I can tell him from the clippings I read that they were amazed and surprised that he had said anything like this. I am sure they do not like the federal regulations either, because oil and gas companies do not like any regulations which are going to be less generous to them than they were in the past. If the minister wants EastCan to go ahead next summer offshore and spend money, I suggest he settle their minds by agreeing that Newfoundland has jurisdiction, and that he does this by withdrawing the federal claim so that the company will be able to go ahead and deal only with Newfoundland.

It is strange, Mr. Speaker, but in the United States where the courts upheld that the federal government owns the offshore, and in Australia and other jurisdictions, the federal authorities have made much better arrangements with their provinces and states than has been offered by the federal government of Canada. It is because this government wants a unitary state. The Liberal government wants all power and authority in Ottawa, and they want to dragoon Newfoundland and Quebec into surrendering also. Mr. Speaker, under our policy the six coastal provinces of Canada will have brought to them relief from this onerous and crushing federal master that wants to take everything and give nothing in return. The other alternative to a new government being elected is to go before the courts, and that is where Newfoundland will go. It will never surrender on the offshore question.

I do not have time to deal with these matters now to the extent they deserve, but I would like the minister to know that we are not going to be bullied in Newfoundland. This illustrates something I want to say in connection with my third point. The document entitled "An Energy Strategy for Canada" refers at pages 5, 28 and 136 to the importance of oil and to the importance of hydroelectric power. We read on page 4 that hydroelectric power is currently the most important renewable energy resource in Canada. On page 28 mention is made of financial support for provincial or interregional nuclear generation and interregional electrical connection. We also find a note about the importance of developing hydro. On page 136 we read the following:

Energy Policy

One of the government's policies is to encourage the substitution of electricity generated from domestic energy resources including nuclear, hydro and coal for electricity generated from imported oil.

That sounds like a fine principle, and it is a good principle. But it is malarkey. It is not being carried out. In Newfoundland they are not helping us to get our future requirements from hydro which is available in Labrador. No less than 1,800 megawatts are available from the Gull Island site alone, with another 500,000 or 600,000 downriver at Muskrat Falls. There are other sites available for development, but the government is doing nothing to assist. The document goes on to say that their policy also calls for the provision of help in the strengthening of interregional electric connection. Not enough has been done in this field. The government's policy is supposed to be to lend 50 per cent of the cost of interregional interconnection or half the cost of nuclear generation for the plant in a province—up to 50 per cent. They did make an offer to Newfoundland in connection with the Gull Island project when the estimate of the cost involved was much lower than it is today. At that time I believe the estimate $1.47 million—

Mr. Deputy Speaker: Order. I have to interrupt the hon. member because the time allotted to him has expired.

Some hon. Members: Go on.

Mr. Deputy Speaker: Is there unanimous consent to allow the hon. member to continue his remarks?

Some hon. Members: No.

Some hon. Members: Shame.

Mr. Paproski: He is our lead speaker.

Mr. Crosbie: Might I move the motion, Mr. Speaker?

Some hon. Members: No.

Mr. Deputy Speaker: The hon. member did not get unanimous consent to continue. He has already spoken, and I have to recognize the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas).

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, Canada's dwindling supplies of oil and natural gas pose serious problems for the people of this country. It is therefore fit and proper that the government's policies for dealing with these problems should be discussed and, where necessary, criticized. Since I have only 20 minutes at my disposal I am prevented from dealing with the wide range of issues involved. I will therefore confine myself to dealing with two apsects of the energy situation.

The first matter I want to deal with is the government's failure to ensure that the increased prices being charged Canadian consumers are in fact used for the purpose of discovering and developing new supplies of oil and natural gas. In the past four years the price of gas has doubled and the price of crude oil has increased three-fold. The petroleum industry and the government have consistently maintained that these increases in price are necessary to ensure the cash flow needed to stimulate exploration and development. What has been the result? Exploration has not kept pace with the increased prices consumers have been required to pay. As a matter of fact, in 1975 there was a decline in exploration activity which represented the pressure on the government by the oil companies to raise prices. We are seeing a continuous decline in exploration.

[Mr. Crosbie.]

● (1550)

At page 36 of the study "An Energy Strategy for Canada" we find that for every $1 increase in the price of a barrel of oil the industry will get 25 cents per barrel even if there is no increased exploration. If the companies carry out sufficient exploration work they will get 56 cents out of each $1 of the price increase. The federal government will get nothing; the balance will go to the producing provinces. On page 38 of the energy strategy study we find this illuminating statement:

Current estimates suggest that with existing fiscal systems and prices that gradually increase towards current international levels, the industry will retain, after taxes and royalties, in excess of $3 billion per year (in 1975 dollars) on the average, over the next five years.

If ever there was a windfall, this is it. The government has repeatedly assured the House that it would monitor these windfall revenues paid to the oil industry by the consumers of this country so as to ensure that these moneys were used for exploration and development. There is no evidence that this has been done. Indeed, all the evidence indicates the contrary. The government has consistently over the years refused to follow the course advocated by the New Democratic Party, namely, that all the additional revenue from the rise in oil prices, except that part which goes to the producing provinces, should be retained by the federal government in trust for reinvestment in exploration and development. This money could be paid to the industry as exploration programs are carried out, or the money could be utilized by Petro-Canada to carry on exploration offshore and for the development of our heavy oil and the oil sands in Alberta and Saskatchewan.

The second matter that I wish to deal with in the short time at my disposal concerns the efforts being made to push the construction of a Mackenzie Valley pipeline as a solution to Canada's need for natural gas supplies. It seems to me that this is an appropriate time for the House to express its opinion on this matter and at the conclusion of my remarks I propose to move an amendment which will give the House an opportunity to do so. It seems to me it is further made necessary by a statement which appears in this afternoon's papers from Washington where discussions are being held between the Prime Minister of Canada (Mr. Trudeau) and the President of the United States. In passing, Mr. Speaker, I want to pay tribute to the Prime Minister. I am sure all of us were proud of the eloquent and timely speech that he made to the Congress of the United States in which he represented the views, I believe, of the great majority of the people of Canada. The report from Washington reads as follows:

A Canadian official indicated here Tuesday that Prime Minister Trudeau is ready to do all he can to speed a decision on construction of the multimillion

dollar Mackenzie Valley pipeline to carry Alaskan gas to Americans . . . the official said Trudeau explained to Carter that he would "like to be in a position not to embarrass him over the pipeline".

To me, Mr. Speaker, that has a very ominous ring and I think we ought to face up at this time to this question of the construction of a Mackenzie Valley pipeline. Let us recognize, in the first place, that the primary purpose of this pipeline is to move Prudhoe Bay gas from Alaska to the United States. We should recognize that the benefits to Canada are minimal. The best estimates of our proven gas reserves in the Mackenzie Valley are somewhere between four trillion cubic feet and five trillion cubic feet. May I point out that already all but 1.4 trillion cubic feet of that gas has been contracted to gas companies in the United States. But even if we get all the gas in the Delta—and there is every reason to believe we will not—five trillion cubic feet is only the equivalent of what we export to the United States over a five-year period.

It is a travesty to suggest that we should build pipeline at a cost of $8 billion—though the cost is much more likely to be $10 billion or $12 billion—and at the same time suffer the economic and monetary dislocations of such high capital expenditures, as well as environmental damage and a disturbing impact on our native people, in order to get a quantity of gas which we could procure by a more intensive exploration program in the southern areas of Canada and by offshore drilling.

There is nothing which calls into question more the viability of this proposed pipeline down the Mackenzie Valley than the fact that Canadian Arctic Gas Pipe Line Company has stated publicly that it will require financial guarantees from the Canadian government. One might well ask why, if this is a viable project, and since it is primarily going to carry Alaskan gas to the United States, the Canadian government should be asked to give financial guarantees.

As a matter of fact, I think it is significant that, despite repeated public statements to the effect that they want financial guarantees, this company has never formally applied for those guarantees. Why? Because they are waiting for a favourable report from the National Energy Board. Once they have a conditional permit in their hot little hands they are counting on pressure from Washington to secure financial guarantees from the government of Canada. The government of Canada will then be in the very difficult position of having either to refuse these guarantees or having to set aside a recommendation of the National Energy Board. The government will further be in the awkward position that, if the Prime Minister of Canada has agreed with the President of the United States to speed up a decision on the matter, and if the United States President has already indicated to Congress his preference for the Mackenzie Valley pipeline, they will have no alternative but to grant those guarantees and allow construction of the Mackenzie Valley pipeline.

The Canadian Arctic Gas Pipe Line Company Limited would then be able to say to the Canadian government, "You knew all along that we would need financial guarantees before we could proceed with this project, and you allowed the National Energy Board to grant us a permit to build the Mackenzie Valley pipeline; therefore, automatically, the granting of the permit involves financial guarantees". Financial guarantees for what? For moving 35 trillion cubic feet of gas from Prudhoe Bay to the United States? In the process Canada will get all the financial dislocation, all the environmental damage, all the dislocation of our native people, to secure, at most, five trillion cubic feet of gas; and the prospects are that most of that gas will go to the United States.

• (1600)

It will go to the United States first of all because, as I already said, most of it is contracted to American gas companies, but, secondly because that gas will come onstream ahead of the Prudhoe Bay gas and consequently it will come at a time when we will not be in great need of natural gas; and under the National Energy Board Act, which says that surplus gas can be exported to the United States, the American companies of course will apply for permission to export the gas from the Mackenzie Delta to the United States. It should be kept in mind that in this country we have, it is estimated, nearly 60 trillion cubic feet of natural gas. Annually we consume 1.5 trillion cubic feet and we export to the United States 1 trillion cubic feet. That means that we have quite a few years of lead time to find new sources of gas to meet Canadian needs without the environmental damage and the creation of problems for our native people that are associated with this project.

We maintain that the Mackenzie Valley pipeline is not needed at this time, that it has no economic benefit for Canadians. Naturally, we sympathize with our American neighbours about their desire to get Alaskan gas shipped from Prudhoe Bay to the United States, but I submit that there is a much less expensive and much less damaging alternative which should be considered. Proposals have been put forward by which we could ship gas from Prudhoe Bay down along the Alaska Highway which would provide the Americans with a land bridge that would take their gas directly to the United States. That should be considered if three conditions are met: first of all, that the Americans finance the pipeline; second, that the Americans be prepared to accept the one trillion cubic feet of export commitments which we have, and meet those commitments out of Prudhoe Bay gas. That would save Canada one trillion cubic feet of gas per year. In five years we would get all the gas which we would get from building the Mackenzie Valley pipeline.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): The third condition I would impose would be that during the construction of that pipeline, if it is approved, every cubic foot of gas which we continue to export to the United States should be on a swap basis, so that when their line is in operation we would recover that gas from the line going to the United States and we would have at that time six trillion or seven trillion cubic feet of gas coming to us which we could take when we wanted it and as we wanted it.

It seems to me that if those three conditions were met we should give serious consideration to what is commonly called the Alcan route, although I think the direction would be different from what has been proposed. But the general idea is to take the pipeline down along the Alaska Highway where there would be less environmental damage, less dislocation of the native people, and where we would not be required to make the tremendous capital investment which we will need for oil sand development, perhaps for nuclear reactors and for other forms of energy which this country must have.

The Minister of Energy, Mines and Resources (Mr. Gillespie) has said, as does this study, an "Energy Strategy for Canada", that we will need, between now and 1990, $180 billion in capital expenditures to meet our energy requirements. I contend that if this country ties up anywhere from $8 billion to $12 billion in a pipeline that will give us minimal benefits, we will not have the capital to develop the other resources which we must have in the 1980s and 1990s to keep the Canadian people from freezing in the dark.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): Therefore, I hope that the House will avail itself of this opportunity to express to the government how we feel about the Mackenzie Valley pipeline, and I suggest that we should do it now, not if we wait until the National Energy Board has made its report and the cabinet has made its report. The reports will not be referred to the House of Commons, as the ministers have said repeatedly. This is the time, now, before they have gone too far, before the Prime Minister has made too many commitments, before the government has laid all its plans on the basis of a pipeline which will bring only minimal benefits to Canada, for this House to say in clear and certain terms that we think this project is not in the best interests of the Canadian people.

Therefore, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the motion be amended by changing the period at the end thereof to a comma, and by adding immediately thereafter the following words:

"and this House expresses its opinion that the proposed construction of a Mackenzie Valley pipeline is not in the best interests of the Canadian people.

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I welcome the opportunity to enter this debate and I welcome the fact that the opposition parties have put before the House a motion with respect to the energy policy. Indeed, I think most Canadians would welcome the fact that the opposition parties have introduced this subject, because for so long opposition spokemen have been quiet about the direction which they think this country should take with respects to the energy policy.

Some hon. Members: Oh, oh!

Mr. Crouse: Mr. Speaker—

Mr. Gillespie: I think I have the floor, Mr. Speaker.

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

Mr. Crouse: On many occasions we have pointed out the need for establishing Fundy power as a means of alleviating the energy shortage in Atlantic Canada, but the government has taken no action.

Mr. Deputy Speaker: Order, please. The Minister of Energy, Mines and Resources (Mr. Gillespie) has the floor.

Mr. Gillespie: Apparently the truth hurts. If opposition members want to make constituency speeches, that is their right; but I think that the Canadian people are looking to the House to deal with the very important question of the over-all energy policy, not just a narrow parochial view—which may be an important view to those hon. members, perhaps—but a view which encompasses the whole of the country.

I listened to the mover of the motion. I must say that I was disappointed and I think many Canadians will be disappointed by his remarks. Quite clearly, it was a good constituency speech, but I am not at all sure that the Canadian people will find in that speech what they were looking for; that is, the view of the opposition regarding the direction this country should be taking on energy policy matters. Perhaps that is not altogether surprising. A moment ago I indicated that opposition spokesmen had shown themselves to be very shy when it comes to offering views about energy policy questions. Indeed, the Standing Committee on National Resources and Public Works received a reference from this House a week or so ago dealing with an energy strategy for Canada. The surprising thing is that when that committee was ready to go, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) was there but there was not one Conservative.

● (1610)

Some hon. Members: Shame.

Mr. McKenzie: Mr. Speaker, I rise on a point of order. Would the minister please identify what meeting he is referring to? There have been two recently. Is he referring to both of them? If he is referring to yesterday's meeting, I was there, the hon. member for Calgary South (Mr. Bawden) was there, the hon. member for Dauphin (Mr. Ritchie) was there , and there was also one other member. I have been at all the meetings.

Mr. Gillespie: The hon. member is quite right. The three members to whom he referred were there at the end of the meeting.

Some hon. Members: Oh, oh!

Mr. Crosbie: Mr. Speaker, I, too, would like to correct the hon. gentleman. I was at the first meeting of that committee last week. I was not in town yesterday morning and did not know about the meeting. However, the minister was not there last week.

Mr. Gillespie: Apparently hon. members opposite have thin skins.

Mr. Crouse: Apparently you can't tell the truth.

Mr. Gillespie: If hon. members would look at the record they would see that the so-called energy expert of the Conservative party, the hon. member for St. John's West (Mr. Crosbie), was not present yesterday.

Mr. Crouse: And he said so.

Mr. Gillespie: Nor will they find that any one of the three previous energy critics of the Tory party was present. I ask whether the Canadian people are to believe that the Tory party is really serious about the important energy issues of today.

Mr. Bawden: Tell us how serious you are. Tell us about those northern regulations: that is the biggest road-block we have.

Mr. Gillespie: I listened very carefully to the hon. member for St. John's West (Mr. Crosbie). I thought he might want to put on the record his party's position with respect to energy prices, with respect to what they should be and whether oil prices should go up, and by how much. But at no time has his party really come to grips with what is one of the most important energy questions of the day. I suppose in the province of Ontario they would argue for lower prices and that would be popular. In Alberta they probably would be arguing for higher prices because that would be popular. But if as a national party they have a national view, they have kept it to themselves.

I think it is about time the Canadian people heard the views of the Tory party with respect to the present price of oil and what the price of oil should be next July 1, because we will be entering into negotiations very shortly. I think the time has come for the Leader of the Opposition (Mr. Clark) to make his position clear on that question, and if he disagrees with the position of the government that we should move toward world prices, let him say so because the Canadian people want to hear him. There are other matters upon which the people would like to hear the Conservatives.

Mr. Bawden: Tell us about the regulations which are holding everything up.

Mr. Gillespie: I can only assume from the remarks of the hon. member for St. John's West who made, as I said, an eloquent constituency speech, that he accepts the goal Canada has set, the goal of self-reliance for Canadians and the target of reducing our dependence on foreign oil to one-third by 1985. I assume that because he has not criticized that target. Indeed, I think his words were that "An Energy Strategy for Canada" reads very well. I assume from that remark that he accepts that target and that goal.

Mr. Crosbie: Wait until tomorrow morning.

Mr. Gillespie: If the hon. member had any other views he should have had the courage to put them on the record this afternoon.

Mr. Crosbie: I didn't have enough time.

Mr. Crouse: You wouldn't listen to him. You cut him off.

Mr. Gillespie: The hon. member says he did not have enough time, but he had 30 minutes, which was ten minutes more than the time allotted to the hon. member for Nanaimo-Cowichan-The Islands. The hon. member also had the floor last night for 20 minutes. He could have said something then, if he had wished to do so. This man has a loud voice. He is on his feet very often. I applaud his gymnastics when trying to be recognized. I hope that by the end of the session they will start to indicate—

Mr. Gilbert: He used to be a Liberal.

Mr. Gillespie: —where the Conservative party stands on the question of heavy oil. Where does the Conservative party stand on the Athabasca tar sands and their development? Where does the Conservative party stand with respect to a pipeline? Where does it stand with respect to conservation? What target would it propose to the Canadian people? Would the Conservative party accept the target we put before the Canadian people? How do the Tories feel about the target we have set for increased exploration and development in frontier areas?

Mr. Bawden: Tell us about that; it is off by 50 per cent.

Mr. Gillespie: I would like to know what targets they would put before the Canadian people and before this House.

Mr. McKenzie: That is your job now; you have your chance.

Mr. Gillespie: It is quite clear from the noise opposite that hon. members opposite are a little worried that *Hansard* will put down the kinds of questions which are being put to them.

Mr. McKenzie: I will be making a constructive speech.

Mr. Douglas (Bruce-Grey): Your first one.

Mr. Gillespie: The lead-off speaker, the mover of the motion, spoke about three things. He spoke about the conservation program for P.E.I. and Nova Scotia; he spoke about the policy with respect to offshore resources and he said something about hydro development in Newfoundland. I would like to deal with those points in my speech, but first I would like to turn to the comments made by the NDP spokesman, the hon. member for Nanaimo-Cowichan-The Islands.

Mr. Stanbury: At least we know where he stands.

Mr. Gillespie: He made it very clear where he stands on two issues. He put forward in very clear terms the socialist solution. The socialist solution is that for any increase in oil or natural gas 100 per cent of that increase ought to go to the government. I think he would agree that that is the interpretation any fair-minded person could put on it. If he does not agree, I would like him to clarify.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I am sure the minister would not want to misrepresent my views. I said that apart from what goes to the producing

provinces, the rest should be retained in trust by the federal government and paid to the companies as they carry on exploration programs, or it should go to Petro-Canada which would then carry on exploration programs.

Mr. Gillespie: I appreciate the hon. member clarifying his position.

Mr. Benjamin: You weren't listening in the first place.

Mr. Gillespie: He made it quite clear that the funds from such increases should be channelled to governments to be used for exploration. I suppose that is not an altogether inconsistent position for his party to take, because some of the provincial governments have taken positions not unlike that with regard to the taxation of other resources in other parts of the country. I suppose that is particularly true in the case of the province of Saskatchewan when it comes to taxation. The hon. member knows very well the history of the taxation measures of the province of Saskatchewan. On a number of occasions that added up to more than 100 per cent of the revenues from the producing wells. I think the hon. member probably also knows that the result of that taxation philosophy was the choking of any additional investment, exploration or development activity in the province of Saskatchewan.

Mr. Benjamin: That is not true.

Mr. Gillespie: If the hon. member compares the activity in the province of Saskatchewan with the activity in Alberta, he can make a very clear comparison. In Alberta, incentives were provided. A significant part of price increases went to the producers. It provided a cash flow which generated substantial new reserves for the benefit of the people of Alberta.

Mr. Paproski: And Canada.

Mr. Gillespie: Yes, very much so for the people of Canada as well. I suggest to him that the shortsighted view of many socialists with respect to taxation policies will work to the disadvantage of Canada. You can have the most elaborate taxation systems that man can devise, but they are pretty worthless if there is not going to be any oil and no revenue to tax.

● (1620)

The other point he made very clear was his party's position on the pipeline. I suppose I should not be surprised that he should commit his party against a pipeline for the Mackenzie at this time, but I have to admit that I am. The hon. member has a very high regard for parliament, but I can only interpret his position as being in contempt of parliament and in contempt of parliamentary institutions.

Mr. Douglas (Nanaimo-Cowichan-The Islands): What say would parliament have?

Mr. Gillespie: It seems to me when the parliament of Canada sets up the National Energy Board for the purpose of examining applications of this kind, and then one party says, "Sure, the parliament of Canada set up the National Energy Board to deal with this question, but we know better. We will prejudge them, with all the work they have done over the last 2½ years or more. We are not interested. We have already made up our minds regardless of the facts," that it is contemptuous of parliament.

I believe, also, that the view that we should make a decision before receiving the report of Mr. Justice Berger is an insult to him. It seems to me, when he was given the demanding task of examining the environmental and social questions that are allied to a Mackenzie Valley pipeline, we at least owe him the benefit of receiving it without making up our minds first of all. I say I am disappointed that the hon. member should have jumped the gun on the pipeline issue at this time.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, would the minister permit a question?

Mr. Gillespie: If you put it at the end of my remarks.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Certainly.

Mr. Gillespie: Let me make it quite clear that the plan for insulation and conservation offered to the provinces of Prince Edward Island and Nova Scotia was to deal with two specific questions and needs. Hon. members will recall that the Premier of Nova Scotia appealed for assistance because electrical energy rates in his province had gone up very substantially and were likely to go up very much more in the near future. He said his province had nearly the highest electrical energy rate in the country. The highest, of course, is Prince Edward Island. When we looked at the situation it was quite clear there was a unique need in these two provinces. Prince Edward Island depended for 100 per cent of its electrical energy on oil; they had no hydro capacity. In the case of Nova Scotia, roughly two-thirds of all electrical energy was generated from oil.

The stated policy of this government which was put forward to parliament in the document "An Energy Strategy for Canada"—Policies for Self-Reliance" was to reduce our dependence on foreign oil. That was the goal. Clearly, there was a question of national interest on the problem that these two provinces had to deal with—their heavy dependence on foreign oil. When we looked at the situation it seemed to us that the most appropriate way of providing assistance to Nova Scotia and Prince Edward Island was to do it in a way which would be fully consistent with the strategy of reducing our dependence on foreign oil. If we had accepted the proposal of the Premier of Nova Scotia to provide subsidies, we would have been going counter to that particular objective for Canada because we would have been subsidizing the continuation of the greater use of oil indirectly. The proposal we put forward for insulation in a typical home will provide savings in one year greater that the additional cost of electrical power for one year. Not only is it an advantage on a one-year basis, but it is a permanent advantage to home owners in Nova Scotia and Prince Edward Island. The saving continues from year to year, whereas any other kind of assistance, such as a subsidy,

would be temporary. We also provided incentives and assistance with respect to conservation measures for industry, and also substitution arrangements in the province of Nova Scotia for the conversion of an oil-fired generating facility to a coal-fired one.

I think it is clear that this is a unique situation. It is not discriminatory in the sense that other provinces would qualify because the next nearest province, when it comes to the question of electrical energy generated from oil, has about half the dependence of Nova Scotia. The hon. member for St. John's West (Mr. Crosbie) had some figures and I should like to reply to them. Newfoundland, fortunately, is very little dependent upon foreign oil for the generation of electricity on the island and in Labrador. The figures I have been given for electrical generation for 1976—and these exclude the demand for exports to Quebec—are 7,800 gigawatt hours and for oil-generated electricity in all of Labrador and Newfoundland are 400 gigawatt hours. The oil-fired generation compared to the total generation used in the province of Newfoundland is, therefore, in the order of 5 per cent, very much lower than that for Nova Scotia which has close to 66 per cent.

I can understand that the hon. member for St. John's West would want to emphasize the hydro potential for Newfoundland. He knows I share his interest in seeing that development take place. Indeed, I met with him a little under a year ago when he was minister of energy in the province of Newfoundland to discuss precisely that question and to try to see what steps the federal government could take to bring about the realization of the Gull Island facility.

I answered a question in the House today from one of the hon. member's colleagues. I said I had been in touch with the Premier of Newfoundland to raise with him the question of the transmission assistance which we had offered. There is $343 million still on the table with respect to the transmission of power from Gull Island to Newfoundland. I offered to discuss with him, as well, other forms of arrangement which the federal government might enter into. This would be a new departure, possibly even involving equity on the part of the federal government, which would deal with the generation facilities at Gull Island. I asked the premier, if he was still interested in pursuing this matter, and if so, to designate a senior official so that we could get on with the job of identifying the costs and engineering needed to bring about this major facility.

As hon. members will understand, the announcement two weeks ago of the establishment of a maritime energy corporation is very much a part of what I see to be the over-all strategy for the Atlantic provinces. I would expect there might be as much as 1,000 megawatts of surplus power in the Gull Island facility. I realize that the maritime provinces are going to require power in the future. Some of that additional power might well come from Gull Island. The maritime energy corporation would be the logical institution to purchase that power, to decide how it would be used and to arrange, if necessary, during certain periods of the year or perhaps certain hours of the day the sale of any of that power which might be surplus to the maritime region. I do not mean to suggest that I see the Gull Island facility as the sole answer to the future needs of the maritime region. Clearly, other projects are going to be important. It may be that an additional nuclear facility in New Brunswick should be contemplated very soon. I hope we will receive sufficiently encouraging news with respect to the study being taken on the Fundy tides. The project has been long discussed and the potential of it has been long recognized, but until very fairly recently the economics of it have not been very encouraging. These are some of the points I would make to the hon. member with regard to the maritimes.

● (1630)

The last point I want to deal with is the one the hon. member raised with regard to the offshore resources of Canada and the ownership of them. I can understand why he would want to take a strong, perhaps even aggressive stance on this. To some extent he has been the architect of a situation which is developing in Newfoundland, one about which I have very serious concerns. I think that when Canadians in other parts of the country know the facts they will have concern as well. I refer, of course, to the whole question of exploration and drilling on the north shore of Labrador.

The hon. member for St. John's West was a former minister of energy of the province of Newfoundland. It is he who can accept the credit and, presumably, the responsibility for having designed the new set of regulations which have in confidence been presented to the exploration consortium. That consortium has reacted in a positive way, positive at least in the sense of saying that the regulations presented to them are unacceptable, they are too stringent. They are far more stringent than the new set of principles which has been tabled by the federal government with respect to oil and gas regulations. They have indicated that if the Newfoundland government is prepared to give undertakings that their regulations, in the event that they were to win a court case with respect to offshore resources, will be no more onerous than those which the federal government has already put on the table, they would be prepared to go ahead. I can understand why the hon. member would want to take an aggressive stance on this. He perhaps, more than any other man, is the architect of the confrontation which has developed between the consortium and the province of Newfoundland.

Let us be quite clear about what is involved here. I have said that I might want to use some moral suasion to put before the Newfoundland government a very good argument to alter their position in light of the facts. The hon. member is suggesting that the federal government is in some way trying to steal the resources which rightfully belong to Newfoundland. He does not realize that as a result of his action he is preventing the people of Newfoundland from benefiting from the potential development of those resources. Close to $100 million of exploration activity was slated for the east shore this year. About one half of that was in Labrador. Unless we can find some accommodation between this consortium and the Newfoundland government, between $50 million and $60 million in exploration activity will not take place this coming season.

That clearly rests on the shoulders of the hon. member as much as anybody else.

The major part of the remaining portion will be undertaken by Petro-Canada. The Conservative party have been very ambivalent, and that is putting it charitably, about Petro-Canada. Their leader has said that he would wind down or wind up—it is never quite clear—Petro-Canada. He has never said how he would have dealt with the problem of offshore exploration in the maritimes if it had not been for Petro-Canada. The activity of Petro-Canada is essential to the maritime region at the present time. It may well become increasingly important to the Labrador offshore as well.

It is probably hoping too much that we will hear from opposition spokesmen today what they would propose by way of changes in the strategy which the government of Canada has adopted. I hope they will show interest before the standing committee which deals with this important matter. I hope we will hear from members opposite what they think the pricing policy should be with respect to energy. I hope we will hear from them with respect to Canadian content. We have not heard anything from them with respect to Canadian content.

I hope we will hear from members opposite as to our obligations under the International Energy Agency and the sharing obligations which Canada has accepted under our obligations to that international agency. I hope they will have something to say about the targets for conservation. I hope they will address themselves to some of the major national issues. I know that we can again look forward to some glowing constituency speeches in the future, but I hope they will deal with national issues as well.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the minister graciously agreed to answer a question, which I would like to put to him now. He has suggested that I am being contemptuous of parliament by asking the House to express an opinion about the Mackenzie Valley pipeline. I would ask him if his reverence for parliament extends to his giving us a commitment that both the report of the National Energy Board and the report of Mr. Justice Berger will be submitted to parliament before the cabinet makes a decision with regard to the proposed pipeline.

Mr. Gillespie: Mr. Speaker, I have made it quite clear on a number of occasions that I very much hope the standing committee will deal with these questions. My predecessor is on record from away back with regard to that. I certainly confirm my own views on it. The committee should organize itself and its time to deal with these important questions. Whether the natural resources committee can or should deal by itself with the Berger report is something that committee and perhaps another committee might want to consider. Indeed, it is possible that the two committees might want to come together at some time. However, that is a decision for them. As to the question of a debate in the House of Commons with respect to this issue, that is something I would be very pleased to take up with the House leader.

[Mr. Gillespie.]

The Acting Speaker (Mr. Ethier): Order, please. In all fairness to hon. members who are waiting for their turn to speak, the Chair should recognize the hon. member for Shefford (Mr. Rondeau).

• (1640)

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I am very pleased on this day allotted the opposition to take part in a debate on a topic of interest to all Canadians, namely the energy problem in Canada.

I shall waste no time in dealing with the scandals that beset the recent sale of Canadian reactors to foreign countries. I would rather take advantage of this debate to point out the growing enslavement of humankind at the hands of international or multinational monopolies exercised over every form of energy.

However, Mr. Speaker, I should like to tell my hon. colleagues that I recently met a businessman from Ontario who was proud of his car, a 1973 Buick burning only one gallon of gas to run 62 miles. That man also had another Buick, a 1976, that runs only 14 miles per gallon of gas. The difference between the two lies in the fact—and this I saw myself—that the 1973 Buick was scientifically and mechanically improved by his son, an engineer, who also made similar adjustments on seven or eight other cars belonging to his friends. Because his son was an engineer, extremely competent and specialized in mechanics, it seems he had discovered the secret of considerable saving of gas. However, Mr. Speaker, that engineer died in an automobile accident; his car smashed into a tree under as yet undetermined circumstances. That learned engineer, Mr. Speaker, whose father is still living, had never accepted any of the offers made to him for his secret.

Mr. Speaker, we have been brainwashed into thinking there is a shortage of energy in Canada so that we could be better exploited through increasing prices; while prices go up regularly, the product is still at the disposal of consumers who are fleeced through ever higher prices. Mr. Speaker, how can the governments seriously want to reduce the consumption of energy when, for instance, on gas alone, both at the federal and provincial levels, they reap in taxes more that 60 per cent of the retail price?

How can the governments be interested in reducing gas consumption for the benefit of consumers when they are the very first beneficiaries of the various taxes on gas?

Just as governments exploit consumers through various taxes on energy, so do the Arab countries in turn bleed the energy consuming countries. The lack of foresight of governments towards energy, particularly since the last 30 years when there was no forecast as to eventual energy needs, makes it that much easier for the Arab countries to exploit the energy situation in the world. The energy shortage is not caused by a limited potential for energy resources, but by a lack of long term planning in the development of energy resources.

Unfortunately, Mr. Speaker, natural resources planning, like energy resources, has been left so far in the hands of multinationals with the sole purpose, which is not the public weal, of making profits at the risk of causing the death of people in years to come.

Mr. Speaker we have squandered our resources in raw materials through exploitation and exportation to enhance our balance of payments position without any consideration for our power supply and future needs.

Mr. Speaker, Algeria keeps its power resources in gas and oil for its citizens. Future needs in that area have priority over immediate gains for multinationals. Algerians are not afraid they might be short of power tomorrow morning. They are not concerned about the interests of international traffickers and owners of multinationals operating in that field. It is scandalous, Mr. Speaker, to realize that $125 million a day—I repeat, $125 million "a day"—are taken out of the pockets of western world residents to go into the coffers of Arab countries. This money is generated only through price increases of petroleum products decreed by the Oil Producing and Exportating Countries which they control; $125 million in benefits are gathered every day after the various increases which have occurred in the last five years. This Arab money goes into Swiss banks which in turn invest it for them throughout the world, even in Canada. The Arabs have already started to buy oil products with our own money through Swiss banks.

Mr. Speaker, the same racket is building up in the field of nuclear energy. International financiers who control world monopolies have started to do with nuclear energy what the Arabs do with oil. International finance magnates are against solar energy because they have yet to gain exclusive control over the sun. Therefore they favour nuclear energy which is easily controlled.

Mr. Speaker, the sun existed before multinational companies. It has never disappointed us. The sun was there before finance companies; God created the sun to serve man, to warm him. Tycoons have not yet bought the sun to control it, sell it or treat it as they see fit. Nuclear energy companies—and I could name many of them—are paying scientists to try to have us believe that solar energy is impractical, uneconomic, and so on.

The magazine *Science Forum* for August 1976, page 17, reports that, according to a release published on March 3, 1976 by the Department of Energy, Mines and Resources, the Canadian federal government spent $84.8 million for nuclear research during fiscal year 1975-76. The government spent $10.5 million for research on oil and gasoline, $8.6 million for energy conservation, $4.9 million for transport and transmission, and $2.8 million for coal energy.

The federal government has spent $1.6 million to assist research on solar and geothermic energy; so they spent 75 times more money on nuclear than on solar research. These figures speak for themselves, Mr. Speaker. The government does not want any research on solar energy; they want to develop nuclear energy because the international financial trusts are for research on nuclear energy whereas scientists are in favour of solar energy.

Mr. Speaker, in the April 28, 1976 issue of *La Presse* we could read that Mr. Claude Leroy, 29, who has a degree in optics, has discovered a revolutionary process for the use of solar energy at low cost.

> Mr. Leroy has developed a solar collector into which the solar rays penetrate in concentrated form thanks to a captor, and they cannot go out of this collector any more.

In the February 20, 1977 issue of the Ottawa paper *Le Droit*, another scientist says the following: According to Mr. Jean-Yves Cousteau, the sun could provide 80 per cent of the energy needed in the year 2000.

> He feels that solar energy is the only solution . . . The main source of solar energy is found in the oceans. Two thirds of all the solar energy which reaches the earth fall into the oceans . . . Properly tapped, solar energy could easily represent four fifths of the world energy before the year 2000 . . . Moreover, nuclear energy is the greatest danger . . . for its is a non solution . . . According to the data published by the United Nations, the $850 million which will be spent on nuclear energy up to the year 2000 will meet the needs of only 20 per cent of the world demand.

Mr. Speaker, a very interesting report appeared on January 15, 1977, again in *La Presse*, in which Jean-Pierre Bonhomme, the author, states:

> Solar heat will liberate the Quebec household.

And again in *La Presse*, on April 24:

> Solar Energy Electricity will come from the cosmos.

The newspaper adds that engineer Peter E. Glaser of the Arthur D. Little Company of Cambridge, Massachussets, suggests the installation of an orbital power station that would use . . .

> . . . huge surfaces of solar collectors to transform sun light directly into electricity in the same way as solar mirrors are used to feed energy to most of present day spatial devices.

Mr. Speaker, in *Le Devoir* of April 22, 1976, Ottawa architect Michael Glover contends . . .

> . . . that direct loans at low interest rates or tax reductions should be allowed to citizens who install home heating systems fed by solar energy.

Also, in the *Canadian Consumer* magazine of June 1, 1976, page 33, Mr. Ron Argue had this to say:

> Solar energy heating is the solution to traditional heating systems.

Again in *Le Devoir* of December 31, 1976, in an article signed by Mr. Gilles Provost:

> Solar heating can compete with electricity.
>
> For the first time, an American study states that solar energy heating can compete with electric heating.

Mr. Speaker, Ralph Nader who is well known in the United States stated the following:

> If the sun belonged to Exxon, we would already be using solar energy.

Some inexhaustible, renewable, clean and free sources of energy have always been available to mankind, but science does not enable us to use them effectively. There are many scientists, handymen and even engineers who have devised techniques enabling us to take advantage of our natural wealth

without destroying it, to use the revenue without depleting the capital.

Mr. Speaker, if the economic structures are inconsistent with the use of soft techniques, the conservation of resources and the biological requirements of survival, we must then alter the economy, because we cannot change the laws of physics nor those of life.

On page 52 of the same magazine I mentioned a moment ago, Mr. Speaker, we can read this, and I quote:

The choice is therefore not only political, but also social and moral. It involves much more than capital. In fact, the whole western civilization is involved in that choice.

Here is what Professor Lebreton of the University of Lyons has to say on that subject:

One has to understand what the Carnot cycle is to realize that, far from being the miraculous source of energy which we were promised, the nuclear power station opens the era of the biggest thermo-dynamic waste ever invented by man.

As for burial sites of solid and liquid wastes of high and medium radioactivity, our children will not be able either to reconvert them to potato fields. Our generation is leading its children toward the point of no return.

Mr. Pierre Dansereau said, in "La terre des hommes et le paysage intérieur", and I quote:

Wisdom has more weight than science if we are to change the course leading our species to suicide.

Mr. Mouammar Kadhafi from Lybia, a world renown scientist, said:

Great and rich powers spend fabulous sums of money to make atom bombs, to develop intercontinental missiles, to implement space programs and to develop propaganda and psychological warfare plans, while the people of our planet are facing illness, hunger and skyrocketing prices. Those countries are in effect guided by the devil, and their volume of the sacred law is Malthus and not the Bible.

The great Einstein had this to say:

The scientist is aware that the applications of his research has concentrated in the hands of a small minority, first the economic, then the political power that controls the mass of the people who seem to be ever more amorphous . . . He degrades himself to the point of enormously developing on orders the facilities for total destruction of mankind.

Mr. Speaker, there is not the shadow of a doubt about the form of energy Canada should have chosen to meet our future needs, those of 2000 A.D.

All scientists who worked in that field are awed at the dangers of nuclear power for the Canadian people and the people of the world. On the other hand, there is no major obstacle barring the development of solar energy in the world.

One thing specially is to be regretted. The Canadian government is selling the false advantages of nuclear energy and its CANDU reactors. World uranium reserves on which CANDU are based are 85 per cent controlled by four world powers: the United States, Canada, South Africa and Australia. All those countries favour nuclear energy through the mining and exporting of products used to generate nuclear energy. Those countries have a colonial approach to the Third World.

These special goods which are bringing an excellent return to the industry are armaments. In a way the energy policy has the same function as the armament policy, namely to ensure a steady flow of capital, to make profits, to maintain and increase domination over others.

It is more and more evident that the big concerns controlled by the state and by the private sector will try to impose on dominated countries nuclear reactors which will bring them more profits, whatever the real needs of these countries may be. The sale by Canada of a $700 million reactor to South Korea illustrates very well. Mr. Speaker, that such a contract will be of no advantage whatsoever either to the Koreans or to the Canadians, but will profit the manufacturer of this enormous hot water kettle. The colonial approach of Canada, already seen in Brazil and the West Indies, is even more patent when Canada sells CANDU reactors to countries of the third world.

Mr. Speaker, I would like to quote a paragraph from a book about nuclear energy by Fred H. Knelman, called *Nuclear Energy*. Here is what he said, on page 238:

● (1650)

[*English*]

There are further value issues involved. Nuclear technology is an infraction of the principle that it is wrong to confront nature and life with impacts whose potential is beyond the bounds of acceptability. We should not incur risks or debts that we are totally unprepared to pay or have others pay. Finally, nuclear technology is big and centralized. It is thus an alienating technology. It invites and supports large power-concentrated political centres and a new priesthood of protectors and managers. And in decommissioning nuclear power stations, we are leaving a heritage of pyramids that cannot be entered, empty tombs of radioactive materials. The more we build, the more we shall have to foresake and the more unforgiving the legacy.

Radioactive wastes have the unique capacity to waste the future. Given the time-scales of perfect containment and the susceptibility of our basic hereditary material, the proliferation and profusion of fission wastes threaten the continuity of life. Pollution has no bounds and time eventually recycles atoms. The global atom cannot be contained forever by human ingenuity or synthetic constructions. When one compares the toxicity of plutonium with the projected quantities and traffic, the idea of perpetual containment and security becomes the ultimate technological illusion.

[*Translation*]

The Acting Speaker (Mr. Ethier): Order. I regret to interrupt the hon. member but his time has expired.

● (1700)

[*English*]

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, I should like to congratulate hon. members who have participated in the debate this afternoon for the excellence of their remarks and the constructive suggestions they have put forward. I should like to congratulate, also, colleagues on my left for the amendment which they put forward to our motion. I regret that I cannot support the amendment as proposed at this time, because we do not have the important benefit of the findings of the Berger commission and of the National Energy Board. To take a position now would be premature, in my opinion, and would preclude consideration of a most importantr set of facts. Indeed, it could be interpreted as an affront to the Berger commission and to the National Energy Board.

Canada is fortunate in the variety and size of such undeveloped energy sources as the Alberta tar sands, the

western Canadian coal fields, the Ontario uranium deposits, the hydroelectric capacity of Quebec and Labrador, tidal power in the Bay of Fundy and the immense renewable energy source inherent in our forests. The challenge is to produce and utilize these sources so as to decrease our present dependence on dwindling oil and gas reserves, and to do it in ways that provide the greatest benefits in accordance with economic, social and environmental consideration.

Time is a basic problem. It takes time to build a hydro-electric dam. It takes time to develop a new coal deposit. It takes time to construct a nuclear reactor. It takes time to create tidal power development. And last but not least, it takes time to accumulate the capital for the type of large-scale enterprise which is necessary to ameliorate our heavy dependence on offshore oil—and this time is not measured in years but in decades. Thus, it is a venture for many years to come. We must learn to live with the fact that for the next 10 to 15 years Atlantic Canada will continue to import over 100 million barrels of oil per year to sustain an energy system greatly dependent on this commodity.

Dramatic increases in the cost of electric power in areas of Atlantic Canada have placed the region at a competitive disadvantage in the expansion of its industrial and manufacturing sector and inflicted a great measure of hardship on large segments of the population. While I intend to propose some suggestions to reduce these disadvantages, it must be recognized that this will be a battle not quickly or easily won. In the short term, until a fundamental improvement in the situation can be achieved there is a broad scope for cost-sharing programs and federal grants to promote energy efficiencies in new and existing operations. In the long term—beyond 1990—the prospects look far better as long as programs to exploit other energy sources are begun now. It is in the short term where our most intractable problems lie. Consequently, we must distinguish between short run policy initiatives, which will necessarily be of a palliative nature, and long run policy initiatives with which more fundamental changes in the energy system will be achieved. With this is mind, the objectives we are aiming at can be itemized.

I am going to mention a few of the objectives I would like to see us explore. First, diversify the energy base in Atlantic Canada, thereby reducing that region's overwhelming dependence on offshore oil. Second, pool wherever possible the various energy systems in Atlantic Canada to achieve economic and technical efficiencies of scale, and in conjunction with this strategy strengthen energy interconnections with adjacent provinces and states. Third, to introduce renewable energy forms to the greatest extent feasible, even if these forms have to be initially subsidized. Fourth, to reduce the rate of increase in future energy costs. Fifth, to achieve a much higher level of co-operation among the governments involved. Sixth, to reduce the energy demand so that pressures on supply are eased. Seventh, to set up an effective program of public education to ensure support and understanding of the initiatives being taken.

In my opinion the government has not acted to diversify the energy base in Atlantic Canada and thus reduce the region's overwhelming dependence on offshore oil. While it has introduced an ad hoc program to insulate older homes in Prince Edward Island and Nova Scotia, which should enable the owners of these homes to use less electricity, it has in fact, done nothing to reduce the cost of electric energy or the region's dependence on offshore oil which is increasing in price. A real conservation program would do more than insulate older homes. A government really interested in conservation would have regional and branch offices in the Atlantic provinces and a program that would reduce energy waste in commercial and industrial undertakings. It would work with DREE to promote greater energy efficiency and work with the provinces to develop a comprehensive conservation program. Perhaps its first move would be to extend its present band-aid approach at least to all the Atlantic provinces.

Clearly, the power pool concept achieving economic and technical efficiencies of scale is a major step in the direction of lower power cost. While the maritime provinces have taken a giant step in this direction with the proposed maritime power corporation, the federal government, which dragged its feet for years on the Fundy tidal power study, has adopted a different pose. Instead of offering to take an equity position and financially support such a worthy concept, the government is sitting on its hands. The government seems to lack an over-all strategy in approaching the problems of Atlantic Canada. It has announced financing for studies of some renewable energy forms which are quite commendable. But what about other energy forms, and what about indigenous energy sources in Atlantic Canada? There is no over-all strategy. The government cannot, or will not, come to grips with the total problem and in concert with the Atlantic provinces develop a strategy designed to solve the problems. As I have indicated, there are no easy answers, but there should be a commitment and a dedication on the part of the federal government to finding the answers.

I have some initiatives that I feel the government should immediately undertake in order to deal more effectively with the electric energy problems in Atlantic Canada. First, I believe the government should co-operate with the governments of the Atlantic provinces in giving priority to the economic supply and distribution of electrical energy in the region. The areas of co-operation I contemplate would include the development of a full maritime power pool with strong interconnections with adjacent areas of Canada and the United States in order that all the benefits of power pool operations may be optimized. This, in my view, would be a major step in the direction of integrating other provinces and other power pools into an eventual national power grid. Second, the government of Canada should give financial support to the Atlantic provinces to enhance the construction of electrical and transmission facilities which would be part of an agreed master plan of electrical energy supply. The agreed master plan to which I refer should not be dictated by Ottawa but should be the result of leadership given by Ottawa and

co-operative action with the provinces. The provinces have demonstrated their ability to reach accord in matters of this kind. Ottawa has not demonstrated its commitment to the same extent.

Third, Canada should encourage the study and development of unused hydroelectric sites—especially the large, remote sites in northern areas of Canada—which could supply renewable energy into a Canadian electrical energy distribution system. The untapped hydro resources of 20 rivers in Labrador, the most dramatic being the Gull Island and Muskrat Falls sites, are the most attractive untapped hydroelectric sites in America.

Fourth, the government should accelerate studies of the feasibility of tidal power generation and encourage development of those sites which show a beneficial energy supply to Canadian energy requirements. Since 1969, lack of foresight and the complete absence of government policy have seen these studies move forward at a snail's pace. Even considering this continent's energy needs in the 1990s, and projecting the dwindling supplies and increasing prices of fossil fuels, Fundy looms as an attractive opportunity with tremendous socioeconomic benefits for all of eastern Canada.

Fifth, the government should investigate the use of low grade wood fibre as an important energy source in conjunction with an improved forest management program. Incentives should be considered to encourage wood-using industries to become self-sufficient for energy from wood fibre such as bark and debris from harvest. The government of Canada should make funds available to the eastern provinces to fund a study to determine the wood energy capability and uses of the wood resources in these provinces and a pilot project should be initiated to explore the utilization of waste wood in energy production.

● (1710)

Sixth, Canada should encourage research and development in all fields related to energy conservation from renewable and indigenous sources. We should challenge the free enterprise system with tax incentives and grants to move into this field and, without limiting the scope or generality of my suggestion, I would be particularly interested in seeing the private sector of our economy tackle the problem of generating electrical energy and heat from the sun, paying particular attention to storage problems, the efficiency of solar cells and establishing Canadian pre-eminence in a major energy source for the future.

Seventh, we should greatly accelerate programs leading to energy conservation and provide incentives to encourage the correction of sources of energy waste. Eighth, we should encourage the use of deposits of low quality coal and peat in eastern Canada as fuel for the generation of electrical energy. Ninth, we should encourage research and development into the feasibility of using new energy sources such as solar, wind, waves and biomass.

Finally, the government so far has failed to meet the challenge of a long-term solution to the energy problems of

[Mr. Howie.]

Atlantic Canada. The government has instituted a series of ad hoc measures, made grants for the construction of facilities, provided assistance for two provinces by way of an insulation program, and made some research grants. However, it has no master plan and it appears to lack direction, purpose and an understanding of both the potential and the problems in the Atlantic provinces. I have great respect for the minister and his senior officials, and I hope they will pay careful attention to the suggestions and recommendations I have made and that the energy department will demonstrate some energy in acting quickly on them. I can sum up my remarks in three words: Give leadership, please.

Mr. Maurice Dupras (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, I would like to begin by saying that I found the minister charitable to the mover of this motion, the hon. member for St. John's West (Mr. Crosbie), when he branded his speech as a good constituency speech. I thought his speech was like those we have listened to in the province of Quebec for the last ten or 15 years made by some politicians. I thought it was a speech which was highly separatist oriented.

Some hon. Members: Oh, oh!

Mr. Dupras: I deplore the fact that he has not yet found time to shed his provincialism.

Some hon. Members: Hear, hear!

Mr. Dupras: I realize that he has been here only a few months, but if he had listened long enough before he spoke he would have learned from some of his colleagues that he should shed provincialism and regionalism and discover Canada. The hon. member says that the government does not believe in federalism. Near the end, the hon. member's motion states:

—resources that are fair or just or adequate for the people or the provinces of Canada—

All we have to do is read that part of the hon. member's motion to find proof of his provincialism. I ask, what is wrong with Canadians?

Some hon. Members: Hear, hear!

Mr. Dupras: Are the provinces of Canada not Canadian? Are we not representing Canadians? I thought these arguments were heard exclusively in my province and I am flabbergasted by the remarks of the hon. member for St. John's West. I am doubly surprised because this man is a former minister of a provincial government. I cannot understand his reason for promoting regionalism like this. I have a few words for him with regard to the government's federalism.

With regard to our energy problems, the previous speaker, the hon. member for York-Sunbury (Mr. Howie), does not seem to know about the programs which were introduced by the government lately. Let me refresh his memory. In recent months the arguments presented by Nova Scotia for temporary subsidy assistance on their electrical rates has overshadowed the measures being taken to bring about a longer term

solution. Let me quickly list them: a specific offer of $343 million of financing for a transmission system from the Gull Island site on the Churchill River in Labrador; our general offer of 50 per cent financing of all regional electrical grids; our 50 per cent grant and 25 per cent loan support for the electrical cable connecting New Brunswick and Prince Edward Island; and our 50 per cent financing of the 600 megawatt nuclear power unit at Point Lepreau in New Brunswick. The hon. member for York-Sunbury should know that.

Mr. Howie: I know that.

Mr. Dupras: Other measures were Petro-Canada's involvement in exploration on the Nova Scotian and Labrador shelves, and our inventory programs for coal and uranium in the maritime regions. Let me add that since the inception of the compensation program for the price of gasoline or oil, over the last 2½ years that has meant $930 million to the Atlantic provinces.

Mr. Blais: That is nearly $1 billion.

Mr. Dupras: As the Postmaster General (Mr. Blais) indicates, that is nearly $1 billion.

Mr. Gillespie: That is nearly $500 for every man, woman and child.

Mr. Dupras: That works out to an average annual per capita saving in the range of $470 for every citizen of the Atlantic provinces. How about that?

Mr. Epp: How about it?

[*Translation*]

Mr. Dupras: Mr. Speaker, I would like to make a few remarks on what has just been said by my colleague from Shefford (Mr. Rondeau) who said in his speech that one of his friends or someone he knew could drive a 1973 Buick for almost 50 miles on a gallon of gas.

When I was in England with the Canadian Air Force I also met in a pub one of those scientists who was keeping for himself a famous invention which would have allowed us to drive a car or a motorcycle for hours and hours on a single gallon of gas. I told him: Why don't you go to the War Office in London and offer them this precious invention so that it can be developed? Think of the advantages we would have over the Japanese, the Germans and all those we are fighting! Unfortunately I wonder why I was unable to convince him that he should have shared his knowledge with officials of the War Office in London so that we too could save that oil which is so valuable, and God knows if in their high technological science, the Germans and the Japanese had succeeded in developing an engine which could operate for hours on one gallon of gasoline. I believe we could all benefit from it. We would not wait for the hon. member for Shefford (Mr. Rondeau) to show us this invention, which is long in being introduced.

Mr. Speaker, I come back to the comments of the hon. member for St. John West (Mr. Crosbie) who said this program affected only some provinces. Is he opposed to the assistance which the Canadian government has given to Prince Edward Island and Nova Scotia? That is the question I would ask him. If he is opposed to it, he should tell us so. The Minister of Energy, Mines and Resources (Mr. Gillespie) has indicated on several occasions, Mr. Speaker, the very particular situation in which these two provinces find themselves, and for the benefit of . . .

[*English*]

Mr. Crosbie: Mr. Speaker, I rise on a point of order. I must point out to the hon. member who is speaking that I made it clear in my remarks that I am not against assistance for New Brunswick and Nova Scotia. I say it should apply to all the provinces.

[*Translation*]

Mr. Dupras: And in his remarks, Mr. Speaker, he failed to tell us whether he was speaking about Alberta and Saskatchewan. If such a program is applied in all provinces, it eliminates any way all the benefits . . .

[*English*]

Mr. Paproski: All provinces.

Mr. Epp: We are all Canadians.

Mr. McKenzie: You are splitting hairs; all provinces.

Mr. Dupras: I will get to this if you give me a chance.

Mr. Epp: We will give you a chance.

[*Translation*]

Mr. Dupras: Under the federalism of the present Canadian government, Mr. Speaker—and I pay tribute today to the people of Alberta—they tried to convince the latter that they should give up a part of the surtax charged to the Americans so that all the Canadian people may benefit from a Canadian price. That is Canadian federalism, and that is what they try to sell in my province. And when I see a member of parliament like the hon. member for St. John's West (Mr. Crosbie) make the comments which I have just heard, I am puzzled! As a matter of fact, that is what Canadian federalism is aiming at, to enable all Canadians to take advantage of the resources of some parts of the country, and this is precisely what the people of Alberta have understood and I pay tribute to them for it. They agreed then and still agree today and since I am speaking of these benefits which my fellow citizens of the province of Quebec have taken advantage of, it enabled each and every citizen of the province of Quebec to get not less than $500 since the introduction of the price compensation program. In other words, between January 1, 1974 and June 1, 1976, this brought Quebec—and I hope I am talking loud enough for the whole population of the province to hear me—this brought $2.024 billion, and that is not all.

In 1976, even though deliveries to the United States went down because of a program aiming at keeping energy in Canada, this has been worth about $800 million to the population of Quebec. It is easy enough to add this up and to see what advantages the population has had because of this oil

price compensation program. This—and I say so once again for the benefit of my colleague from St. John West—this is the good federalism of the Trudeau government. It consists in making all regions of the country benefit from the wealth of other regions. Today, Alberta and Saskatchewan have the resources from which we can all benefit. Tomorrow, it might be New Brunswick, the riding of my colleague from York-Sunbury (Mr. Howie), or another riding, maybe that of my colleague from Winnipeg South Centre (Mr. McKenzie). Who knows?

Mr. Speaker, because of the conservation policy and the price policy within the export program and the compensation program, the province of Quebec and the Atlantic provinces have received nearly $4 billion since 1974. I believe that this is evidence enough of the good federalism of the Trudeau government, and that there is no need to continue any further.

I would also like to speak a little of the action taken by the government to reduce the difficulties caused by the energy crisis for Canadians. First, the Department of Energy, Mines and Resources, through its capable minister, established an oil price policy aimed at reaching international prices as soon as possible. And this for several reasons. One, Mr. Speaker, is that Canadians must urgently become aware that oil is exhaustible and that the more quickly people will become aware of the importance of saving and keeping oil, the better and the longer we could count on the oil reserves required to heat our homes and drive our cars.

There is also a second effect which is to allow the oil companies to produce enough revenues to speed up and not only maintain exploration operations. Those who are familiar with oil companies' operations know very well that 1976 was a particularly busy year in this field in order to provide Canadians with oil at a cost they are not used to paying. If we compare the price that we Canadians pay with the price that Japanese or French or English people must pay, we see that in some country the price is almost twice the Canadian price. Once again, all Canadians benefit from this. This is another virtue of the Canadian federalism of the right hon. Prime Minister (Mr. Trudeau), in the sense that some regions profit from the wealth of others.

As I said earlier, Mr. Speaker, 1976 was an exceptional year in exploration and it is good to see that corporations have confidence in the steps taken by the Canadian government. Corporations are also aware of their responsibilities to develop supply sources that will allow Canadians and the petrochemical industry and the Canadian industry in general to get oil supplies at a price much lower that the import price.

And exploration was extended, Mr. Speaker, up to the frontier areas of the country.

Some other measures have also been taken to ensure better oil recovery. In some oil producing countries like Saudi Arabia, for instance, only 30 to 40 per cent of the known reserves in some wells are extracted. In Canada, the promotion campaign for heavy oil exportation resulted in an increase in the rate of recovery from the sands from Lloydminster and elsewhere which resulted in a very large increase in the

recovery of heavy oil and also, Mr. Speaker, a better market for heavy oil for the benefits of producers as in Canada we do not have any industry capable of using that oil, and under the campaign launched on January 1, 1977, I think that no fewer than 115,000 barrels a day are sold to the Americans.

This research is aimed at increasing the rate of recovery from traditional sources. Without new methods and expertise like the infusion of vapours and so on, this rate of recovery should reach 75 or 80 per cent in some cases. This is our goal. We are in close communication with countries in the same situation—Venezuela, for one—which also experiences recovery problems for their oil resources.

In the replacement program for heating oil and gas, enormous amounts have been spent for research and development and this year $128 million have been spent for research. It represents a sizeable increase over past years to make Canadian experts more knowledgeable about energy production methods and not only from oil.

Seventy per cent of that amount, Mr. Speaker, is spent on nuclear research. I will come back to that later on if I have time.

I will deal with the steps taken by the Canadian government with regard to the creation of a Canadian petroleum company to negotiate and deal with other countries at the national level and also ensure that Canadian reserves are used in a rational way, that is that companies with additional territories will have to develop them, put them into use or give them back to the Crown so Canadian companies can develop them.

Mr. Speaker, you remember how difficult it was for some members of the opposition to accept the creation of Petro-Canada. Many countries already praise the Canadian government for its decision to create a Canadian petroleum company, so the government itself would see to the exploration and development of its natural resources that are non-renewable and that are in fact running low very fast.

Mr. Speaker, those are so many steps taken by the government to increase the viability, and in some cases, access to Canadian energy reserves.

The mover, Mr. Speaker,—

● (1720)

[*English*]

In his remarks he indicated many times that he could not find answers in the blue book entitled "An Energy Strategy for Canada". I should like to remind the hon. member that this document was written in 1976. On page 3, the second paragraph, he will read the following:

> We are living in a world where past behaviour, while it provides a useful guide to future prospects, does not in itself provide sufficient information on which to base future energy policies. Energy supply projects are now so big and so expensive that one requires a much more precise recognition of the interrelationships between energy policy planning and other social and economic goals than was necessary in the past. There are a number of key questions—

● (1730)

There are a number of good questions that are still unanswered. One is, what will happen to international prices in the future? We all know that if it had not been for this special export tax charged to our neighbours to the south we would not have been able to adopt a Canadian price for Canadian consumers.

[*Translation*]

There is a host of steps, Mr. Speaker—unfortunately I see that you are about to tell me my time is up and recognize another member. Mr. Speaker, it seems to me that the party opposite made a mistake in choosing the subject matter of its motion. It might have found another topic that could have meant a little more for the party.

[*English*]

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, there are a number of subjects I would like to cover in the brief time available to me. I certainly do not agree with the parliamentary secretary that we chose the wrong subject for today. We chose the right subject, with the confusion in Canada today over energy and its problems. I would like to touch on a few of them. Last week there was a news release by the Department of Energy, Mines and Resources entitled "Role of Renewable Energy Strengthened". It states there was a $4.4 million increase for renewable energy and that a part of that was to go to biomass. I raised this subject in the Standing Committee on Natural Resources and Public Works yesterday. Neither the minister nor his officials could tell me the exact amount going to biomass because that will now be handled by the Department of Agriculture. I have been in touch with the Biomass Energy Institute. They do not know of any amount of money they are going to be receiving. Their concern is the conflict that has arisen between the Department of the Environment and the Department of Agriculture.

It does not look as though we are making any headway on biomass research. There is more confusion there. The Biomass Institute at their annual meeting last fall in Winnipeg pointed out there is very little support forthcoming from the federal government, at a time when the United States government has set up a $200 million solar energy program with biomass as one of the four components. Research into biomass and assistance to the Biomass Institute is of prime importance. There is enough biomass material going to waste every year to supply 30 times the amount humans need in the form of energy to run their civilization. That is one example why some direct action should be taken to assist biomass, rather than confusion between a couple of government departments.

I wish to refer to a speech which the parliamentary secretary made to the Energy Conservation Conference at the University of Saskatchewan on February 18. He said:

> In Sweden and Denmark and many other countries, district heating—

I imagine what he means by "district heating" is central heating, with which I am familiar.

> —usually through the co-generation of heat and electricity, is providing up to 30 per cent or more of the space heat, already in urban areas. In West Germany 28 per cent of electricity is produced from by-product steam in industry.

In Winnipeg we used to have two central heating plants. It was a very serious mistake to destroy them. They could probably be used to great advantage today.

> If we were to follow these examples, we would move a long way toward our zero energy growth goal.
>
> Unfortunately, too little consideration is being given by utilities and local governments to the role of district heating and co-generation.
>
> Half our energy demand is for low grade heat and we should be using our waste to satisfy this demand wherever it is economically feasible.

He said that municipalities should be looking into this type of energy and district heating. What research is the Department of Energy, Mines and Resources doing into federal government complexes such as military bases? I will give an example. In Norfolk, Virginia, there is a large naval base which is heated by their garbage in a district heating plant. Has the minister, or have any of his officials, investigated to see if all of our military bases across Canada could be burning their garbage to provide heat? I suggest we first look at St. Jean, Quebec, where they are making many other changes. They have a heating plant that could possibly be converted. It would certainly be showing leadership if there were some research into federal government departments and military bases burning their garbage to provide heat.

The parliamentary secretary referred to the great co-operation between the oil industry and the government in producing and improving energy supplies in this country. I have received exactly the opposite information. I have been in discussion with the oil companies. All I can get from them is that excessive government regulation is devastating to the oil industry.

In recent years the degree of regulation of the Canadian petroleum industry has increased dramatically. One reason is that energy supply has come to be recognized as one of the most important determinants of our economic well being. Energy suddenly finds itself in the spotlight as the result of greatly increased prices. Canadians should be concerned that one of their major industries is subject to regulations that are often unstable, unclear and unco-ordinated to the point that the industry's performance is impaired. There is no line of communication between the Department of Energy, Mines and Resources and the oil companies. They go on to say:

> The proposed new regulations are such that, instead of being able to plan from a fixed set of rules, the industry is in the position of having to try to predict how the ministry will use its discretion. This could turn out to be like playing blackjack in Las Vegas with the house announcing the rules as the game proceeds. Planning for major expenditures (individual wells in the Arctic can cost $25 million or more) is made very difficult when the rules are as uncertain as those set out in the proposed regulations.

The parliamentary secretary also pointed out how wonderfully Petro-Can is working. It is detrimental to Canada, causing the oil companies no end of problems. A recent story about Petro-Can states that oil firms resent the continuing loss of talent to Petro-Can. I quote:

> Top petroleum executives are growing increasingly resentful about the continuing loss of middle and upper management to Petro-Canada.

The heads of several companies that lost experienced people to Petro-Can during its first year of operation have taken up the matter with the federal government.

I hope there will be some line of communication there. There is no co-operation or communication. The government is over regulating, telling us there is nothing to worry about and that they have a great line of communication with the oil industry. I happen to know differently. I meet with these people from time to time. I am very concerned about this subject. There is not a day that you pick up a newspaper that does not contain a headline such as "Oil supplies at danger level in seven years". I quote from this article:

World daily oil production rose slightly more than two per cent since 1974, and now there's a warning that if demand continues to escalate at the present rate, supplies could soon be exhausted.

● (1740)

I should like to know how often the minister and his officials are meeting with the drilling companies to help correct this situation. Here is another headline: "Coming oil shortage a Doomsday scenario". The text reads:

We are headed into a potentially devastating shortage of oil. Not a phoney shortage concocted by the oil companies to jack up their prices, nor a paper shortage in which, although we produce too little oil ourselves, we make up the deficit by imports, but a true, stark shortage in which we neither produce enough oil ourselves nor can buy, anywhere, the extra oil we need. If not freezing in the dark, we could be shivering in the twilight.

Yet another headline reads: "Energy shortage is possible: OECD". The article reads in part:

The organization for economic co-operation and development has called for new government policies on conservation and energy development to head off possible shortages in the mid-1980s.

The minister says he has policies. According to this article they are asking for policies. I suggest the minister should communicate with the oil industry and help the industry with its problems, not bring in more regulations. That is the last thing we need in this country today. Here is one final headline: "Taxes choking oil companies says Shell head".

C. W. Daniel, president of Shell Canada Limited, says taxes and royalties are dramatically reducing the cash flow required to enable the oil industry to expand and meet rising energy demands.

We are getting one story from the parliamentary secretary about the government's ability to communicate with the oil industry. On the other hand, this is what we read in the papers. People I know in the industry tell me that government regulations are handicapping them more and more.

An hon. Member: What is your policy?

Mr. McKenzie: I want to say something more about biomass. With the current energy crisis reflecting the increasing scarcity of non-renewable fossil fuels, the prospect of using renewable sources of energy is becoming more attractive. There are now several examples of the use of waste materials for energy. Many pulp and paper plants heat boilers with bark, branches and other wastes from forestry operations. The benefits are twofold. Materials which previously might have been pumped into streams, causing pollution, can be used to save money on energy costs. We have found out today that the government has no policy, no direction and no communication whatsoever with the oil industry—

[*Translation*]

The Acting Speaker (Mr. Ethier): Order. It being 5.45 p.m., it is my duty to inform the House that pursuant to the provisions of Standing Order 58 (11) the proceedings on the motion have now expired.

[*English*]

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. Members: Carried.

The Acting Speaker (Mr. Ethier): All those in favour will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Ethier): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Ethier): In my opinion the nays have it.

And more than five members having risen.

The Acting Speaker (Mr. Ethier): Call in the members.

● (1800)

The House divided on the amendment (Mr. Douglas (Nanaimo-Cowichan-The Islands)) which was negatived on the following division:

(*Division No. 21*)

YEAS

Messrs.

Allard	Douglas (Nanaimo-Cowichan-The Islands)	Knowles (Winnipeg North Centre)
Benjamin	Firth	Laprise
Blackburn	Gilbert	Leggatt
Caouette	Hogan	Peters
Dionne (Kamouraska)	Jones	Rodriguez
		Rondeau
		Symes—17.

NAYS

Messrs.

Abbott	Baker (Gander-Twillingate)	Blais
Alexander	Baldwin	Blaker
Alkenbrack	Basford	Boulanger
Allmand	Bawden	Breau
Anderson	Beatty	Brisco
Andre (Calgary Centre)	Béchard	Buchanan
Appolloni (Mrs.)	Bégin (Miss)	Bussières
		Caccia

Messrs.

Cadieu
Cafik
Campagnolo (Mrs.)
Campbell (Miss) (South Western Nova)
Campbell (LaSalle-Émard-Côte Saint-Paul)
Caron
Chrétien
Clark (Rocky Mountain)
Clarke (Vancouver Quadra)
Clermont
Collenette
Condon
Corbin
Côté
Crosbie
Crouse
Cullen
Cyr
Danson
Darling
De Bané
Demers
Dick
Diefenbaker
Dinsdale
Dionne (Northumberland-Miramichi)
Douglas (Bruce-Grey)
Drury
Dupont
Dupras
Duquet
Elzinga
Epp
Ethier
Fairweather
Faulkner
Fleming
Flynn
Foster
Fox
Francis
Friesen
Gendron
Gillespie
Goodale
Goyer
Grafftey
Gray
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Halliday
Hamilton (Swift Current-Maple Creek)
Harquail
Hees
Herbert
Hnatyshyn
Holmes
Holt (Mrs.)
Hopkins
Horner
Howie
Huntington
Hurlburt
Isabelle
Jamieson
Jarvis
Kaplan
Kempling
Knowles (Norfolk-Haldimand)
Korchinski
Lachance
Lajoie
Lalonde
Lambert (Edmonton West)
Landers
Lang
Langlois
Laniel
Lapointe
Leblanc (Laurier)
LeBlanc (Westmorland-Kent)
Lee
Lessard
Loiselle (Chambly)
Loiselle (Saint-Henri)
Lumley
MacDonald (Egmont)
Macdonald (Rosedale)
MacDonald (Miss) (Kingston and the Islands)
MacEachen
MacFarlane
MacGuigan
Macquarrie
Maine
Malone
Marceau
Marchand
Marshall
Masniuk
Mazankowski
McCain
McCleave
McGrath
McIsaac
McKenzie
McKinnon
McRae
Milne
Mitges
Muir
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Neil
Nicholson (Miss)
Nowlan
Oberle
O'Connell
O'Sullivan
Ouellet
Paproski
Parent
Patterson
Pearsall
Pelletier
Penner
Pigott (Mrs.)
Pinard
Portelance
Poulin
Prud'homme
Railton
Raines
Reid
Ritchie
Roberts
Robinson
Roche
Rompkey
Rooney
Roy (Timmins)
Roy (Laval)
Rynard
Sauvé (Mrs.)
Schellenberger
Scott
Sharp
Smith (Saint-Jean)
Stanfield
Stewart (Cochrane)
Stollery
Tessier
Towers
Trudeau
Trudel
Turner
Wagner
Wenman
Whittaker
Wise
Woolliams
Yanakis
Yewchuk
Young—187.

Mr. Speaker: I declare the amendment lost.

● (1810)

The House divided on the motion (Mr. Crosbie) which was negatived on the following division:

(*Division No. 22*)

YEAS

Messrs.

Alexander
Alkenbrack
Allard
Andre (Calgary Centre)
Baldwin
Bawden
Beatty
Benjamin
Blackburn
Brisco
Cadieu
Caouette
Clark (Rocky Mountain)
Clarke (Vancouver Quadra)
Crosbie
Crouse
Darling
Dick
Diefenbaker
Dinsdale
Dionne (Kamouraska)
Douglas (Nanaimo-Cowichan-The Islands)
Elzinga
Epp
Fairweather
Firth
Friesen
Gilbert
Grafftey
Halliday
Hamilton (Swift Current-Maple Creek)
Hees
Hnatyshyn
Hogan
Holmes
Horner
Howie
Huntington
Hurlburt
Jarvis
Jones
Kempling
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
Laprise
Leggatt
MacDonald (Egmont)
MacDonald (Miss) (Kingston and the Islands)
Macquarrie
Malone
Marshall
Masniuk
Mazankowski
McCain
McCleave
McGrath
McKenzie
McKinnon
Mitges
Muir
Munro (Esquimalt-Saanich)
Neil
Nowlan
Oberle
O'Sullivan
Paproski
Patterson
Peters
Pigott (Mrs.)
Ritchie
Roche
Rodriguez
Rondeau
Rynard
Schellenberger
Scott
Stanfield
Symes
Towers
Wagner
Wenman
Whittaker
Wise
Woolliams
Yewchuk—87.

NAYS

Messrs.

Abbott
Allmand
Anderson
Appolloni (Mrs.)
Baker (Gander-Twillingate)
Basford
Béchard
Bégin (Miss)
Blais
Blaker
Boulanger
Breau
Buchanan
Bussières
Caccia
Cafik
Campagnolo (Mrs.)
Campbell (Miss) (South Western Nova)
Campbell (LaSalle-Émard-Côte Saint-Paul)
Caron
Chrétien
Clermont
Collenette
Condon
Corbin
Côté
Cullen
Cyr
Danson
De Bané
Demers
Dionne (Northumberland-Miramichi)
Douglas (Bruce-Grey)
Drury
Dupont
Dupras
Duquet
Ethier
Faulkner
Fleming
Flynn
Foster
Fox
Francis
Gendron
Gillespie
Goodale
Goyer
Gray
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harquail
Herbert
Holt (Mrs.)
Hopkins
Isabelle
Jamieson
Kaplan
Lachance
Lajoie
Lalonde
Landers
Lang
Langlois
Laniel
Lapointe
Leblanc (Laurier)
LeBlanc (Westmorland-Kent)
Lee
Lessard
Loiselle (Chambly)
Loiselle (Saint-Henri)
Lumley
Macdonald (Rosedale)
MacEachen
MacFarlane
MacGuigan
Maine
Marceau
Marchand
McIsaac
McRae
Milne
Munro (Hamilton East)
Nicholson (Miss)
O'Connell
Ouellet
Parent
Pearsall
Pelletier
Penner
Pinard
Portelance
Poulin
Prud'homme
Railton
Raines
Reid
Roberts
Robinson
Rompkey

Messrs.

Rooney	Sharp	Tessier
Roy (Timmins)	Smith (Saint-Jean)	Trudeau
Roy (Laval)	Stewart (Cochrane)	Trudel
Sauvé (Mrs.)	Stollery	Turner
		Yanakis
		Young—117.

Mr. Speaker: I declare the motion lost. It being after six o'clock, this House stands adjourned until 2 p.m. tomorrow.

At 6.19 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, February 24, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

VETERANS AFFAIRS

SUGGESTED DELAY IN TRANSFER OF VETERANS' HOSPITALS PENDING COMMITTEE STUDY—MOTION UNDER S.O. 43

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I wish to move a motion under Standing Order 43 on a matter of urgent and pressing necessity. The long waiting period and lack of enough domiciliary and chronic care beds in veterans' hospitals transferred to non-departmental agencies is causing doubt and mounting concern among veterans' associations that agreements to effect those transfers ensure proper care when taking into consideration present and future needs. I therefore move, seconded by the hon. member for Esquimalt-Saanich (Mr. Munro):

That until the matter can be dealt with during consideration of estimates before the Standing Committee on Veterans Affairs, that this House orders that no further transfers of veterans' hospitals take place.

Mr. Speaker: Pursuant to Standing Order 43, the presentation of such a motion for debate in the House can take place only with its unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

EXTERNAL AFFAIRS

PROPOSAL THAT MOTION REQUESTING INQUIRY INTO DEATH OF UGANDAN ARCHBISHOP BE DECIDED WITHOUT DEBATE—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave to present a motion under Standing Order 43. It seems clear that the House wants to say something with respect to what is going on in Uganda, but it wants to be able to do it without debate. I hope that this motion will solve that problem, and I therefore move, seconded by the hon. member for St. John's East (Mr. McGrath):

That this House orders that a motion presented by the government, today or tomorrow, calling on President Amin to permit an impartial inquiry by the Commonwealth or the United Nations into the circumstances surrounding the deaths of the Archbishop of Uganda and two Ugandan cabinet ministers, shall be decided without debate.

Mr. Speaker: Order, please. Presentation of such a motion for debate pursuant to Standing Order 43 can be done only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

• (1410)

[*Translation*]

AGRICULTURE

REQUEST FOR SUBSIDIZATION OF FREE DISTRIBUTION OF MILK IN QUEBEC SCHOOLS—MOTION UNDER S.O. 43

Mr. Eudore Allard (Rimouski): Mr. Speaker, pursuant to the provisions of Standing Order 43, I request the unanimous consent of the House to move a motion concerning an urgent and important matter.

Since the Quebec Minister of Agriculture has already announced that, beginning next September, milk would be distributed free in schools and since that program will cost about $5 million to the province of Quebec for the financial year 1977-78, I move, seconded by the hon. member for Abitibi (Mr. Laprise):

That the Committee on Agriculture strongly recommend that the Treasury Board make available to the Minister of Agriculture the necessary funds to pay a part of this program whose first aim is to get young people used to consuming dairy products while improving their eating habits.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Pursuant to the provisions of Standing Order 43, the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; therefore the motion cannot be put.

LearStar Jet

UNEMPLOYMENT INSURANCE

PROPOSAL TO REIMBURSE PERSONS AGED 65 WHO LOST THEIR RIGHTS TO BENEFITS—MOTION UNDER S.O. 43

Mr. Roch La Salle (Joliette): Mr. Speaker, I seek the unanimous consent of the House to move a motion under Standing Order 43.

Considering that, effective December 31, 1975, people aged 65 have lost their eligibility for unemployment insurance benefits, and that some of them have successfully fought in courts to preserve this vested interest; considering also that the government announced some ten days ago that it would reimburse this category of recipients up to the moment they started receiving payments under the Quebec or Canada Pension Plans; and considering further that these people, misled by civil servants, have consequently incurred losses which could have been prevented, I move, seconded by the hon. member for Hochelaga (Mr. Lavoie):

That the House unanimously urge the minister in charge to reimburse these people the difference between the income under these two pension plans and the amount to which they were otherwise entitled under the unemployment insurance scheme. This, in my opinion, being the only possible way to right the inacceptable wrong done to this category of people.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Pursuant Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

[*English*]

INDUSTRY

PROPOSED INVESTIGATION OF FEASIBILITY OF LEARSTAR JET PROGRAM—MOTION UNDER S.O. 43

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of the fact that the government of Canada has invested over $88 million in Canadair, including the guarantee of loans, the financing of private firms to purchase planes and now Canadair has embarked on the development of the LearStar jet, of which they must sell 400 to 500 just to break even, I would like to move, seconded by the hon. member for Victoria (Mr. McKinnon):

That this House instruct the Minister of Industry, Trade and Commerce to appoint an independent committee composed of three aerospace experts to determine if the LearStar program is feasible and to investigate the structural problems Canadair is experiencing and if there is a definite market for at least 400 LearStar jets.

Mr. Speaker: Is there unanimous consent for the presentation of such a motion?

[Mr. Speaker.]

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

EXTERNAL AFFAIRS

SUGGESTION HOUSE DISASSOCIATE ITSELF FROM REMARKS OF PRIME MINISTER AT WASHINGTON PRESS CONFERENCE—MOTION UNDER S.O. 43

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, I rise under the provisions of Standing Order 43 to ask the unanimous consent of the House to deal with a matter of urgent and pressing necessity. In view of the remarks made by the Prime Minister (Mr. Trudeau) at a Washington press conference yesterday in which he said the break-up of Canada would "be the worst thing that could happen to the United States", and in view of the fact that such remarks are a tacit invitation for a foreign power or interests to engage in economic or other such intervention in Canada against Quebec, I move, seconded by the hon. member for New Westminster (Mr. Leggatt):

That this House disassociates itself from such remarks.

Mr. Speaker: Is there unanimous consent for the presentation of such a motion?

Some hon. Members: Agreed.

Some hon. Members: No.

RHODESIA—REDUCTION OF SENTENCE OF BISHOP LAMONT—MOTION UNDER S.O. 43

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I rise to present a motion under Standing Order 43. Nearly four months ago my colleague, the hon. member for Victoria (Mr. McKinnon), and I were denied unanimous consent for a motion which would have protested against the severe punishment imposed upon Bishop Lamont by Rhodesian authorities. Whether or not the resulting controversy had any effect on the government of Rhodesia is, of course, uncertain. However, it was with pleasure that I noted today that the government of Rhodesia has reduced Bishop Lamont's sentence and he will have only one more year to serve. I therefore move, seconded by the hon. member for Victoria (Mr. McKinnon):

That this House notes with some relief the action of the government of Rhodesia in reducing the severe sentence of ten years hard labour imposed upon Bishop Lamont late last year.

Mr. Speaker: The presentation of such a motion for debate in the House can only be made with its unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

FEDERAL-PROVINCIAL RELATIONS

REQUEST FOR CLARIFICATION OF PRIME MINISTER'S REFERENCE TO REVISIONS AND ACCOMMODATIONS FOR QUEBEC

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is to the Prime Minister. I begin by welcoming the right hon. gentleman back to the House of Commons and extending to him the congratulations of this side of the House, and I am sure of all our colleagues, on the very effective speech that he delivered to the joint meeting of Congress.

Some hon. Members: Hear, hear!

Mr. Clark: In that speech the Prime Minister said, and it was a point which drew particular attention from his American audience, and I quote:

Accommodations will be made, revisions will take place.

Subsequently, at a press conference yesterday morning in answer to particular questions as to the specific nature of those accommodations or revisions, the Prime Minister said, and I quote again from the transcript:

My accommodation is to get Canada to accept our language policy and our approach to the French fact and to get it accepted.

I should like to ask the Prime Minister whether that is all he meant by his commitment in his speech to accommodation and revisions?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker—

Some hon. Members: Hear, hear!

Mr. Paproski: How come you're not applauding, Basford?

Mr. Trudeau: I will see him later.

I appreciate the words of the Leader of the Opposition, and I am sure the House would want me in response to express on behalf of all parliamentarians our sincere thanks for the very warm welcome that the Congress of the United States extended to me and to my fellow parliamentarians who were there on that occasion, and also to express to President Carter and Vice-President Mondale our thanks for the very co-operative and friendly spirit in which discussions took place between that administration and ourselves, including the Secretary of State for External Affairs and myself, and for the very warm way in which those relations were established.

With regard to the question asked by the Leader of the Opposition, obviously my answer at the press conference was not the sum total of ways in which we think accommodations should be made with the province of Quebec and the French fact. But if the Leader of the Opposition refers to the various propositions we have made over the years, he will find the ones we have made between 1968 and 1971 when the conferences on the Constitution were taking place, and more recently the proposal we made in the letter I sent to the premiers of the provinces when we were discussing the patriation of the Constitution. Let me point out also that I suggested various amendments and various formulae, including some which would support the concern expressed by many Quebecers for the guarantee of their language and culture. So, of course, there are many things that can be said but I doubt whether this would be the place to go into detail on all of them.

Mr. Clark: Mr. Speaker, the Prime Minister, in his response, referred to a variety of potential accommodations that might be made—I think I am quoting him correctly—to the province of Quebec and to the French fact. Is it his view that the only accommodations that are required to be made, the only major revisions that are required to be made in the interest of national unity of the country, relate to Quebec, relate to language and relate to the acceptance of the French fact? We are trying to get some understanding of the perspective with which he views his responsibilities as the leader of the national government.

Mr. Trudeau: The answer is, obviously not. The series of proposals we made, and to which I just referred, between 1968 and 1971 were addressed to all the provinces. They had to do with the sharing or division of powers which would be offered equally to every one of the provinces. As the Leader of the Opposition knows, I have always opposed, and I continue to oppose, any concept of a special status for any one province. But in the case of Quebec's feelings now, my whole argument is that the rest of Canada must accommodate to and accept the French fact, much as Quebecers must accept the Canadian reality and not try to solve the problems by separating.

● (1420)

POSSIBILITY CHANGES IN ECONOMIC POLICY TO PRESERVE NATIONAL UNITY—GUARANTEE OF FRENCH CULTURE

Mr. Joe Clark (Leader of the Opposition): In the spirit of accommodations and revisions designed to achieve the goals of which the Prime Minister spoke, can he tell us whether he and his government are seriously and actively contemplating any substantial changes in economic policy which might deal with economic tensions which exist in many parts of the country, including Quebec, whether they are considering a new and hopefully more serious approach to a conference such as the Western Economic Opportunities Conference, which failed so signally in western Canada, and whether they are considering any particular measures which might be seen by Quebecers as being a means to offer a greater guarantee of the cultural viability of that province?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, on the first part of the question, we do not envisage any constitutional changes at this point which would solve the particular economic problems to which the hon. member is referring, but initiatives of interest to all provinces will continue to be taken. There will be, certainly in the budget, economic measures which will be addressed to the benefit of all Canada.

I do not share the opinion of the Leader of the Opposition on the Western Economic Opportunities Conference when he says that we failed. On the contrary, my recollection is that just a few short weeks ago the premier of one of the western provinces said his fear now is about preoccupation with Quebec and that the federal government would deviate from the very important thing it was doing under the spirit of the Western Economic Opportunities Conference. That seemed to me to be a clear admission that the results had been very positive and that the premier in question just wanted to be assured that we would not cease to be interested in the west. The answer to that is, of course, that we will not.

Some hon. Members: Hear, hear!

An hon. Member: You haven't been in the west lately.

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EXTERNAL AFFAIRS

PRIME MINISTER'S STATEMENT TO WASHINGTON PRESS CONFERENCE ON PLACE OF CANADA—UNITED STATES RELATIONS IN FOREIGN POLICY

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, my question arises out of the news conference the Prime Minister held following his address to the United States Congress. In that conference the Prime Minister seemed to have adopted a rather equivocal approach to the question of a third option in Canada's foreign policy. Could the Prime Minister give a fuller explanation to the House of the yes and no answer given yesterday in response to a question. I think I have the question correct when I quote it in this way:

> Canada-U.S. relations is the foundation stone of our foreign policy and consequently, whether that heralds the end of a more broadly based third option in foreign policy . . .

Is this an indication of a change in attitude in Canada? Is that what the Prime Minister meant by his answer, or can he explain the yes or no equivocation?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in the question just read by the hon. member there were two questions. One was whether we consider our relations with the United States still to be the foundation stone of our foreign relations, and my answer to that was yes. The question went on to ask whether that means that we are changing our policy, which is described as the third option, and my answer to that was no.

DISCUSSIONS BETWEEN PRIME MINISTER AND PRESIDENT CARTER OF VIOLATIONS OF HELSINKI AGREEMENT—POSSIBILITY OF JOINT ACTION

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, could the Prime Minister indicate whether the issue of human rights, specifically with respect to Soviet violations of the Helsinki Pact, was raised with President Carter? If this is the case, would the Prime Minister inform the House what action is being contemplated and whether any joint action is being contemplated to condemn the violations of human rights which occur.

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, that question was discussed at some length, and the House well knows President Carter's interest in pursuing this objective of the respect of human rights. President Carter well knew the interests of this government in that same subject. I repeat that we discussed it at some length, and we agreed that there should be continued co-operation between our two governments in preparation for the review of the Helsinki Pact which will be held in Belgrade, probably in the fall of this year. We agreed to make available to the United States information we have which relates particularly to the subject matters contained in the Third Basket, the reunification of families and the free flow of ideas, and President Carter indicated his interest in getting that information from us.

Mr. Baker (Grenville-Carleton): A final supplementary question, Mr. Speaker. Following on those discussions, has an arrangement been made with the government of the United States with respect to this particular matter for the carrying on of discussions preliminary to that review by the staffs and officials of both governments?

Mr. Trudeau: Yes, Mr. Speaker. The subject was dealt with in the way I just indicated and the Secretary of State for External Affairs will have his officials deal with officials of the State Department. We intend to co-operate with other signatories of the Helsinki pact who would be as interested as we were in insisting that the Third Basket be part of the Helsinki agreement before it was signed.

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THE CONSTITUTION

REQUEST FOR STATEMENT ON CHANGES TO WHICH PRIME MINISTER REFERRED IN ADDRESS TO UNITED STATES CONGRESS—POSSIBILITY OF DEBATE

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I, too, would like to put a question to the right hon. Prime Minister. In so doing I should like to join with the Leader of the Opposition in congratulating the Prime Minister on a very fine speech that did justice to Canada and all the people in it.

Some hon. Members: Hear, hear!

Mr. Brewin: I want to call attention once again to the passages in the speech which were mentioned by the Leader of the Opposition, namely, that accommodations will be made, revisions will take place. I call attention to the fact that these statements were very definite. He also said that there would have to be changes in some of our attitudes and we may have to review some aspects of our constitution so that the Canadian federation can be seen by 6½ million French-speaking Canadians to be the strongest bulwark against submersion by 220 million English-speaking North Americans.

Will the Prime Minister take the opportunity at a suitable time to make a full statement to this House and detail changes, the accommodations and the revisions of the constitution to which he was referring in his address to the Congress of the United States?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I thank the hon. member also for his kind words regarding the honour I believe we all shared as parliamentarians, in being invited to address the Congress.

My answer to the hon. member's question would be quite a lengthy one and suggest a statement. I would attempt now to perhaps indicate the sense of any possible statement or action.

At the Victoria conference and in the correspondence to which I have just alluded in answering the Leader of the Opposition, we have already indicated several measures which in our view if introduced and guaranteed in the constitution, would constitute an entrenchment of the French fact in our constitution and give ample protection to some of the concerns that Quebecers express—the fear that they would not be protected permanently within the framework of our constitution. So, a lot is already on record as being part of the government's policy.

Beyond that, I would hesitate to undertake in any future statement to put before the House or before the Canadian public a whole series of amendments to the constitution just so that they be on the table for the provinces to reject or negotiate. I believe there has to be a will on the part of the provinces as well as the federal government to proceed with certain types of revision. We have certain ideas, to many of which I have just alluded to improve the constitution but I do not think it practicable to take initiatives which the provinces would merely find themselves free to reject. The hon. member will recall that in previous conferences the federal government had worked out positions jointly with one or several provinces thinking there was agreement, and then at the last minute the provinces would reject the whole package. We do not think that is a very profitable way to proceed.

By and large I have always said that the British North America Act is a pretty good one, that the basic framework of the constitution is still a pretty good one in my view. I have repeated the government's intention to be flexible. If the provinces see ways in which it can be improved, we see some ways, too. But we are not anxious to say that the constitution is not a good, basic framework. If the provinces want to make the case, we are prepared to discuss it with them and hear them out.

● (1430)

Mr. Brewin: A supplementary question, Mr. Speaker. In light of his statement to the Congress about the sovereignty of parliament and the determination of Canadians to govern themselves with a parliamentary system, I ask if the Prime Minister does not think it would be useful to discuss in greater detail the up-to-date account of what changes are required, elicit the partnership of parliament and its members in dealing with the threats to Canadian unity and thus expand on the message he gave the United States Congress?

Mr. Trudeau: Mr. Speaker, of course, I would welcome debate on the subject, if the House would see fit to set aside time for that. I know the hon. member realizes, as we all do, that the matters to be dealt with are not purely or strictly constitutional. That is only one part of the whole series of accommodations which we must make within Canada in order to bind together even more tightly the Canadian people. The Leader of the Opposition was quoting some economic measures. There are social matters and other areas like immigration and communications which, without going into the constitution, might be the subject of administrative arrangement which would increase the bonds of national unity. So, I think it is rather difficult to reply to the hon. member only in terms of the constitution.

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[*Translation*]

EXTERNAL AFFAIRS

UTILIZATION OF NUCLEAR ENERGY FOR PEACE AND MILITARY PURPOSES—AGREEMENT WITH UNITED STATES ON SAFEGUARDS

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I also have a question for the right hon. Prime Minister.

During the talks he had with the President of the United States, he probably made a complete political survey and discussed many matters with him. Could the Prime Minister tell the House whether, during his discussions with the President of the United States, they considered the issue of uranium and nuclear equipment sales for pacific purposes by both countries and whether they came to an agreement on the need for more severe safeguards in the nuclear arms trade?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this is indeed a very interesting question and, on this matter, I can tell the hon. member that we discussed this point and that the President of the United States seemed very interested by the decision of Canada to require more severe safeguards than those required by most countries. Of course I cannot talk in the president's name or commit him, but he was quite prepared to have more discussions on these safeguards and he said he wanted to co-operate with us as much as possible. I might add that the Minister of Energy, Mines and Resources is going to Washington, next week, I think, and will probably have the opportunity to pursue these matters further.

Mr. Laprise: Mr. Speaker, on a supplementary.

Can the right hon. Prime Minister tell the House whether disarmament was also discussed during that meeting?

Mr. Trudeau: Yes, Mr. Speaker. President Carter is highly interested in that matter. We discussed disarmament, as well in the context of the so-called strategic arms discussions, the SALT negotiations, as in the field of more conventional weapons. We dealt at length with both subjects.

[*English*]

ENERGY

OIL AND GAS—POSSIBLE COMMITMENTS ON DELIVERY OR SALE GIVEN UNITED STATES BY PRIME MINISTER—TIME-FRAME OF DECISION

Mr. John C. Crosbie (St. John's West): Mr. Speaker, my question is addressed to the Prime Minister. According to press reports of yesterday it appears that the Prime Minister discussed with President Carter energy matters, particularly alternatives concerning pipeline proposals for gas deliveries to the United States from sources in Canada, or from Alaska. Can the Prime Minister say what was the nature of these discussions, what specific topics were discussed, whether he gave the president any assurances, promises or commitments covering the delivery or sale of oil or gas supplies to the United States from Canada, or from Alaska across Canada by way of pipeline or otherwise, or via the Mackenzie Valley Pipe Line or any other route to the U.S.?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the subject was of great interest to the United States government. They raised it and we, too, raised the subject. We did not examine in detail any of the possible routes, including the ones the hon. member just mentioned, but we did examine the time frame within which decisions would have to be taken, if they were to be taken usefully. We made each other aware of the structures of that time frame. Beyond that, the hon. member asks if any assurances were given. Mr. Speaker, I felt justified in speaking for the Canadian government and the Canadian people in indicating to the American President that we would co-operate in every way we can with the Americans, particularly in the area of gas, that we would, in so far as it is possible and feasible, not stand in the way of their bringing their gas to their people in the way which would be satisfactory to them, provided certain subjects of great importance to Canadians could be dealt with satisfactorily. I mentioned in particular the subjects of Indian claims, protection of the environment, the economic consequences of a vast injection of capital, and other such matters.

Mr. Crosbie: A supplementary question, Mr. Speaker. Can the Prime Minister tell the House if he gave the President any assurances in connection with the time frame of the decision which Canada must make, or did he make any promises or commitments in this field? I understand he discussed the subject and discussed sympathetically American problems. Were there any promises, commitments, assurances or decisions with respect to certain time frames? Were there any commitments at all in this area?

Mr. Trudeau: Yes, Mr. Speaker. So far as we know, we will have the Berger report some time in the spring, and the national energy report is expected in June. We realize that the President will be under some pressure to make a decision, perhaps as early as September. We indicated that we would do our utmost to have the Canadian government express its views within that narrow time frame of June to September.

[Mr. Trudeau.]

Mr. Crosbie: A final supplementary question, Mr. Speaker. Would the Prime Minister confirm that the only assurance or commitment made in connection with these important matters was that the Canadian government would attempt to make a decision by December? Is that the only commitment which was made?

Mr. Trudeau: Mr. Speaker, except in so far as the first part of my answer could be interpreted as a commitment, it certainly was an expression of goodwill.

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[*Translation*]

REGIONAL ECONOMIC EXPANSION

POSSIBILITY OF AGREEMENT WITH QUEBEC ON DEVELOPMENT—GOVERNMENT POSITION

Mr. Albert Béchard (Bonaventure-Îles-de-la-Madeleine): Mr. Speaker, my question is directed to the Minister of Regional Economic Expansion.

Can the minister tell the House and the people of the Lower St. Lawrence, Gaspé and Îles-de-la-Madeleine whether the dialogue interrupted on November 15, 1976 has been resumed between him and his Quebec counterpart, and whether the possibility of the birth, in the near future, of an economic development agreement for that area, looks promising?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, indeed I can advise the House and the hon. member that last Friday I met the Hon. Jacques Léonard, Minister of Development for Quebec. In the course of our two-hour conversation, we had a chance to review the objectives of the department and its activities in Quebec; I can confirm to the hon. member that negotiations have indeed been resumed between the two levels of government. It can be hoped that, in coming weeks or at the most coming months, we will be able to sign agreements through which we should be able to pursue the implementation of our programs in the province of Quebec.

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[*English*]

INDUSTRY

DISCUSSION BETWEEN PRIME MINISTER AND PRESIDENT CARTER ON MEASURES TO INCREASE PRODUCTIVITY

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Prime Minister. Since industrial productivity in this country is now 20 per cent lower than productivity in the United States, since the gap between the two countries is widening steadily, and since the the steadily increasing productivity of the United States is one reason that country is experiencing a satisfactory increase in industrial activity at this time, whereas this country is not, I ask the Prime Minister if he, during his Washington visit, discussed this matter with the President, to see if he could learn of any

useful initiatives the Canadian government might introduce to at least bring the productivity of this country up to the level of productivity in the United States?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I would want to check, to make sure that the hon. member's figures are up to date, because I know that the United States authorities are showing some concern about the rate of increase of their own productivity. Subject to that word of caution, Mr. Speaker, we did discuss the economic situation and offered each other helpful advice on ways in which both of us could come to grips with our woes.

● (1440)

Mr. Hees: First, I should like to assure the Prime Minister that my figures are, as usual, correct.

Some hon. Members: Hear, hear!

Mr. Hees: Second, in reply to his non-answer in which as usual, he talked all around the question, would he, at the earliest opportunity, screw up his courage and tell the House just what he proposes to do to make good his promise to increase industrial productivity as he has been telling me he would do for two years, while doing nothing at all about it?

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EXTERNAL AFFAIRS

CONFERENCE ON INTERNATIONAL ECONOMIC CO-OPERATION—REQUEST FOR PROGRESS REPORT

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, my question is to the Prime Minister with reference to his speech to the United States Congress. In his speech the Prime Minister cited commodity price stabilization, nuclear safeguards and special drawing rights as core issues in the building of peace. May I ask the Prime Minister what steps Canada is taking to advance the north-south conference on international economic co-operation dealing with these precise issues? Can he say what response Canada has made to the widely publicized call by Robert McNamara, President of the World Bank, for more willingness by the industrialized nations to come to grips with these real issues?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the House leader is co-chairman of the Conference of International Economic Co-operation and he has been meeting as recently as during the last fortnight with his co-chairman, Mr. Perez Guerrera of Venezuela. There are some difficulties in the conference but at this time we are hopeful that under the skillful direction of these two gentlemen the conference will make progress. We discussed it in Washington and there is great anxiety on the part of our government, certainly, to show progress in this area. I am sure that at the appropriate time the House leader will want to report on this particular matter.

Insofar as Mr. McNamara's appeal is concerned, we are very sympathetic to it and, of course, we have great respect for the goal he is proposing. However, we have some reservations as to whether we should set up this Brandt Commission, I believe it would be called, before the CIEC conference itself meets. Our reservations are to the effect that it would probably be better to have CIEC pursue its work before the Brandt Commission was set up, which might appear to many at the CIEC conferences as a diversionary tactic. It would not be our view, but there is a tactical matter here to be considered.

EFFORTS TO PUBLICIZE GOVERNMENT'S FIVE-YEAR STRATEGY FOR INTERNATIONAL DEVELOPMENT CO-OPERATION

Mr. Douglas Roche (Edmonton-Strathcona): I thank the Prime Minister for his informative answer. Again with reference to his speech to the U.S. Congress in which he said, and I quote: "We have failed to mobilize adequately full support of our electorate for the construction of a new world order", may I ask him what steps he is taking to ensure that the government's five-year strategy for international development co-operation, a document published 18 months ago, one which is practically unknown to Canadians, is made better known among the Canadian electorate?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe the hon. member is touching on an important point of communication here. We do our best to make sure that the Canadian people are aware of the policy directions the government is pursuing and we do try get the information out to the people without being suspected of trying to propagandize Liberal government goals. Within that structure we will continue to try to impress upon the Canadian people the necessity of making progress in this area. The House leader on this side is a very active and respected participant in this conference.

Some hon. Members: Hear, hear!

Mr. Trudeau: I am somewhat gunshy, personally, Mr. Speaker, when it comes to selling to the Canadian people the need for a new order.

Some hon. Members: Oh, oh!

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NATIONAL DEFENCE

STRENGTH OF NATO UNITS—INDICATION OF PRIORITIES IN EARLY PRESENTATION OF OPERATION CANADA AND DELAY IN STRENGTHENING FORCES

Mr. Allan B. McKinnon (Victoria): My question is to the Prime Minister. Welcoming the Prime Minister to Washington, the President of the United States rather surprisingly referred to him as a senior statesman of NATO.

Some hon. Members: Hear, hear!

Mr. McKinnon: Would the Prime Minister inform the House when he plans to bring our NATO units up to full strength?

Mr. Paproski: Nato. N-A-T-O.

Some hon. Members: Oh, oh!

Right Hon. P. E. Trudeau (Prime Minister): I think the hon. gentleman opposite will now join me in the ranks of senior statemen. He knows how to spell, too!

An hon. Member: What do you mean, "too"?

Some hon. Members: Oh, oh!

Mr. McKinnon: My supplementary is for the Minister of National Defence, who may have more knowledge about NATO. The minister has apparently submitted his plan for Barney's Brownies or Operation Canada to the cabinet. The plan calls for a budget of $48 million by the end of next year. This amount is approximately the amount needed to increase the size of the Armed Forces by 4,000 which he so eagerly promised to the Conference of Defence Associations in January but now seems reluctant to present to cabinet. Can the minister inform the House if his early presentation of Operation Canada and his foot-dragging on the increase to the forces represents his order of priorities at this time?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, I suggest the hon. member get his facts straight before asking questions.

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ENERGY

MACKENZIE VALLEY PIPELINE—POSSIBILITY OF PROCEEDING WITH CONSTRUCTION BEFORE ENERGY BOARD OR MR. JUSTICE BERGER REPORT—POSSIBILITY OF DEBATE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the right hon. Prime Minister regarding a press report in yesterday's paper from Washington. It reads:

> Canadian officials indicated here Tuesday that Prime Minister Trudeau is ready to do all he can to speed a decision on the construction of a multi-million dollar Mackenzie Valley pipeline to carry Alaskan gas to Americans... the official said Trudeau explained to Carter that he would "like to be in a position not to embarrass him" over the pipeline.

In view of the fact that during this morning's CBC news, Mr. Lougheed, the Vice-President of Imperial Oil has taken these remarks to be what he calls "a favourable sign", I want to ask the Prime Minister if this assurance that the President is not going to be embarrassed represents a tacit understanding that Canada will proceed with the Mackenzie Valley pipeline despite the fact that neither the National Energy Board nor Mr. Justice Berger's report has yet been received?

Right Hon. P. E. Trudeau (Prime Minister): I can say that anyone who would play the stockmarket on the basis of that remark would probably be very seriously financially embarrassed. What went on between President Carter and myself in the presence of the Secretary of State for External Affairs was exactly as I have stated earlier in reply to a question from a member of the Conservative Party. There were no guarantees of any particular pipeline. Indeed, there were no guarantees of any pipeline at all. There was an undertaking to study this whole question with a view to co-operating as much as we can with the United States, within the obligations we have to meet Canadian objectives, too. I spelt them out in some detail. Insofar as the words "embarrassing the President" are concerned, they were never used, Mr. Speaker, and no intention was there to use them. I do not believe I would be concerned about embarrassing him. He is a very eminent president and he can conduct his own affairs without my messing.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the statement by what is alleged to be a Canadian official, that the Prime Minister assured the United States President that he would do everything he could to speed a decision, I want to ask the Prime Minister whether "speeding a decision" involves bypassing parliament. Will he give parliament an assurance, now, that before the go-ahead sign is given for the construction of a Mackenzie Valley pipeline the matter will be brought before the House of Commons so that members of this House will have an opportunity to vote whether they are in favour of proceeding with that pipeline or rejecting it?

Mr. Trudeau: I believe this whole subject was discussed during the opposition day yesterday. The Minister of Energy, Mines and Resources gave the government position on this. To the extent, I repeat, to which I gave assurances, they were on the time frame. He explained in detail that there is no undertaking to bypass either the energy board or Judge Berger's report. We are waiting for these. I do not know what decision will be taken, but if it is one which necessitates the government's coming before parliament, of course we will come before parliament.

• (1450)

Mr. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. In view of the statement by the Minister of Energy, Mines and Resources yesterday that he will consider having this matter discussed in a standing committee of the House, which the Prime Minister knows perfectly well does not mean it will come before the House itself, I think the House is entitled to some assurance that before such an important decision is made the House of Commons as a whole should be given an opportunity to express its views on this matter. I am asking the Prime Minister whether he will give that commitment so that the Canadian people will know that they will not wake up some morning and find that the government has committed itself to an expenditure which could have very little economic benefit to the people of Canada.

Mr. Trudeau: Mr. Speaker, these are the very subjects about which we will know more when we have the report of the National Energy Board. I, personally, woulld be very interested in knowing the position of various members of parliament, and indeed of the people of Canada, on this subject. It is a very important one, but as some of the member's party are saying,

we voted on this subject yesterday. I think the NDP seems to have made up its mind before it has seen the report. We have not.

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EXTERNAL AFFAIRS

POSSIBILITY OF INTERIM FISHERIES AGREEMENT WITH UNITED STATES ON 200-MILE ZONE—GOVERNMENT POSITION

Miss Coline Campbell (South Western Nova): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. There have been reports that an interim fisheries agreement between Canada and the United States would be reached prior to March 1 when the United States declares its 200 mile jurisdiction. Can the minister indicate whether such an agreement has been reached and, if not, when we can expect such an agreement?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, to the best of my knowledge, some time within the last hour or so there was a joint communiqué issued from the United States capital and from here indicating that in fact an interim agreement had been reached by the negotiators as of about noon today. This was a follow on to the Prime Minister's meeting yesterday and I am delighted to be able to report this. The text, I understand, will not be released until tomorrow.

INCARCERATION OF ALEKSANDR FELDMAN IN SOVIET UNION—CANADIAN REPRESENTATIONS FOR RELEASE

Mr. Sean O'Sullivan (Hamilton-Wentworth): Mr. Speaker, my question is also directed to the Secretary of State for External Affairs whom I commend for his courage in taking up with Soviet authorities the persecution of Jews within that system who wish to emigrate to Israel. Since the outrage of persecution is continuing, I should like to ask the minister whether he has made any representation to the Soviet authorities on behalf of Aleksandr Feldman, a prisoner of conscience, who is being held in a labour camp on bogus charges simply because of a courageous observance of his faith. This man is reported to be in ill-health, and if the minister has not made any representation on his behalf, would he take a personal interest in his case?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, I would be more than pleased to take a personal interest, as the hon. member has asked. I am not in a position from memory to answer the first part of his question. I have explained in the House on previous occasions that we submit lists to the Soviet representatives from time to time. The most recent submission was last week and there were on the list some 136 or 137 cases, so I would have to check the list to see whether that particular name was included.

EMIGRATION OF JEWS FROM SOVIET UNION—DISCUSSION BETWEEN PRIME MINISTER AND PRESIDENT CARTER

Mr. Sean O'Sullivan (Hamilton-Wentworth): Mr. Speaker, may I direct my supplementary question to the Prime Minister. In view of the fact that President Carter, since taking office, has shown very real leadership on the question of prisoners of conscience within the Soviet Union, did the Prime Minister include this question in his discussions with the United States President, in terms of those of us who enjoy freedom and democracy occupying a common front against the Soviet authorities in regard to Jews who wish to emigrate to Israel?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, we discussed this matter at great length. We discussed the best possible approach to get results in this particular area, and we agreed, as I indicated earlier, in preparation for the Belgrade review of the Helsinki Conference, to exchange information and to try together to ascertain what we believe to be the most efficient ways of getting results in regard to protection of human rights.

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FINANCE

POSSIBILITY OF SHARP FALL IN VALUE OF CANADIAN DOLLAR—GOVERNMENT CONTINGENCY PLANS

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the Minister of Finance. In view of the widespread speculation that the Canadian dollar will fall to 90 cents or so, has the minister any plan to deal with any precipitous fall in the dollar and is he making any contingency plans?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the government's policy since 1971 has been to let the dollar float on foreign exchanges and there will be no departure from that policy.

Mr. Ritchie: A supplementary question, Mr. Speaker. Does the minister consider that there is no need to worry about any precipitous fall in the dollar in the near future?

Mr. Macdonald (Rosedale): Mr. Speaker, as part of that policy the Bank of Canada does intervene for the purpose of smoothing out the market over any short period of time. As indicated, I would not propose to intervene in any other way but to accept market judgment as to the value of the dollar.

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NATIONAL DEFENCE

PROPOSED YOUTH CORPS—REQUEST FOR DETAILS

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Could the minister inform us whether or not his department or his office has prepared a detailed proposal

relating to the youth corps, including proposals as to the amount of pay, where they would be housed, and the outbound type of program that they are envisaging?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, my department has done nothing specifically on this. As for the general question, I should be able to say something within the next couple of weeks.

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[*Translation*]

UNEMPLOYMENT INSURANCE

PROPOSED REIMBURSEMENT OF PERSONS AGED 65 WHO LOST THEIR RIGHT TO BENEFITS—GOVERNMENT POSITION

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question for the Minister of Manpower and Immigration.

Since the hon. member for Lapointe made representations last week regarding old age people who have lost their entitlement to unemployment benefits because of an erroneous decision by this government, may I ask the minister today whether he has carefully analyzed this inequity vis-à-vis this group of people, and whether he is prepared to recommend to cabinet that some action be taken to pay those people the difference between the Quebec or Canada Pension Plan benefits and what they would have got through unemployment benefits? Thus, so as to correct this inequity, is the minister prepared to recommend such a proposition to cabinet?

[*English*]

Hon. Jack Cullen (Minister of Manpower and Immigration): Well, Mr. Speaker, first and foremost I think we should remember that some 600 individuals did in fact refuse to take their Quebec pension or Canada pension, did see fit to appeal and in fact won their appeal. So they will be drawing the unemployment insurance as directed by Mr. Justice Addy under the terms and conditions established at that time. However, in the interest of equity, and because there were thousands of others who did not apply, I thought that rather than topping up the Canada or Quebec pension plan pension, which would be unfair to those who did appeal, what we would do is to pay the difference from the time they stopped getting their UI until they began getting their Quebec or Canada pension. The difference I refer to is that amount of money which will be paid from the time they stopped receiving UI until the time they received their Canada pension or Quebec pension.

* * *

EXTERNAL AFFAIRS

GARRISON DIVERSION—POSITION OF UNITED STATES ON ABIDING BY INTERNATIONAL JOINT COMMISSION DECISION

Mr. Jake Epp (Provencher): Mr. Speaker, I direct my question to the Prime Minister. Did the Prime Minister discuss the Garrison project with President Carter; and further did the Prime Minister receive an unconditional assurance from President Carter that the United States would abide by IJC decisions regarding the Garrison project, just as the Prime Minister committed Canada during his press conference in Washington to abiding by IJC decisions?

Right Hon. P. E. Trudeau (Prime Minister): We did discuss the subject, Mr. Speaker, but in reality the essence of the discussion consisted of my thanking President Carter for having taken at our request, and after many representations on the part of this government, action to suspend work on the Lonetree reservoir. We did not go beyond that. The law does not bind us in any way to follow the IJC's recommendations, but I hope that the Canadian inclination to observe them will be also shared by the United States. This is a tribunal that has the high respect of both governments. They cannot be bound by law, but they certainly will be morally inclined to listen to the recommendations of the IJC. I think the Canadian case is a very good one. We have had representations on the matter from both sides of the House and from people in Manitoba. Certainly, our entire Manitoba caucus has been very forceful in making representations on this subject. At this point the essential thing to underscore is that President Carter acted in a way very favourable to Canada and we are very grateful for it.

• (1500)

APPARENT CHANGE OF VIEW OF UNITED STATES BY PRIME MINISTER

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I am impressed with the visit of the Prime Minister in that the United States and Canada are now kissing cousins. I can recall another famous trip of his when he apparently alleged that we have something to fear from the United States regarding economics, culture and its military strength. Has the Prime Minister's visit to the United States now convinced him that he was wrong when he suggested we had to fear the United States culturally, economically and militarily, a statement allegedly made during his visit to the U.S.S.R.?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am somewhat embarrassed to hear the hon. member express his fear about anything. I should have thought he would have been more courageous than that. On our side, the reality of American domination in every area is a very real one.

Mr. Diefenbaker: Militarily?

Some hon. Members: Hear, hear!

Mr. Alexander: Mr. Speaker, I want to pursue the matter with the Prime Minister. The right hon. member for Prince Albert wants further information. I hope the Prime Minister will continue that particular reference to the military strength of the United States.

Mr. Speaker: Order, please.

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baker (Grenville-Carleton): Mr. Speaker, I wonder if the government House leader can indicate his intentions for government business over the next few days, and can he designate Friday, March 4, as an opposition day?

Mr. MacEachen: Mr. Speaker, as has been previously arranged, we will be calling first today the bill of the Minister of Finance on fiscal relations, to be followed by the human rights legislation. Tomorrow we will resume the debate on the unemployment amendments in the name of the Minister of Manpower and Immigration. We will continue with that on Monday if it is not completed tomorrow. As I have indicated, I have in mind calling the amendments to the National Transportation Act following the bill in the name of the Minister of Manpower and Immigration. I extend my usual co-operation to the hon. member and graciously designate next Friday, March 4, as an allotted day.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I thank the hon. member for his courtesy. Do I gather that he has made up his mind to call the National Transportation Act on Tuesday, or is it possible we will be dealing with unemployment insurance matters if they are not finished on Monday? I just want to probe his thoughts on that.

Mr. MacEachen: Mr. Speaker, if at the end of the day on Monday we have not completed the second reading stage of that bill, after having spent four days on it, I will reconsider the situation and decide then whether to continue with the bill or call the National Transportation Act.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I put a question to the government House leader with respect to the House business? I realize that to ask about something that may be 51 weeks away may seem strange, but this government moves rather slowly. In view of the fact there was a good deal of disappointment that the House did not get the Heritage Day bill through in time for 1977, will the minister make sure that that legislation is dealt with in this session so that Heritage Day can be observed in February of 1978?

Mr. MacEachen: Mr. Speaker, I have indicated my readiness to call the Heritage Day bill, and will call it only if I get an undertaking from other parties that we can conclude the debate in a day or so. Any time that undertaking comes forward, I will move the bill.

Mr. Baker (Grenville-Carleton): Bring it on.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, we give that undertaking, and the official opposition is now saying, "Bring on the bill". I therefore suggest that the onus is on the government.

Mr. Marshall: Mr. Speaker, in view of the extended absence of the Minister of Veterans Affairs—and do not quarrel with the reason—the holdup in vital amendments to veterans legislation has reached the point where they should be considered on an emergency basis. Can the minister give an update on the amendments to the Pension Act to increase pensions of veterans widows who are receiving less than 48 per cent? This is a very important bill and it should be brought forward.

Mr. MacEachen: Mr. Speaker, I understand the importance of the matter raised by the hon. member. Unfortunately, I cannot give him an update today. However, I will make inquiries and provide him with the best information I can find.

ROUTINE PROCEEDINGS

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 139, 1,568 and 1,688.

[*Text*]

NATIONAL HEALTH AND WELFARE—CONTRACTS FOR PROFESSIONAL SERVICES

Question No. 139—**Mr. Orlikow:**

1. For the fiscal year 1975-1976, what contracts for professional services were let (a) for studies, surveys and analyses into present or future policies, programs or information analysis, and their efficiency and effectiveness (b) into the examination of the administration or internal operation of the Department of National Health and Welfare?

2. How much was committed on each contract and to whom?

3. What were the comparable figures for the fiscal year 1973-1974?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. (a) $429,623. (b) $160,556.

2. (a) and (b) See following statement.

3. (a) $203,590. (b) $7,730.

Contractor	Cost
M. N. Lopianouski and Associates Ltd.	2,803
Adimec Inc.	7,700
William Cameron	3,240
Gordon MacDougall	4,997
Gordon MacDougall	4,541
Square One Management Ltd.	4,914
Michael Abbot	1,000
J. Graham Clarkson Consultants Ltd.	8,510
Systems Approach Ltd.	2,930

Order Paper Questions

Contractor	Cost
Centre de recherche médicale de l'Université de Sherbrooke	14,166
Claude Castonguay	6,690
Donald Green	9,055
Prof. Larry Taman	2,100
Prof. Larry Taman	32,000
Dr. Luc Laroche	3,800
Ralph McKendry	6,300
Rashim Ahluwalia	440
Graig Angus	825
Dick de Jong	1,175
Dr. Lucinda V. Brettler	4,600
Edward S. Cardwell	150
Robert A. Davis	3,126
Joyce Askwith	150
Marie Berlinguet	200
Raymond Boutin	150
Douglas Braun	2,750
Marie-Paul Doyle	150
Family Counselling Service	428
Carmina Gordon	200
Dr. James F. Hawkes	1,644
Lawrence F. Heinman	1,466
C. Norman Knight	2,250
David Hagerman	2,000
Robert Marcus	150
Grant Lowery	17,000
Rolande Morin	2,585
Robert Marcuse	200
John McDonald	4,950
John McDonald	1,797
Ontario Association of Marriage and Family Counsellors	700
Maureen Orton	150
Company L87429 (Ontario) Ltd.	35,000
Ruth Cooperstock	600
Roland Crooks	3,600
Dr. Lynn Davie	1,150
Emergency Associates	1,000
Epidemiologic Research Associates	5,000
Dr. William Harrell	2,000
Memorial University of Newfoundland	4,700
George Nichols	3,600
The Ontario Institute for Studies in Education	5,820
Kai Pernanen	700
Policy Research Inc.	4,000
Dr. Simona Radouco-Thomas	3,000
Dr. Lewis C. Robbins	3,000
Santa Cabrina Hospital, Montreal, Quebec	5,000
John R. Schallow	2,250
Traffic Injury Research Foundation of Canada	17,307
Randall C. Potts	2,000
University of Calgary	14,700
University of Toronto	3,455
P. C. Whitehead Assoc.	4,800
Canadian Public Health Association	5,000
William C. Lam	2,500
Ernest Wotton	2,500
Dr. George K. Jarvis	5,000
Dr. George K. Jarvis	5,000
Mr. Cyril Dabydeen	3,500
Ruth H. Blue	3,990
Ruth H. Blue	3,220
Walter D. Brust	4,950
R. A. Lacerte et Associés	5,919
William Martin	5,000
Harry A. Hicks	4,500
Doris Stepler	1,840
R. A. Lacerte et Associés	28,737
Mac H. Haufe	2,850
Leetham, Simpson Ltd.	5,275
Balmer, Crapo and Associates Inc.	5,000
Dr. Stanley Brown	4,000
Dr. Robert Hindmarch	5,000
Mrs. Judy Hunter	5,000
Dr. Maurice Jetté	5,000
Dr. Gregg McKelney	4,500
Jean-Guy Noel	4,800
George Shepherd	1,500
Bernie Swords	3,000
Dr. Peter Witt	4,500
Dr. Jack Daniels	5,000
Dr. Rena Paul	200
Denise Dicker	200
Glenn Rutherford	200
William Thomson	200
Glenn Rutherford	200
Dr. Leonard Rutman	4,278
Dr. Paul Sachdev	200
Dr. Ben Schlesinger	400
Department of Supply and Services	
Audit Services Bureau	98,000
Audit Services Bureau	38,356
Bureau of Management Consulting	4,837
Bureau of Management Consulting	14,013
David Hagerman	1,600
Lorne Plunkett	1,500
Lorne Plunkett	2,250

GASOLINE REBATES

Question No. 1,568—**Mr. Herbert:**

By province, what amount has been claimed in rebates for gasoline used for farm and commercial purposes, since the beginning of the programme?

Hon. Monique Bégin (Minister of National Revenue):

Province	Farmers and Fishermen	Professionals	Small Business	Salesman	Corporations	Transportation Industry	Taxi
Newfoundland	$ 74,736.16	$ 25,902.47	$ 292,679.04	$ 42,136.29	$ 1,002,314.83	$ 420,146.46	$ 158,905.22
Nova Scotia	434,928.84	46,772.67	652,214.97	108,068.48	1,912,022.30	755,845.65	103,502.18
Prince Edward Island	309,891.97	8,759.74	107,972.49	14,174.22	280,713.73	105,143.75	5,903.37
New Brunswick	396,479.50	37,791.83	551,666.14	80,636.63	2,343,750.70	867,567.33	67,746.48
Quebec	1,231,392.37	373,066.24	2,214,403.69	1,385,578.36	18,298,394.12	7,666,922.28	1,504,092.44
Ontario	5,762,717.28	687,593.71	6,605,266.22	2,034,833.36	31,355,079.49	9,775,490.44	1,817,750.63
Manitoba	3,806,045.35	67,818.62	788,487.19	211,509.37	2,593,215.48	1,070,793.84	242,616.63
Saskatchewan	8,788,420.70	67,298.36	896,436.15	174,900.33	2,082,808.73	749,285.62	135,766.19
Alberta	7,399,245.94	118,472.83	1,716,052.99	368,058.81	8,564,603.91	2,919,879.37	238,524.21
British Columbia	910,379.47	123,238.02	1,237,415.35	387,239.28	7,167,080.20	2,073,593.48	607,317.37
Northwest Territories	3,621.99	958.51	8,090.12	1,207.30	37,092.76	16,885.99	12,773.26
Yukon	6,007.70	842.36	11,817.23	1,544.31	40,850.42	15,565.68	11,465.42

TELEVISION INDUSTRY TARIFF REMISSIONS

Question No. 1,688—**Mr. Brewin:**

1. Does the Department of Industry, Trade and Commerce remit duties on coloured televisions and, if so, for what purpose?

2. Has the Department taken any steps to (a) ensure increased television manufacturing in Canada (b) prevent lay-offs of employees in small plants that manufacture components for televisions and, if so, in each case, what steps?

3. Has the government taken any steps (a) to enable Renfrew Electrical Company Ltd., Toronto, Ontario to re-hire laid-off employees (b) by way of adjustment assistance to assist the employees involved in the lay-off and, if so, in each case, what steps?

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): 1. The Department of Industry, Trade and Commerce does not administer tariffs and thus has no power to remit duties. However, under the Financial Administration Act, the Governor in Council has the power to authorize Revenue Canada, Customs and Excise, to remit duties paid or payable in respect of goods imported into Canada. The Department of Industry, Trade and Commerce has set into motion a programme, which under certain conditions, will permit the remission of duties on imported television receivers paid or payable by manufacturers of television sets in Canada. The purpose of this programme is to prevent an imminent failure of this industry sector which has neither the technology base nor scale to remain competitive in the Canadian market even with the current tariff of 15 per cent. Under the programme, television manufacturers who maintain at least a previous level of production with at least 50 per cent Canadian value added in their production will be allowed duty remission on sets which they import. The amount of duty remitted will be determined by the ratio of the value of their production to sales. This programme will allow Canadian manufacturers to specialize in those types of production that lead to improved efficiency. At the same time, the market share they obtain is not expected to change although they would no longer make a full range of T.V. products in Canada.

2. (a) The department held negotiations with all Canadian television set manufacturers and with many of their parent companies with a view to increasing television production in Canada. No means was found to increase production in Canada that resulted in no higher costs to Canadian consumers, tax-payers or companies. (b) The new programme will include a Canadian value added requirement favouring the sourcing of components from Canadian component suppliers. Department officials have met with component manufacturers and are continuing to seek ways and means, in addition to the programme, to overcome the problems of a small domestic market.

3. The department has taken no special measures in regard to layoffs at Renfrew Electric nor has the company or its employees approached the Department directly, asking for special measures. Officials of the department have expressed willingness to discuss Renfrew's situation with the company management with a view to assisting the firm to improve its position in the market place.

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 950 could be made an order for return, this return would be tabled immediately.

[*Text*]

TREASURY BOARD—EMPLOYMENT OF OUTSIDE CONSULTANTS

Question No. 950—**Mr. Howie:**

Were outside consultants employed by the Treasury Board between January 1, 1975 and November 1, 1976 and, if so (a) how many (b) who were the firms or persons (c) what amount was paid to each (d) for what purpose (e) in each case, is the report available to the public and, if not, will it be published?

Return tabled.

[*English*]

Mr. Goodale: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND ESTABLISHED PROGRAMS FINANCING ACT, 1977

MEASURE FOR MAKING CERTAIN FISCAL PAYMENTS AND OF ESTABLISHED PROGRAMS FINANCING CONTRIBUTIONS TO PROVINCES, ETC.

The House resumed, from Tuesday, February 22, consideration of the motion of Mr. Macdonald (Rosedale) that Bill C-37, to provide for the making of certain fiscal payments and of established programs financing contributions to provinces, to provide for payments in respect of certain provincial taxes and fees, and to make consequential and related amendments, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, as so many members have shown in this debate, the question posed by Bill C-37 is not only fiscal payments to the provinces for the next five years, already decided at the first ministers meeting' last December, but whether this bill is a sufficient response to the crisis of federalism. I said in the first part of

my speech Tuesday night that Bill C-37 does not answer the real question in the relationship between Ottawa and the provinces. That is why so many members, in speaking during this debate, have responded to that deep yearning across the land for some leadership in parliament about the ways Canada can be held together. The Canadian people, fearful of the consequences of separation, need encouragement that members of parliament are at least sensitive to the dilemma. It is not the esoteric algebraic formulae in this bill that we should be debating. Rather, it is the future of confederation.

● (1510)

It is not good enough for the Prime Minister (Mr. Trudeau) to go to Washington and assure the Americans that Canada will remain united. He has a duty to come into the House of Commons and tell Canadians precisely what he is going to do to keep Canada together. I think the questions that were raised in the House today on the Prime Minister's speech in Washington reflect the very deep concern of the members of the House that some serious statements be made right here in this forum about the government's plans for the accommodations that will be necessary to hold all the regions intact and to ensure the integrity of Canada. It is all very well to dazzle Washington, but it will take more than a high-flown speech to the U.S. Congress to settle the problems of regional alienation in this country.

There is no doubt that the Prime Minister opened the election campaign with his speech in Washington. That election is coming soon. The east block wizards are preparing their electronic electioneering to fool the Canadian people again; to make the people forget what miserable leadership they have had for the past nine years; to make them forget that this recycled architect of unity is the very man who has split the country apart; to make them forget that the deep problems of regional alienation are caused by this government's rigid centralism. But the Canadian people are not going to forget or forgive the damage done to our unity by this government.

Some hon. Members: Hear, hear!

Mr. Roche: There is no question that we as Canadians can hold this country together. We do not need a Washington declaration to make that point. What the Americans did not hear, however, is that this government, by debasing and demeaning our national institutions and taking power away from them, is itself a principal cause of the fracture of our national spirit and national identity. Mr. Speaker, the government has tried to fool the people once too often. There is too much doubt, dismay and discord in Canada today to be glossed over by yet another electronic mind-wash. It is the duty of the opposition in this debate on fiscal payments to get beneath the surface. It is the opposition members who have focused on the real concerns of Canadians in federal-provincial relations. It is the members on this side who have spoken out most sensitively and sensibly to the questions Canadians are asking about their future. It was the Leader of the Opposition (Mr. Clark) who spoke about the integrity of the country. He said:

[Mr. Roche.]

We need to establish again a unifying sense of purpose, a sense which applies to building, a sense that there is more to Canada than simply conflicts over constitutions or tax points. This requires us, as members of parliament, to look upon other governments and members of other legislatures in the land not as adversaries but as partners.

Some hon. Members: Hear, hear!

Mr. Roche: That is the speech of a man who will be, and deserves to be, the next prime minister.

Some hon. Members: Hear, hear!

Mr. Roche: The hon. member for Kingston and the Islands (Miss MacDonald) struck the central note in this debate. She said:

It would be strange, indeed, if the parliament of Canada which so uniquely reflects the reality of federalism were to allow itself to be excluded from participating in the revitalization of that federalism. In the case of the bill before us today, parliament was relegated to the sidelines while these fiscal arrangements were being negotiated. Every time this happens, parliament is diminished—and at this critical time in Canada's history we need strengthened, not diminished, national institutions.

Advocating greater decentralization of the legislative and administrative systems through a national planning council that would develop a new national policy, the hon. member for Saint-Hyacinthe (Mr. Wagner) said:

A truly national policy born of a consensus among all governments would, I believe, have a better chance of being accepted by the whole population because it would be more able to meet the objectives and priorities of each part of Canada.

That is a positive input into this debate that tells Canadians the direction in which the Progressive Conservative party is headed. The hon. member for Egmont (Mr. MacDonald) also enriched the debate from the perspective of the maritimes. He said:

The problem with which we must grapple, along with the complexities of this bill, is whether or not the arrangements which have been put before us and which were generally agreed to by the provinces in December hold out the danger of fundamentally increasing the sorts of disparities which exist now. When we look at the situation in the five eastern provinces specifically, and the swelling of the unemployment rate which has taken place in the past several months, we cannot be sanguine about this kind of proposed agreement and about the services which will be provided under this arrangement.

We want to be sure that the formula and framework which is being presented here will not be so rigid as to prevent effective action for dealing with disparities of income, employment, or unforeseen developments which may affect either existing revenues or bring about, indeed, a shortfall of revenues, or excessive costs in certain programs of the poorer provinces.

From the west we heard from the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) who pointed out:

This whole process of executive federalism, of dealing with the constitutional system of the country at only the highest and, in most cases, the most remote levels of government, belittles the House of Commons, renders the opposition meaningless, and contributes to a sense of high-level confrontations between political stars which heighten rather than reduce the centrifugal forces inherent in federal systems of government.

The hon. member for Lisgar (Mr. Murta), another westerner, revealed his deep sense of Canadianism when he said:

We may be on the threshold of a new era of Canadian confederation, an era marked by greater awareness of provincial and regional needs and sensitivities, greater respect for the diversity of culture and heritage which characterizes the various parts of this country and, in the not too distant future, by a better

balance as between the centre and periphery of the country. This is the concept for which we must strive, in both official languages, and all regions.

Mr. Speaker, these are the speeches of leadership. Let no one say the opposition in this parliament only criticizes. We are leading the way into a renewed Canada. We do not need show business tactics. What we are doing is studying the options and creating new policies.

Mr. Speaker, around the world people are asking, "Can democracy cope with the complex problems of a modern, interdependent global community? There is a crisis of political faith in the ability of democratic governments to respond. All the polls indicate a serious dropping off of public belief in the efficacy and trustworthiness of government. Canada is by no means exempt from this voter disenchantment. Distrust of a large, powerful and faceless bureaucracy in Ottawa is intensifying. People are paying higher taxes than ever to support an ever-growing government—and yet the problems of transportation, housing and safety in society are getting worse. Decentralization is not a magic answer to all this, but without decentralization the problems of the municipalities, the level of government closest to the people, will become chaotic.

The rate of urbanization is nothing short of phenomenal. Before the end of this century 94 per cent of Canadians will be urbanized and three-quarters will live in 12 major cities. Urbanization is caused by an interlocking set of developments spawned by exploding technology. Government efforts must be directed toward managing the process of urbanization. The special problems of urbanization—public assistance, transportation, environmental management, leisure, recreation and housing—interact on one another and demand more money which municipalities have no way of raising, thus exacerbating their dependence on provincial and federal government grants.

The quality of life in urban centres is diminishing, despite local efforts; the institutional framework of government was established long before the social impact of urbanization was ever dreamed of. As the role and level of government in Canada has expanded, each level—federal, provincial and municipal—has become involved in areas in which the other levels previously had a special or exclusive interest. Complexity and fragmentation of government has followed. This has resulted in a proliferation of duplicative, autonomy-seeking special agencies in each level of government, and hence has highlighted the problem of a decision-making mechanism which can no longer respond to the needs of a society in an era of accelerating social change.

Thus, a new philosophy at the top is needed to meet the super problems of big government and urbanization. Only a new philosophy can counter the mounting evidence that government is big, rather than strong; flabby, rather than powerful; that is costs a great deal and does not achieve very much. More tinkering with government will not be enough. That is why the present federal government's policies on decentralization are inadequate. They are focused on spreading out certain government departments such as DREE, Revenue, and Supply and Services, and diversifying the sources of federal purchasing. This approach is too narrow a concept of decentralization. A comprehensive plan based on a philosophy of streamlining is urgently needed—not more piecemeal solutions to mounting problems.

Decentralization is a theme running through the report on the constitution of Canada produced by the special joint committee of the Senate and the House of Commons in June, 1972. The committee made clear that we need a new constitution to make possible a more functional federalism. It stated:

> A new Canadian constitution should be based on functional considerations, which would lead to greater decentralization of government powers in areas touching cultural and social policy and to greater centralization of powers which have important economic effects at the national level. Functional considerations also require greater decentralization in many areas of government administration.

● (1520)

The principal way in which constitutional decentralization can be brought about is contained in recommendation No. 50 which sets the division of powers in a more modern context as follows:

> Concurrent powers which predominantly affect the national interest should grant paramountcy to federal parliament and those which predominantly affect provincial or local interests should grant paramountcy to the provincial legislature.

Therefore, a complete policy on decentralization begins with full support of the constitutional committee's recommendations on decentralization and a commitment to implement them. A more functional allocation of governmental powers will benefit all regions. The committee proposes an expansion of provincial powers in such areas as income support, criminal law, marriage and divorce, educational TV, taxing powers and international arrangements. The committee supports limitation of federal powers with respect to appointments to the Senate and the Supreme Court and with respect to federal spending in fields of provincial jurisdiction. Correspondingly, greater centralization is necessary in the regulation of the economy. Hence, there should be a transfer of some existing provincial powers to the federal parliament; for example, an increase in federal jurisdiction over air and water pollution, international and interprovincial trade and commerce, incomes, securities regulation, financial institutions, unfair competition and foreign ownership.

The constitutional committee made a major recommendation concerning decentralization in the field of social security: the federal government should determine over-all spending in such programs as old age pensions, supplements and family allowances, and the provinces should determine how this total should be distributed within limits to preserve national standards and maintain the principle of redistributing income.

There is today a great deal of confusion over jurisdiction, and increasing political rivalry in promoting bigger social benefits. Integrated economic-social planning between the federal and provincial governments is imperative to prevent the escalation of universal benefits into a welfare state. Strategies for growth, housing and transportation are but three of the items in which the people will best be served by the three levels of government working closely together.

In considering ways to decentralization it should be reaffirmed that the federal parliament must retain the primary responsibility for general economic policy in the country. Thus, decentralization does not rule out centralization in primary areas. The federal parliament must have sufficient economic powers to regulate and influence the economy. However, in fulfilling this constitutional responsibility of centralization the federal government should explore more ways of decentralizing its operation so that federal policies can be regionally adapted. Decentralizing the decision-making process is of far more value than redistributing a handful of civil servants. The joint committee on the constitution of Canada recognized this and stated:

> Most Crown corporations could have their headquarters outside Ottawa, as many already have. Federal departments like agriculture, energy, mines and resources, environment, national defence and transport could have their principal offices elsewhere, and many other departments could give their regional offices more authority. Even when Ottawa must remain the effective centre of administration, a greater effort can be made to encourage regional input.

Surely this was the thrust of the message of Newfoundland which we heard the other night from the hon. member for St. John's West (Mr. Crosbie). To go to another part of the country, the western premiers, at the western economic opportunities conference, called for the establishment of industrial "centres of excellence" throughout the various regions of Canada. These centres would be based on natural and human resources, supported by research and marketing assistance to develop a vital economic unit capable of serving national and international markets.

Such a program concept suggests clear initiative on the part of the federal government in the establishment and support of new centres of industrial activity in Canada. It would involve decentralization of the technical expertise of the Department of Industry, Trade and Commerce to plan and support the development of such centres, and the major funding of research activities and new industrial enterprise in co-operation with other departments of the federal government.

We can see, now, the necessity of the federal government permitting the provincial governments and various local organizations to participate in the planning of broad economic development policies, in establishing regional industrial priorities, and in the development and implementation of programs. There should be, in short, decentralization of decision-making power on assistance programs, and strengthening of regional offices. True decentralization calls for massive changes in the financial system of Canada so that municipalities can provide the public transportation, housing, water and social services demanded by urbanization. Grants by senior governments that want the political credit for handing out money are not the answer; today there are so many millions of dollars of transfer payments being issued from one government office to another that it is impossible to keep track of it all, let alone provide accountability to the people.

In summary, I do not see decentralization as a cure-all for Canada's problems and I am certainly not suggesting it as such, but it is an approach which will enable us to find the detailed answers Canada wants this place to find at this very critical moment in our history. It is time for us to assert our will to succeed as a people, for a nation is primarily constituted by its people's collective will to live together. In every region of Canada people have common aspirations for a truly human life. It ought to be the function of government and parliament to help all Canadians deepen faith in their own country.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, this has been an interesting debate, although sometimes one feels there is a certain sense of unreality because we cannot face up to the fundamental issues behind the bill just by the mere statistics and details of the legislation. While we defer consideration of the precise terms of the bill to a later stage, I was thinking as I glanced over this fundamental document that it might be something of an inadequate response to the challenge to confederation to look at something like as one of the formulae whereby we can work out the arrangements between the provinces and the dominion. That complicated formula cannot, of course, be the full and final answer, nor can we consider the clauses of the bill as sufficient discussion about the problem before us.

I have been impressed by those hon. members who have applied themselves to what I believe is the spirit of the law, as Montesquieu might say, and to the fundamental principles lying behind and beyond the law. I was notably impressed by the speeches of the hon. member for Kingston and the Islands (Miss MacDonald) and of the hon. member for Saint-Hyacinthe (Mr. Wagner). I was glad the *Globe and Mail* this morning showed the wisdom of reproducing his very helpful, very cognate and useful remarks. I cannot use her language now, but I thought the hon. lady made a masterful review of the situation, setting out fundamental truths and basic principles. I thought the hon. member for Saint-Hyacinthe made a moving statement of his credo on federalism. The hon. member for Kingston and the Islands—and this has been referred to by an honourable, distinguished and learned gentleman, the hon. member for Edmonton-Strathcona (Mr. Roche)—was profoundly correct when she pointed out the importance of this forum for discussion of great national issues.

As the House of Commons through the years has become something like a glorified sausage-mill of legislation we have tended to lose an understanding of its principal role. The House of Commons does not run the country; that is the job of the government. However, the House of Commons must, and should—and at its best, does—represent the country. So it is very important that in this body, which represents all the people and which is freely chosen by those people, we apply ourselves to fundamental questions. I was proud of the hon. lady for bringing forward that issue, and of the hon. gentleman for dealing with it.

This is the first time since the election in Quebec that there has been serious attention paid to that event. Without being an alarmist, I can say that Canada is in crisis. We are not asking just how we are going to be governed, or who is going to govern us—although that is important—but we are asking whether we will have a country tomorrow or at some not too

distant date. While the shock, uncertainty and anxiety which followed November 15 is the most serious crisis in our country's history, it is well for us not to regard it as the first one. We have had threats before—threats galore—and we should always remember that not all the threats to this nation have been uttered or written in French. We learn that in some parts of the western domain people are a little annoyed if they, too, are not counted in what is called alienation. We should remember that in fact our whole history has been a series of threats. As one of my professors used to say, there is this constant interplay between the centripetal and the centrifugal forces, one which would draw us together and the other which would pull us apart.

● (1530)

Before we began as a country, but after our forefathers began the discussion on the creation of a country, one province—New Brunswick—voted against it. It took clever manipulation to get them on the track so that by 1867 they were willing to come in. In Nova Scotia, the premier made sure that the people did not discuss the issue, did not vote on the issue, nor did the legislature vote on the issue. When confederation came in 1867, Nova Scotia sent a raft of members of parliament to the confederated capital, all but one of whom were dedicated to breaking up confederation. Long after that people in the maritimes could win elections on an anti-confederation plank. So it is not a new situation. But the country pulled together then to resist the storms and weather the anxieties and attacks.

At that time we had very wise men who saw that after you made a country, you had to do something to keep it together. Sir John A. Macdonald saw what I am afraid many people today are not seeing, and some of them bear the same party label as I do. He believed that the whole was greater than the parts and must be greater than the sum of the parts; that a strong central government with reserved power was absolutely necessary because that was the only critical mechanism which represented all the people of the total entity and which had at best the ability to inspire the ideals and patriotism of the people. He did more than that; he launched us on a program whereby we challenged our problems, our difficulties, our history and our geography. He did not mope and grope about internal strains. He set out a broad area of challenge. Perhaps today we are a little too inward-looking.

I have mentioned the past, Mr. Speaker, not because I am so old or old-looking, but I believe we ignore it at our peril. It has been said that a true Conservative derives lessons from the past and the reactionary is bound by them. We are not bound by the past, of course, but we serve ourselves ill if we forget it. I am not here to pretend that I am back in my university classroom. I am not here to administer a history lesson. I am here to express my concern about some of the developments in this country, and often I am a little more disturbed about the reactions to the events than to the events themselves.

I have read where it is said it is not inevitable that Quebec leave; that everything is going to be fine and all will be well in the palsy-walsy world. I would say simply that it is not inevitable that they will not leave. There is no unwritten law that decrees we shall stay together. Much worse than that reaction is the reaction of those who say, "Let them go". That is a shocking, dangerous and, indeed, evil attitude for any Canadian to take. If there is no feeling of togetherness of people who have lived together and shared a country for over a century, then surely there is something terribly wrong.

Another suggestion we get is that Quebec cannot go. This is also dangerous. A state of Quebec would be no mean member of the community of nations. There are many perhaps a hundred—at the United Nations less capable and less viable economically than the province of Quebec. We should not build up illusions, nor should we foster narrow, bigoted attitudes that could be crippling and dangerous. I think it is important that we keep a sense of balance and a sense of moderation.

Another thing one hears is that if there is successful separation of Quebec, it will be followed by withdrawal of other units. This I find to be the lowest common denominator of national faith. Surely, if it should happen—and pray God it will not—that one of our prime members should leave, should not, and would not, all the other members draw more closely together instead of flying off into different areas? So I am not impressed by the suggestion that that would shatter our national dream still further in respect of others following the example. I cannot believe that patriotic Canadians, whether east, west, centre or farther, would believe in such an unworthy suggestion.

We cannot stand idly by and see separatism manipulated or stumbled into by demagogues or ill-advised zealots. It is our duty, to use an old-fashioned word, to keep this country together. I would not for a moment suggest that I am a better Canadian than anyone in this chamber or anyone in this country, but one of my great honours is to represent the cradle of confederation. I represent the place where it all began in 1864—Charlottetown. I do not want to see the dreams of those forefathers shattered in my lifetime. I do not want to see the great entity which they created destroyed in my lifetime or the lifetime of my children.

On the plaque of the confederation chamber in Charlottetown is a typical Canadian attitude, part of a verse from an American writer and part from an English writer, which reads:

> Providence being their guide,
> They builded better than they knew.

I have spent much of my life decrying the denigration of our founding fathers, the unwillingness to recognize them as among the greatest nation-builders in the world. With all the gravity at my command I would like to give my humble views on how we, as Canadian legislators dealing with the matter of federal-provincial relations, which is the essence of the federal system, can deal with something which is so important to us. First, we cannot do it by force. That would be unthinkable and probably impossible, if we were foolish enough to think of it. We do not have to look any further than to Lebanon or

Northern Ireland to see the criminal folly of fratricidal blood-letting.

We cannot do it by fear. We hear it said, "They will never make it alone. They cannot do it economically." That will not help. It is a delusion. I think we can no more solve this situation by balance-sheets than we can by battalions. We cannot do it by confrontation, either. I differ strongly with those who say the best thing is to have a national referendum and let the whole country vote. That would polarize one against the other. We do not need polarization; we need accommodation; we need agreement.

The final thing that concerns me is that we cannot save this country by so diminishing the central government that there is nothing left but a loose alliance of dominion states. To so weaken the central government as to make it meaningless would be a defeat by default. We need to recognize mutual problems.

● (1540)

When I first came to this chamber 20 years ago, the fourth edition of Beauchesne's had been printed. Mr. Beauchesne was not a Scotsman. Members of the House who spoke French only and became involved in procedural arguments—they are difficult enough even when you know the English language—could only use the English version of Beauchesne because it had not been translated into French. It was not translated until 1964 although it was written in 1922. Also, at that time we who were not wise enough or fortunate enough to understand French could not understand what our French-speaking colleagues said because there was no translation system. And all this took place nearly 100 years after the country began, a country which began by saying clearly, as the British North America Act said, that the two languages are equal in the parliament of Canada. If they are equal in the parliament of Canada, would it not be logical to make the whole apparatus on which parliament rests reflect that bilingual equality? There have been great anxieties over the Official Languages Act and its implementation. But part of our trouble today is that we have tried to put right in ten years that which has been neglected for 100 years. We who are Anglophones in this House must remember these things and take cognizance of them.

I agree with much that has been said previously about the need for less bitterness in dominion-provincial relations, about the need for greater accommodation on many matters. I agree with what the Prime Minister (Mr. Trudeau) said a couple of hours ago, that the British North America Act is a pretty fine document. I think it is capable of great flexibility. Nova Scotia, through Joseph Howe, had it changed in a matter of months. Certain subsidies were written in. As I say, great accommodation is possible. I think the old document is fine. But if it be necessary to change the constitution in order to keep the country, let us change the constitution. A certain Protestant French prince once said that Paris was worth a Mass.

[Mr. Macquarrie.]

I think the British North America Act is a fine document, repatriated or not. But surely the country is far greater than the BNA Act. If in the process of bringing about new beginnings and deeper understandings it needs to be changed, so be it. In these days of instant communication, easy transportation, electronic media and sophistication, surely it is easier for us to keep this magnificient, modern country together than it was for our forefathers to structure a union between dissociated, dislocated, remote communities in a primitive age, when there was little certainty as to how great our future would be in material terms. I say our job should be easier. I believe that if we fail in that, if we become wreckers of confederation instead of fathers of confederation, we shall be unworthy of them and unworthy of ourselves.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I welcome the opportunity to speak on Bill C-37, an act to provide for the making of certain fiscal payments and of establishing programs covering financial contributions to the provinces. I particularly welcome the opportunity to speak immediately following my esteemed colleague for Hillsborough (Mr. Macquarrie) for, like him, on June 10, of this year I shall have served this House for 20 years. In that time I know both of us have seen many changes in the country and in the House.

This bill is important and complex and comes before the House when there is much soul-searching in Canada. Scarcely a day passes without members of parliament, presumably of all parties, receiving letters from their constituents asking, "What has gone wrong in Canada? Where did we take the wrong turn in the road? How did we lose our way?" For example, our senior citizens are worried and concerned because the purchasing power of their savings has been eroded to the point where they may be unable to provide for their own physical needs in old age. Our young and middle-aged citizens are frustrated and perplexed by their inability to pay high interest and mortgage payments, by the inadequacy and high cost of housing and by the fear that no matter how hard they work they will never get out of debt. Our young people, to use the vernacular, can no longer "get with it," for the youth of our country represents the largest percentage of unemployed on our unemployment rolls.

We must ask ourselves, what does Bill C-37 do for them and what does it do to alleviate the present crisis in our nation, a crisis which is eating at our very vitals morning, noon and night? Unfortunately, it does little. This bill represents an agreement made between Canada's first ministers last December and attempts to bring about substantial changes in fiscal responsibilities and government programs applying to our two levels of government without seeking any formal amendment of our constitution.

As was said so ably by my leader and other colleagues, especially the hon. member for St. John's West (Mr. Crosbie), the premiers have been quoted as being in agreement with these proposals. But what else could they do? When you have a gun at your head and you need financial help, what else can you do? There was no way the premiers were going to throw their weight around and refuse the bone thrown to them. Since

I realize that Nova Scotia, my own province, needs every cent it can get, I intend to vote for this bill. But the manner in which it was conceived leaves much to be desired. To be frank, it seems to me that more problems of national import are examined and finalized in Ottawa's old railway station than in the House of Commons by Canada's elected representatives.

Apparently this is the Prime Minister's (Mr. Trudeau) concept of co-operative federalism. Unfortunately, the concept has failed and a new approach to our problems must be found if we are to go forward in unity as a nation. Perhaps the Prime Minister's greatest failure in this, our hour of crisis, has been failure of communication. For far too long this elitist, self-seeking, overindulgent government has been practising a policy of confrontation rather than of consultation. We have had confrontations with labour, business, management—with just about every segment of society, in which I include our provincial governments. Today our provincial governments are confronted with a "take it or leave it" attitude in revenue sharing. Our provincial governments are being asked to reduce the cost of their administrations by our pyromaniac Prime Minister who, having ignited the inferno, now asks the premiers to dampen the fires of inflation. This "con" artist has developed a lifestyle at public expense which would put an Arabian oil sheik to shame—a swimming pool, massive staff, Cadillacs—you name it, he's got it! After emptying the public purse to the tune of some $5 billion this year alone, he has the gall to ask the premiers to practise restraint. Some members of parliament seem to be unaware of this government's waste and extravagance. However, a short review of the record will soon establish the facts. According to the tables the hon. member for Westmount (Mr. Drury) presented to this House in 1974 when he was president of the treasury board, tables contained in the pamphlet entitled "How Your Tax Dollar is Spent", in 1967-68 when the present government was elected under the leadership of our present Prime Minister it took less than $10 billion to look after the needs of 20 million Canadians, or about $1 billion for every two million citizens. Now, ten years later, there are some 23 million Canadians. Using the same yardstick of $1 billion for two million citizens our budget should be in the order of $12.5 billion or, if I allow for inflation, about $13 billion. However, as we are all painfully aware, the budget is not $13 billion, $20 billion, $25 billion, $30 billion, $35 billion or even $40 billion—it is in excess of $45 billion.

● (1550)

Is it any wonder that Canadians of all ages are worried, or that the bonds which unite us have become frayed and torn? No nation, no matter how strong, can long survive this type of internal pressure. Just as families start feuding and fighting and breaking up when problems of money, or lack of money, become a central issue, I believe the same is true of the nation.

With the tabling of the estimates for the fiscal year ending March 31, 1978, it is now obvious that it is not the intention of the government to treat the provinces fairly or justly or with due consideration for their economic needs. To realize the truth of that statement all one needs to do is compare the amount earmarked for public works in the Atlantic region with the amount which is spent by the Department of Public Works in the national capital region of Ottawa-Hull. The Atlantic region is to receive some $14.5 million, while Ottawa-Hull is to enjoy the benefit of approximately six times as much—some $87.9 million. Incidentally, Quebec is to receive around $128 million.

The federal energy department and its agencies are to have its total spending trimmed by some $500 million. But how is this to be accomplished? Most of the so-called saving will be the result of a projected $612 million cut in oil subsidy payments to the five eastern provinces. The federal so-called savings will thereby be financed by the people of Atlantic Canada who will be paying more for energy. This is the end result of the government's freeze on expenditures. The only ones who may freeze next winter will be the people of Atlantic Canada suffering under the policies of this administration.

In addition, the citizens of Atlantic Canada will be paying more next year in health and welfare costs since this government plans to cut its contribution to our region by around 2 per cent. It is interesting to note, also, that our unemployed have not been forgotten. The cut in the budget of the Unemployment Insurance Commission is bound to wreak more hardship on an area already suffering from a hopelessly high rate of unemployment. So what will happen? If neither jobs nor benefits are available for our people, we cannot, in all conscience, let them starve. They will have to turn to the local welfare rolls, thus placing a further burden on our municipalities, an elected level of government which has the lowest level of tax sources available to it.

Granted, the government plans to set aside around $286 million for a project designed to create jobs and train those who are out of work. I submit the announcement is not impressive when viewed in the context of what has happened in the past in the field of job-creation and training. In my opinion, what is needed is an entirely new approach to economic growth. In the past, grants have been made to business by a government department following an assessment of the future of the firm concerned. This assessment was carried out by public servants. In effect, the government has decided that public servants can take better decisions in the business world than can the businessmen themselves. This, of course, is nonsense, for if public servants really possessed this kind of expertise they would hasten to establish their own businesses. All the system has done is build up a bureaucracy while adding to the burden placed upon successful business ventures which in the end must provide the tax dollars to the government.

I believe the government should provide encouragement for businessmen to start new enterprises without direct government interference. One way to do this would be to establish a standard grant formula under which any firm setting up or expanding an enterprise would be entitled to assistance amounting to a certain percentage of the costs up to a fixed maximum. The government's role would only be to determine that the criteria specified in legislation were met by the

participating firm. The grants would then be automatic. There would be no need for an army of bureaucrats trying to assess business factors. The evidence that a businessman, or a group of businessmen, showed willingness to risk capital in an endeavour would be taken and accepted as an indication of a favourable business assessment.

There is another method which might be used. The government could provide a tax incentive, something which would require even less bureaucracy. What I have in mind is a proposal that any person investing equity capital in a new or expanding business could write off a certain percentage of that amount against tax liability. The government would share the risk, as it does now, with a grant but under my plan the business decisions would be left to the private entrepreneur. Such an approach would be even more helpful to our young people with new ideas. They would be able to attract equity capital from other citizens, each of whom would make his own assessment of the viability of the project. Additional business judgment would thus be brought to bear on each new enterprise, adding to the probability that the business would be successful.

There are, undoubtedly, other equally valid proposals that could be made, but the key element in my suggestion is that the government would no longer be making business judgments and assessments. I submit that business assessments are not the function of government. This is, and must, remain the function of private enterprise if our system is to survive. I am not saying that the government should wash its hands of the entire matter and get out of the field of economic growth. What I am suggesting is a change in the government's role. The government can create the environment in which private enterprise, big and small businesses, can flourish. Experience over the years has shown that businessmen, if given half a chance, will start a new enterprise or expand an existing one if they can see a profit in so doing. I know, because I am speaking from experience.

The government can help by providing information on markets foreign and local. In fact, businessmen respond to opportunities for making a profit, and profit is only possible if goods or services can be sold. The federal government could provide some of this market by moving more of its government offices to areas of high unemployment such as the Atlantic region. In addition, the federal government, with its vast, persuasive powers, could help encourage the large labour-intensive administrative head offices of our insurance companies, trust companies, banks and labour organizations to locate in slow growth or high unemployment areas. This was not feasible in the past, but today we can communicate within seconds with men on the moon, or a spaceship on Mars—so modern communication systems make it possible to locate head offices anywhere in Canada.

In addition to these proposals, the federal government simply has to continue its equalization and transfer payment programs. These have been the main instruments for improving our business environment in the past. In my opinion, these programs should not be reduced at least until more positive economic conditions in our area have been created.

[Mr. Crouse.]

Throughout my remarks I have endeavoured to relate our present national plight to our economic plight. I believe that if steps are taken along the lines I have proposed to strengthen our economic situation we will at the same time strengthen our national unity. From the letters I receive from my constituents, it is obvious that they and the vast majority of people in Canada are concerned about the current political health of our country. There is pessimism throughout the land that I find unrealistic and defeatist in its attitude.

● (1600)

It was Sir Wilfrid Laurier who said that the twentieth century belonged to Canada. I, for one, believe he was right. However, if we are to get on with the task of nation-building, we must rekindle our faith in our national destiny. Our very survival as a nation has been because of our diversity. Each of us has inherited, and has been enriched by, the contributions made throughout Canada by a number of cultural groups. Today, I believe that each of us as individual citizens must develop a new sense of personal dedication and participation in the future of our country. The preservation and the development of Canada must be beyond political parties, beyond factions and beyond selfish interests. In my view, it must be done through the wholehearted co-operation of Canadians of all political views, all languages and racial origin.

Without this commitment on the part of the individual Canadian for his country, and for the ideals for which it stands, without the direct participation of individual Canadians in the decisions that will seriously affect this nation's future, the decisions unfortunately will be made by competing provincial governments, self-seeking politicians and a few powerful special interest groups. This simply must not happen. The job of reaffirmation to Canadian ideals, the job of reconfederation—that is the task that faces us—will have to be done within Canada and by all Canadians. It is a job that cannot be done by the temporary managers of our society. It is a job that will be done, a job that must be done, by the owners of our society, namely, the citizens of Canada.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I shall confine my remarks on this complex bill to two or three phases which I believe are the most important, at least in principle; namely, what the government is doing in terms of financing in the health field. In a general way we support the thrust of the government's legislation in this regard. Since I came to this House I have been of the opinion that the federal government should by and large not be involved in the financing of health, welfare and post-secondary education, at least to any massive degree. Rather, this should be done by the provinces and returned to them at the earliest opportunity, with appropriate tax concessions.

I think this practice is a monster which has been built up largely at the instigation of the federal government. I remember that in 1969 the Weir government in Manitoba, the last Conservative government in the province, tried to negotiate

with the federal government some type of control over medicare which would not be onerous to its citizens, yet were rebuffed by the federal government. We now have a quite massive program which has to be curtailed. I also believe that these financing programs have been one of the main causes of the threatened break-up of confederation because of their economic effect.

Before the advent of shared-cost programs in the field of health, welfare and post-secondary education Canadians lived with a great deal of national identity. In view of the affluence of the times it would appear that these programs should have brought Canadians closer together, whereas in fact they have separated them. Having been given vast sums of money to spend on health, welfare and education—and since 20 years ago each community has been largely responsible for its own level of education, medical and hospital care—this has now become the responsibility of the distant federal government. Even 25 years ago 80 per cent of local education costs up to university level was raised from property taxes, and virtually all Canadians paid for their own doctor and hospital care either out of their own pockets or under a plan from which they could draw no more than they had paid in by way of premiums. The shared-cost programs under which the federal government paid 50 cents on the dollar encouraged great expansion of the health and welfare fields, as well as education. Indeed, if the amount spent on health and welfare by the federal government were taken out of the budget, the budget would be quite manageable.

It is often thought by Canadians that their economic problems are unique, whereas in fact they are largely problems experienced in the English-speaking world. They are problems largely invented by Canadian public opinion and policy in the frequent and fallacious Canadian attempt to arrive at a national identity by perpetuating mistakes made by the two larger nations that we most envy and resemble, at least in our social structure, namely, Great Britain and the United States.

The central problem is the runaway welfare state whose Canadian identity is closer to that of Britain than the United States. One of the main problems was the adoption by the Canadian government of the Marsh report, a report written by Leonard C. Marsh in 1943 on social security in Canada. It was patterned after the Beveridge plan and it rested on the assumption that "cradle to the grave" social security would not undermine but would, instead, reinforce the traditional personal and social values of self-reliance and devotion to hard work. It was not realized that as new generations replaced the old and as people became used to the welfare state they would regard social security as their due; that work was only a means of qualifying for such, or a source of discretionary income and that in fact this discretionary income would increasingly not be worth working too hard for since it would be heavily taxed for the benefit of others.

Along with the social benefits of health and welfare, the commitment of the government to maintain high employment assumed that people would remain grateful for the employment and would not take advantage of the guarantee to seek higher wages, either by exploitation of monopoly power by powerful unions or by shifting part of the burden of taxes to other shoulders.

Inherent in this legislation is a discussion on where education is tending to go. The emphasis on the democratic right to free higher education has meant keeping a large part of the population in school during the period of young adulthood, where previously it would have had to start a career with reasonable lifetime prospects. This would not be so bad if school is serious hard work which drives a student to acquire useful productive skills. But in the three English-speaking nations I referred to, the self-fulfilment ideas of the teacher and the minimum effort objectives of the students combine to produce an incipient labour force that is well prepared to consume income and well-schooled in administering a job but has frequently missed the experience of exerting one's abilities to the limit in mastering the work involved. There is an important difference in the conception of the old idea of working and the modern idea of having a job.

The extension of the generous state-financed pensions to the retired is most widely acclaimed on the basis that it was the least objectionable aspect of the welfare state because it recognized that many old people could not work and could not fend for themselves. The advent of the old age security, the guaranteed income supplement and the Canada pension, plus the scourge of the elderly—the great fear that a man would be unable to care for himself, to pay for his drugs, for hospital care and for his doctor—has removed from the citizen the requirement of savings, retirement funds and pensions which have contributed substantially to the inflationary pressures that are now upon us.

• (1610)

I have often said that it is not necessary to have nearly the personal savings now as it was a few years ago, and the consuming portion of old age is not nearly as important as it was. For these people the problems of health are paramount. Earlier retirement and increasing attention to young adults programs are increasingly dividing the population into two groups of consumers, one young, one old, supported by an in-between adult group of producers carrying a heavy burden of taxation.

The most important features of the enormous government increase in expenditure are in the field of health, welfare and education. With the advent of the government-sponsored plans, costs have escalated enormously. Certainly, the government of the sixties that instituted these plans must bear a great deal of criticism for the state of our economy. Much of the thinking on entering these state-run plans was misdirected, but entirely understandable. I cannot help thinking of a clause or manifesto of the British Labour party which suggested that all sickness was the result of inadequate medical care. The paper debated by the Labour party permitted the idea that through better medical care the need for hospitals would gradually dry up and they could be closed. Indeed, modern medicine that reduces death and illness in earlier life only prolongs the

lifespan so that the degenerative diseases of heart, cancer and plain old age bring the medical problems of the individual to much greater importance, and the financial obligations of the state are immensely increased.

The BNA Act, as I understand it, gave to the provinces health, welfare and education, and they should return there as quickly as possible. In my opinion, the so-called equality of medical and hospital care is highly overrated. An analysis of hospital care shows that it is becoming rigid. Hospitals are being run for the staff and the administration, with the patients being of secondary importance. They are only necessary to keep jobs for the staff. If one studies the hospital policy, it is obvious that the number of people actually involved in the care of patients is not a great deal more than what it was when patients paid for their own care. The great expansion has been in the ancillary and the administrative spheres. Many jobs in the periphery of hospitals are hard to justify. Mostly the problem with these programs is that there are no guidelines, no limits that may be reasonably imposed on medical, hospital and educational institutions. There are always new and endless programs that will benefit some in the community and certainly some that one has to consider as very worthwhile. It is very difficult to give up a program once instituted. It is always easier to try to start another program.

With the provinces having to finance and run their own programs, we can expect to have more efficiency and more innovation. There should not be the same drive to innovate new programs merely because some other province had them and that province needed them in order to save face. Perhaps the provinces, in turn, will involve once more local governments and even voluntary groups in the administration and financing of hospitals and medical care. The smaller the political unit, the much better the spending power used. It seems to me that municipal government gets more "bang for their buck" than the provincial government, and the provincial government seems to spend better than the federal government, at least in productivity for the amount of money spent. I believe that the federal government must negotiate in good faith. It must return these programs to the care of the provinces. I come from a province that receives some money. I understand that on balance the province of Manitoba neither gains nor loses much in the exchange.

The question of unity has been touched on in this debate by many people, most pointedly by the Minister of Finance (Mr. Macdonald). The election of Mr. Levesque has once more brought the country to considering the constitution and the make-up of confederation. Now that Quebec has forced the issue, the country cannot go back again. Suffice it to say the new mood in Quebec and in the other provinces has shifted dramatically against the federalism of the Prime Minister (Mr. Trudeau). Now, in 1977, if the issues are debated more calmly I think they are more dangerous. For the past number of years the government's very narrow and bilingual policies, which was the approach to Quebec nationalism, have increasingly come to be disputed and distrusted by English Canada, and growing skepticism of the value of Ottawa's bilingual policies and the independence of Quebec has become a subject of consideration. If the country is to avoid political disaster, it needs the good will of English-speaking Canada.

[Mr. Ritchie.]

It is doubtful if this government has the capacity to meet this crisis. If they had a policy and if it was aimed at anything, it was at preventing the Parti Quebecois from coming to power. However, the Parti Quebecois is now in power and Mr. Bourassa is studying arrangements for the Common Market in Brussels. Obviously, Ottawa's Quebec policy has failed. How can it be expected, unless that policy is changed, to overcome the PQ in power, and can this government, with its tight commitment to the central role, shift its faith and perspectives sufficiently to meet the changed circumstances? If there is to be a national policy capable of coming to terms with Quebec nationalism, it must be one which represents and asserts the will of English-speaking Canada to live for itself also as an independent community. If Quebec is to be granted the choice over its destiny, there must be a collective future awaiting the provinces and territories that remain. Will these diverse provinces be able to live together? The government has been in office a long time and it has a massive federal bureaucracy to back it up. If a federal government, made up of half of its members from the province of Quebec and one-third of its cabinet ministers from that province is unable to prevent the election of a Parti Quebecois government, then one has to conclude that the electorate, in electing Mr. Levesque, represents strong feelings on the part of the Quebecois.

There are those in the federal cabinet, including the Minister of Finance, who have suggested that provincial premiers who join Quebec in a united front during federal-provincial conferences make themselves accomplices to the PQ cause. The Prime Minister has said that the federal system is untouchable—"to abandon it now would be a sin against the spirit, to sin against humanity". These are hardly words by which politicians would be ready to enter an open and reasonable discussion on constitutional changes.

The province of Quebec has set its sights on independence, while Canada seems to be failing to search for the appropriate language, constitutional devices and the mechanism of change that will guide us. We have to respond to the challenge of Quebec with prudence and thought. All seem agreed that the new shape of things must envisage more independence for the province of Quebec. But what forms remain for the rest of the Canadian confederation?

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, I did not intend to participate in the debate on Bill C-37. However, having listened to hon. members put forth their views and then using the bill as a springboard to discuss the whole question of Canadian confederation, and what has taken place in the last two days, I am moved to at least say a few words on this question. I can promise Your Honour that it will not last six hours.

• (1620)

We in this party oppose Bill C-37. We have argued that, in effect, once it is implemented, the poorer provinces in this

country will suffer as a result of it and will feel the effects even more severely than the wealthy provinces which can sustain that sort of impact. But more than that, since this bill comes at a very important time in the development of the history of Canada, one thing that concerns me greatly is the colonialist mentality which we as Canadians still seem to have.

I recognize the fact that the Prime Minister (Mr. Trudeau) was following the long tradition of potential actors and performers who have to go to the United States to become successful and who then bring back their success to Canada. While I recognize the quality of his speech, I would have appreciated it far more had it been made in Canada to Canadians, because in effect the problems facing us as Canadians today must be solved by Canadians. We are the ones who will have to solve the problems, instead of running to Big Brother in the hope that Big Brother will help us in this game to solidify Canadian unity. It seems to me to be betraying a colonialist mentality which we have not yet outgrown. I refer in particular to the comment made by the Primer Minister at the press conference when he said:

> The greatest threat to the United States is the disintegration or the break-up of Canada.

It struck me immediately, as I read it, as being a tacit invitation to Big Brother. Here is the Prime Minister, the leader of a country, saying in effect to our neighbour that their security depends on Canada being united. So if, for example, Mr. Levesque and the Parti Quebecois are seen as endangering that unity, it is not beyond the realm of possibility that all sorts of agents, agents provocateurs, CIA and other characters will want to invade this country in an effort to destabilize the situation in Quebec. Indeed, it is an open invitation to American investors to stay out of the province of Quebec, thus creating a situation of hardship in Quebec so as to bring the people of that province to realization of the error of their ways and so as to convince them not to support separation in any referendum.

I say that the people of Quebec made their choice, and they had the democratic right to do so. I think it really puts me down as a Canadian when the leader of my country goes to the capital of a foreign country and makes a press statement in which he says, in effect, "Boys, the greatest threat to the United States of America would be the break-up of Canada".

Mr. Malone: Speak on Bill C-37.

Mr. Rodriguez: Since we are discussing the whole question of Canadian unity in Bill C-37—and the Tories have done it also, in spite of their catcalls—it seems to me it is only fair for us to put our comments on the record. I believe, since other members have expressed their views on what they want for Canada, that I should express mine—as a naturalized Canadian who was not born in Canada—namely, that I stand for a free Quebec, just as I stand for a free Ontario, a free Manitoba or a free Saskatchewan. The only way that can come about is for Canada to be free. From my ideological perspective, we should have a free socialist Canada because, in my view, that is the only way in which Canada can guarantee the cultural rights of all groups within Canada and of all provinces.

I hear giggling on my right, but the fact remains that foreign ownership in Canada is still a great threat. What is the good of coming through the other struggle as a united Canada when, in effect, we have no control over our consumer patterns and no control over our own culture, when the culture we have is by and large a foreign culture and when our standard of living is based on what is happening in the United States so that when they have a tough time we have an even tougher time. We must be able to say to Canadians that we want a free and independent Canada, but that to achieve it we will have to make some sacrifices. Yes, we will even have to be prepared to accept a lower standard of living as we try to achieve some economic independence and, we hope, the cultural independence which will follow.

What we have done is, in effect, to give up that whole fight. There was a great froufra about foreign ownership in this country, so we brought in the Foreign Investment Review Act. I have received reports which state that six out of seven applications for take-overs are approved. As parliamentarians, we never see the basis for an approval or a rejection of a take-over. We see the spectacle of provincial premiers running to the boardrooms in foreign countries begging them to invest in their provinces.

Coming, as I do, from a colony and having seen the republics in the south and how they develop, I know that the investors will come in, but they will come in for a price, which is the loss of sovereignty. You lose the right to direct the way your country will eventually develop. To me, that is very important. That is an argument which we have to make in Canada, and the Prime Minister and those of us who are committed to an independent, united Canada must attempt to convince Canadians that there is a benefit in being in Canada which is united and independent, in spite of what it might cost us in terms of our standard of living.

I wanted to put those few remarks on the record because I think they are very important. They have been running through my mind since the Prime Minister's speech in the U.S. Congress and his press conference in Washington, and because everybody is basking in some sort of aura, saying to themselves, "The American senators love us. Aren't we just great? We have really come of age." Quite frankly, what the American senators think and do is their business and they have the right to run their own affairs, but I think we should balance out the picture because we are getting carried away and are basking in the euphoria of the success of the great speech made in Congress.

Mr. Blackburn: It was not great. It was good.

Mr. Rodriguez: But everybody is saying it, so we should look at it in a critical way and see it for what it really is. I would have been much more impressed had the Prime Minister set aside a day and made such a speech in the House of Commons. The House could have agreed to bring in the television cameras and it could have been televised in prime time across

Canada. Of course, we would have had to be careful that it did not conflict with "Sanford and Son", or "Chico and the Man"—but we do not have control over that. The Prime Minister could have led off the debate in the House on where we go from here and how we go about ensuring independence. From our own perspective, we would have argued for an independent socialist Canada because that is the only political entity which can guarantee Quebec or any other province its cultural rights and other aspirations.

● (1630)

[*Translation*]

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that I have received the following communication:

Government House
Ottawa

February 24, 1977

Sir,

I have the honour to inform you that the Honourable R. G. B. Dickson, LL.D., D.C.L., Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 24th day of February, at 5:45 p.m., for the purpose of giving Royal Assent to certain bills.

I have the honour to be,
Sir,
Your obedient servant,
Edmond Joly de Lotbinière
Administrative Secretary
to the Governor General

GOVERNMENT ORDERS

[*English*]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND ESTABLISHED PROGRAMS FINANCING ACT, 1977

MEASURE FOR MAKING CERTAIN FISCAL PAYMENTS AND OF ESTABLISHED PROGRAMS FINANCING CONTRIBUTIONS TO PROVINCES, ETC.

The House resumed consideration of the motion of Mr. Macdonald (Rosedale) that Bill C-37, to provide for the making of certain fiscal payments and of established programs financing contributions to provinces, to provide for payments in respect of certain provincial taxes and fees, and to make consequential and related amendments, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I want to say just a few words. I want to congratulate the hon. member for Nickel Belt (Mr. Rodriguez) on his remarks. His remarks can be echoed by all hon. members from northern Ontario. We do not have quite the same attachment to our provincial government that there may be in other parts of the country. The hon. member indicated that he chose to be a Canadian. Many of us did not have that opportunity: we were born here and perhaps we look at things differently.

[Mr. Rodriguez.]

I suppose in a parliamentary system I should not have been surprised, but I was yesterday when the Prime Minister (Mr. Trudeau), the leader of the Liberal party, returned to this House. I was surprised because the Liberal members separated themselves from the rest of the members of this House. The Prime Minister did not go to the United States as the leader of the Liberal party; he went as the Prime Minister of Canada. Therefore, he was also my Prime Minister in that function. While I disagree with him on many matters, he did represent me and spoke for me and I was proud of the ability he has to speak for me.

Some hon. Members: Hear, hear!

Mr. Peters: Our parliamentary system is an adversary system, but there are times when we should be united. Perhaps this is one of the problems we have. For years the various provinces have been getting back money which the federal government has collected in various ways. During the war the federal government put a lot more money into its coffers than the provinces would have been willing to give it at any other time. Since then the government has been giving some of it back. But it is sad that when the federal government gives money to the provincial governments, the provincial governments are always expected to accept that money as if it were theirs alone. We have never really told the people of Ontario, Quebec or any of the other provinces that half the money which operates hospital plans is Ottawa money. That is federal money collected from all the people of this country and it is distributed to the various provinces. Fifty per cent of it comes from the federal government.

Mr. Malone: Which taxpayers?

Mr. Peters: All the taxpayers. That is really the point. I presume the hon. gentleman would like to separate the taxpayers of the various provinces. They make contributions to Ottawa and the government goes back to an arrangement. Through discussions, those arrangements are agreed to by the parties. This time they were not.

There has been a desire on the part of the federal government to limit such things as hospital costs, medical costs and post-secondary education costs. The federal government pretty well took a unilateral position. It is true that the provinces were there and agreed, but most of them did so because the Minister of Finance (Mr. Macdonald) said that the deadline was March 31. He told the provinces that the federal government had to have this agreement by then or they would not get any, and that from then on they would get only what the federal government wanted to give them.

I talked to a young French Canadian chap the other day and asked him if he really felt he was a Canadian or if he felt his nationality was that of a Quebecker. He said that he was a Quebecker. However, he said that it was funny, but his mother does not feel that way. I asked him why, and he said it was for the simple reason that his mother gets her old age pension cheque from Ottawa, that she looks to Ottawa as being the central government and that she has a relationship with it. I asked the young fellow whether that meant his mother has a Canadian attitude. He said, "No, just Ottawa, because the money comes from there." However, that money is Canadian money, put in by all the provinces and redistributed. That is really what federalism has been all about: the strong areas help the weak areas.

I come from the richest province of Canada, the province of Ontario, and yet the area I come from has some of the most abject poverty in the country. The poverty in northern Ontario is worse than the poverty in many of the smaller provinces which we consider to be have-not provinces. We have that poverty because there is not really any redistribution. In areas like that we count on redistribution by the central government operating on behalf of all the people. However, we should tell everybody that. We should tell them so they know Canada has some meaning to them and so they can relate. They would then know when they drive over the Trans-Canada Highway that half its cost is paid for by people in other parts of Canada. We should tell them that when they go to the hospital, half the expenses are paid by the federal government. The federal government also pays half the cost of all medical plans.

We should not have a situation where there is a Quebec Pension Plan and a Canada Pension Plan. We should have one pension plan, and that plan should be for the benefit of all Canadians regardless of where they live. As long as there has been a Liberal government or a Union Nationale government in the province of Quebec there has always been a willingness on the part of the federal government to treat Quebec differently. My party has been no different. We have considered the idea of a special status; we have considered the two-nation theory; we have tried them all. What we should really have been trying to do was develop Canadianism. That idea has never really been adopted because of the way money is given to the province of Quebec.

Many times in this House the former leader of the Social Credit party of Canada, the late Réal Caouette, spoke about the educational system. He used to say that our educational system should be directed toward developing a Canadianism which would enable all Canadians to feel at home in all parts of the country. He agreed with the suggestion which was made by other people—a suggestion I agreed with for a long time—that the only way to promote unity in a bilingual sense would be to put money into the elementary school level in Quebec and every other province.

That should not be done by force, however, because if it is we are going to lose one province or another. It should be done in such a way that everyone at the elementary level in Canada could have the advantage of learning two languages. That is the only difference there is between Canada and the United States. The United States adopted the melting-pot system whereby everybody became American and spoke English. We have had two languages in Canada for 300 years. We have allowed the use of those languages, where possible, in all government departments. But, Mr. Speaker, we went further than that; we allowed a lot of other languages. In Ottawa schools probably four or five different languages are taught. I know many young people who have gone to public school after the regular hours to learn the language of their parents, and there is nothing wrong with that. It has helped us develop our Canadian identity. There is nothing wrong with the bilingualism program itself—just the slavish position taken by the government on providing bilingualism by force to civil servants when it should be voluntary and available to everyone.

● (1640)

I watched a program in Ottawa recently about a fight over bilingualism in an Ottawa school. The fight was not about bilingualism in the particular classroom but about whether there would be an influx of other children to that school and then the bilingual children would have to be removed and sent to a school a mile and a half away. It should be easy to solve that problem by making bilingualism available in all schools, surely. The price may be that the federal government should put up the money for bilingual education.

I would also want to make bilingual education available in every school in Quebec. I am not in favour of asking everyone else to be bilingual and leaving Quebec unilingual, and I do not think that is the wish of the majority of the people in the province. It has certainly never been the practice in Ontario. The people I represent are 30 per cent French-speaking and about only 100 of them are not fluently bilingual.

The federal government should co-operate with the provinces and provide the money for bilingual training. It seems to me that, as one hon. member said, the government has always treated this matter in the old "union station" manner rather than in parliament. It is like one horse and one rabbit; when the government starts negotiating with the provinces, what weapon have the provinces got? The federal government has the money, and the provinces ask for their share but they have to take whatever is given to them. Over the years they have been able to get a few concessions, but all of a sudden the government says, "We do not have that kind of money now to meet all the 50-50 plans for health, medicare, post-secondary education and some other projects, so we are going to put on a ceiling and change the rules." How do provincial premiers or ministers of finance go to the old Union Station and say, "There is no way you are going to do that to us?" In the last round of negotiations they were told to take it or leave it, and if they did not take it by the end of March a decision would be made for them.

I would not object to the federal government making that decision unilaterally provided they said so and were willing to designate what they were paying the money for. We have to develop an attachment to the Canadian idea, to the Canadian

people and to the Canadian government, Mr. Speaker. The kind of exercise we saw yesterday is divisive. It is not designed to unite; it is designed to divide.

When a cabinet minister gets up in this House and says things have to be their way, or no way, that the only salvation we have is one particular individual and he cannot see any other solution to the Canadian fabric remaining as is, then it seems to me we really should look at where we have been, because we obviously have not been in the right place or the problem would not have developed.

There have been a number of good speeches in this debate, except my own—

Some hon. Members: No, no.

Mr. Peters: —on what all of us feel very strongly about. I think it is true that, like myself, many Canadians do not have a provincial attachment. I come from northern Ontario and I have no attachment to the province of Ontario. I usually dislike Ontario—if you call it Toronto, I dislike it very strongly. There are a number of people I can speak for in northern Quebec who feel exactly the same way about Quebec City as I do about Toronto. It seems to me there are common bonds—places where we are stronger as Canadians than we are as provincials. We should be working toward that end. There have been a number of good speeches and I think that indicates that not all the wisdom is on one side. Although our Prime Minister may have had 20 people writing the speech which we all congratulate him on, he might have done better if he had taken the ideas of some of the other people who feel as strongly about this matter as he does, and represented a Canadian position, not necessarily the position of the Liberal party.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker in joining in this debate I should like to touch on three basic themes. I should like to touch, first of all, on the fact that I believe—and many of my colleagues believe—that it is important in Canada today that there be a restructuring of the levels of government and their responsibility. Second, I should like to touch on the unfortunate urban transit reneging that has taken place at the federal government level. The commitment given to the Canadian public in 1974 to spend $290 million to assist municipalities and provinces with their urban transit needs has been reneged. I should like to give some further details of the implications that has for certain provinces, in particular my own province of Ontario. Third, in this general discussion I should like to look at what has happened with respect to federal government expenditures, what has been the restraint shown at the federal level, and to what degree has the federal government simply loaded on to other jurisdictions a still heavier load as far as financing needs are concerned in future than has been the experience for those municipalities and provinces up to the present time?

Dealing first with the topic of restructuring, I believe that most members of the House would agree that the day is coming when the Canadian public, Canadian taxpayers—who, after all, foot the bill whether it is municipal tax, provincial or federal tax—will insist that there be less duplication, less overlapping of governmental services than exists today. I think the federal government could take the lead in inviting the various levels of government to some type of conference where this overlapping could be reviewed.

Let me cite some examples where, surely, it would be fruitful to have discussions between provincial and federal governments to see, for example, if the overlapping cannot be restructured by either leaving a program or department at the federal level or leaving it at the provincial level—but, in any event, not allowing the programs to be duplicated at so many levels of government as is the case at the present time. In talking to municipal and provincial officials I have found that the situation is at the point where it is literally counterproductive. For example, officials of the Department of the Environment in Ottawa draw up plans and make proposals for solving environmental problems, but they find that there is a similar bureaucratic structure at the provincial level. The two sets of bureaucrats seem to spend most of their time debating with each other whose plan is correct. In the meantime, nothing is done to solve the environmental problem. We find that the hiring at the federal level of relatively senior bureaucrats at relatively high salaries triggers the hiring at both provincial and municipal levels of high price bureaucrats who do jobs similar to those of their federal counterparts, the idea being that the two levels of bureaucracy can deal with one another on an equal footing. But the sad part is that the taxpayers of the country, whom we have the honour to represent, must pay for this relatively non-productive activity.

• (1650)

Mr. Malone: Hear, hear!

Mr. Stevens: I say we ought to examine certain programs with a view to seeing what structural changes are needed. Surely we do not need similar structures at both the federal and provincial levels. I have in mind, for example, research and development programs relating to agriculture. There must be less overlapping of such programs. Is it necessary year by year to increase the size of the federal Department of Agriculture when that bureaucracy must oversee and direct ever decreasing numbers of farmers? Surely that is another example of Professor Parkinson's dictum about the growth of bureaucracy.

I could mention other programs in which there is considerable overlapping at federal and provincial levels, programs to do with insurance, loan and trust companies, corporations and securities. Bill C-16, now before committee, deals with the so-called better protection of this country's depositors and borrowers; yet we are finding in the committee that many of the provisions of that bill are nothing but poorly-worded versions of laws already standing on the statute books of most of our provinces. We are proposing to subject business to these further regulations and costs. Why? Why can we not clear away this underbrush of legislation, do away with this overlapping of jurisdictions and provide Canadians with efficient

government? The same point can be made with respect to matters of culture, heritage and sports. Why can we not streamline our methods and avoid duplication and overlapping?

I come now to the question of housing. Surely our high cost of housing stems from the fact that four levels of government, four jurisdictions, are involved in deciding whether a house can be built on a certain lot. Those jurisdictions are the municipal jurisdiction: sometimes, in some areas, the regional jurisdiction, the provincial jurisdiction and, finally, the federal government. The federal government has some say with respect to housing developments which may be under consideration. We must direct our attention to these questions and I am disappointed because there has been so little debate in this House on the important subject I am raising.

I raise another point. This government often pays lip service to the need for greater productivity in industry. But could we not increase our productivity by making the government less non-productive? For example, in the field of industrial development and trade promotion do we need overlapping activities? Do we need, in our international activities, the sort of duplication in consulting, information services and direct lending which now exists? Surely it is worth taking a fresh look at the subject with a view to seeing if we cannot simplify our procedures.

There is considerable overlapping of activities in the field of energy conservation. Actually, the activities of one department of government may run counter to the activities of another. Such lack of co-ordination is counterproductive. As well, one level of government may do something that from the viewpoint of another level of government is counterproductive. Certainly, the efforts of various levels of government to conserve energy are often counterproductive. In addition, we must streamline our programs of manpower training, unemployment insurance, services to immigrants, communications, research and statistics. I choose those programs since in those areas the federal government could well take the lead in providing more efficient services for the taxpayers we represent.

My second point is this. If we are to create a climate of confidence as between provincial and federal governments, a climate which is essential if there is to be a meaningful restructuring of programs, we must make certain that there is a greater degree of trust between provincial and federal levels of government. Here I raise something which is absolutely shameful. The federal government gave the provincial government of Ontario an undertaking with respect to the purchase of urban transit equipment. The Ontario government, on the strength of that undertaking, went ahead and arranged for the building of that urban transit equipment. Now that provincial government finds that the federal government is reneging on that commitment. That is absolutely unacceptable.

Mr. Macdonald (Rosedale): Mr. Speaker, I rise on a point of order. I apologize for interrupting the hon. member for York-Simcoe (Mr. Stevens), but there have been some discussions among the parties on this matter. Since private members' hour would be shortened by the royal assent at a quarter to six, I wonder if there might be agreement to dispense with private members' hour today, to continue with the present debate and allow the hon. member for York-Simcoe to continue his speech this afternoon.

The Acting Speaker (Mr. Ethier): Order, please. Does the House agree unanimously to dispensing with private members' hour?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Ethier): Pursuant to Standing Order 40, it is my duty to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Surrey-White Rock (Mr. Friesen)—External Affairs—Cuba—Suggested reconsideration of relationship in view of support of Rhodesian guerrillas; the hon. member for Nickel Belt (Mr. Rodriguez)—Manpower—Practice of supplying workers to companies whose employees are on strike—Government position; the hon. member for Kootenay West (Mr. Brisco)—Environmental Affairs—Arsenic pollution in Yellowknife—Discussion between minister and health minister prior to establishment of study group.

Does the House give unanimous consent to continuing the debate which was just interrupted by my announcement concerning the adjournment debate?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND ESTABLISHED PROGRAMS FINANCING ACT, 1977

MEASURE FOR MAKING CERTAIN FISCAL PAYMENTS AND OF ESTABLISHED PROGRAMS FINANCING CONTRIBUTIONS TO PROVINCES, ETC.

The House resumed consideration of the motion of Mr. Macdonald (Rosedale) that Bill C-37, to provide for the making of certain fiscal payments and of established programs financing contributions to provinces, to provide for payments in respect of certain provincial taxes and fees, and to make consequential and related amendments, be read the second

time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Stevens: Mr. Speaker, I was touching on the government's reneging of its promise with regard to the purchase of certain urban transit equipment. That question, I suggest, merits some further investigation in this House. May I also touch on the extent to which the government's estimates as tabled in this House early last week show evidence of government restraint, or to what extent did the government create the illusion of restraint which is non-existent? To what extent did the government transfer a great bulk of its expenditures to other levels of government? Hon. members will no doubt recall that the former minister of finance, Mr. John Turner, said on June 23, 1975:

> The government proposes to set an example of restraint . . . by imposing strict control over its activities and programs.

With those words, the former minister of finance began a publicity offensive designed to convince Canadians that the federal government was serious about reducing the growth rate of its expenditures and was leading the way in restraint. On Wednesday of last week the President of the Treasury Board (Mr. Andras) tabled the main estimates of federal spending for the fiscal year ending March 31, 1978. These estimates were the second set of main estimates tabled since Mr. Turner's statement. The effectiveness of the restraint program since then is best indicated by the fact that proposed federal budgetary spending, as measured by the main estimates, will be $8,934 million greater than at the time of Mr. Turner's statement—an increase of 27.7 per cent in two years. If restraint has been practised, it has not been apparent.

● (1700)

The latest set of main estimates appears to be a model of moderation, in them the government proposes to increase budgetary spending by only 7.1 per cent over the main estimates of fiscal year 1977. But as the figures will show, once again restraint has been more cosmetic than real. Once again, the positive signs of spending moderation are awash in a sea of extravagance.

The greatest single item of what the administration calls restraint has been achieved in the area of grants, contributions and transfer payments. This area of expenditure is forecast to grow by only 1.1 per cent compared to the 1977 main estimates. I point out that it was to these areas of expenditure that ministers formerly appealed when pleading that further restraint was impossible. The record shows, however, that restraint is indeed possible here, for reasons which I shall describe.

As a matter of fact, all transfer payments, subsidies and public debt payments show a considerable moderation in growth. These items formerly deemed uncontrollable, together grew by 3.5 per cent between the main estimates of 1977 and 1978. But where expenditures are more readily controllable, no such moderation is in evidence. The operating and capital expenditures of all departments and agencies are forecast to increase by 14.5 per cent over the same period—a rate more than double that about which the President of the Treasury Board was gloating last Wednesday when he brought these estimates down. When the former minister of finance argued that federal spending controls would be "giving a lead to others in the exercise of restraint", apparently what he meant was that others outside the federal bureaucracy should bear the burden of restraint so that the bureaucracy could maintain the profligate style to which it has become accustomed.

[The Acting Speaker (Mr. Ethier).]

In percentage terms, the planned increase in the number of people employed in the federal public service appears quite small. The number of man-years authorized by the Treasury Board, which excludes military personnel and employees of Crown corporations, will increase by 0.6 per cent from the main estimates for 1977 to 1978. While a marked reduction from the spectacular rates of growth of previous years, a 0.6 per cent increase still means that an additional 2,081 man-years have been authorized for 1978. Further, the rate of increase of planned continuing employees—permanent employees—is 1.1 per cent over the same period, so 3,137 permanent employees will be added in fiscal year 1978.

The discrepancy between the rates of personnel expansion for permanent employees and those for authorized employees reflects a declining proportion of part-time and casual employees as well as a greater ability and willingness of departments to allocate more salary funds to permanent employment. The development is the continuation of an established trend. On a main estimates basis, in fiscal year 1974 the proportion of permanent employees to authorized employees was 90.2 per cent; in fiscal year 1975, 91.6 per cent; in fiscal year 1976, 92.6 per cent; in fiscal year 1977, 93.0 per cent: and in fiscal year 1978 this proportion will rise to 93.4 per cent.

The number of employees involved in this shift to permanent employment can be illustrated by one example. If the fiscal 1978 proportion, 93.4 per cent, were replaced by the fiscal 1974 proportion, 90.2 per cent, 11,238 fewer employees would be allocated to permanent employment. I mention this because when such steps as these are taken by the federal government they generally end up with a counterstep being taken at the provincial government level. Bureaucracy at the federal level begets bureaucracy at the provincial level and the financial implications are significant.

In addition to the fact that greater proportions of authorized man-years are certain to be used up, full-time employees are eligible for the benefits of public service employment, particularly that of an indexed pension. As well, if the federal government ever should decide to make a concerted effort to reduce the size of the public service, it will be much more difficult to lay off permanent employees, who have a sort of tenure, than to simply discontinue the hiring of casuals. Wages and salaries within the public service, excluding Crown corporations, are forecast to rise by 10.7 per cent between the main estimates for 1977 and 1978. Some part of this increase is accounted for by the increased size of the public service, but still on a per-capita basis wages appear to be forecast to rise at a rate greater than that permissible during years two and three of the anti-inflation program—8 per cent down to 6 per cent.

It is unlikely that the federal government would be so blatant as to contravene its own AIB guidelines. If the public outcry against excessive federal spending has taught the present administration anything, it has taught it to be subtle and cunning in the ways in which expenditures may be raised. The reason per capita salary increases are likely to exceed 10 per cent may be traced to the continuation of the trend toward a greater proportion of higher echelon employment. While conclusive evidence cannot be supplied until the completion of a comprehensive study of the new estimates, a survey of departments indicates that a greater proportion of executive, professional and senior administrative persons are being appointed than technical, support and operational staff. In other words, the federal public service is becoming more and more top-heavy. The trend has been conclusively established for the period from fiscal year 1974 to fiscal year 1977, and it appears as if it is continued into 1978. Insufficient data is published to reveal the precise financial implications of the shift; however, the general implications of it are clear. Even excluding wage increases and staff increases, the average cost to the public purse of a civil servant is rising.

Another component of the cost of the federal bureaucracy is to be found under the heading "Other personnel costs", and again I draw attention to this because it is bound to provoke a like response at the provincial level. These costs, which include government contributions to pension funds as well as allowances of various kinds, have risen by 14.3 per cent from the main estimates 1977 to 1978. This category of expenditure has grown very quickly over recent years. Whereas government budgetary expenditures grew by 27.7 per cent between the main estimates of 1976 and those for 1978, "other personnel" costs grew by a remarkable 47 per cent. Yet the government dares tell the Canadian public it is showing restraint.

● (1710)

The inability of the present administration to control the size and cost of its bureaucracy is well illustrated, I suggest, by the figures I have cited. However, one sidelight which sets the tone for this inability may be added. The number of man-years authorized under Treasury Board control has increased by 2,081 between 1977 and 1978. The number of man-years authorized not under Treasury Board control has remained stable, and even decreased.

Another category of federal expenditure where restraint is not in evidence is that of "Purchase, repair and upkeep", the term used in the estimates, which grew by 19.7 per cent between the 1977 and the 1978 main estimates. This category does not include all the repair and upkeep costs of the government. Those which are undertaken by a department directly are accounted for elsewhere; this item only includes repairs and upkeep that is contracted out. Since the present administration began its restraint program, either breakages have been very high or departments have been less willing to perform repairs themselves. From 1976 to 1978 this category of expenditures is expected to increase by 69 per cent. I said repairs and upkeep are contracted out. It will be interesting to see to what extent they have been contracted out to friends of the Liberal party.

A further example of immoderation in spending is found under the heading of "Utilities, materials and supplies". Money expended under this heading is applied to the more prosaic "necessities" of the bureaucracy ranging from the gas bill and supplies for indigent Indians to mail bags and even paper-clips. While one might have hoped that significant restraint could have been achieved here, expenditures are forecast to grow by 13.9 per cent from the main estimates for 1977 to 1978; and by an amazing 40.1 per cent between 1976 and the upcoming fiscal year.

Other areas of significant increases in government expenditure are those of construction and acquisition of land and buildings—up 10.6 per cent—and machinery and equipment, up 15.6 per cent. Also of note is that the cost of funding the public debt has increased by 15.1 per cent, although this cost would only be controllable by bringing the rest of government expenditures under control. As mentioned previously, controversy over federal spending increases has taught the government to be cunning in the ways spending is increased. Not surprisingly, then, the single greatest spending increase in percentage terms occurs in the category for which there is little accounting: the term is "All other expenditures". All other expenditures include payments to Crown corporations and what the Treasury Board calls "Sundries". From main estimates 1977 to 1978, these expenditures increased by 30.3 per cent; from 1976 to 1978, by 49 per cent.

Crown corporations account for nearly 70 per cent of spending in this category, and spending in these corporations is forecast to average an increase in excess of 35 per cent. Crown corporations are those entities about which minister after minister stands in this House and tells us they will not respond to questions concerning their activities. How often are we told that these corporations have their own boards and that the boards are to be left as laws unto themselves, with no proper supervision by the House or those who are responsible to the House?

Large spending increases in this category are not confined to Crown corporations. Indeed, the very department that stands in the vanguard of the restraint program, the Treasury Board, is guilty of rapidly increasing spending in this area. The "All other expenditures" category of the central administration of the public service program of Treasury Board—meaning "Sundries" at the departmental level—is forecast to increase by an astonishing 978 per cent between main estimates 1977 and 1978.

Turning to areas of expenditure where restraint apparently has taken place, one may note an expenditure increase of 1.5 per cent on information, of 6.5 per cent on rentals and of 8.7 per cent on professional and special services. In these cases, however, it should be noted that restraint is forecast to take place in fiscal year 1978 only after a mammoth spending spree in fiscal year 1977. Since the announcement of the restraint program, taking main estimates 1976 as a base, spending on information has risen by 26.6 per cent; on rentals, by 43.3 per

cent; on professional and special services, by 28.6 per cent. While it may be appropriate to applaud reformation in these categories, the conversion took place from a base of excess rather than normalcy.

I have mentioned that the principal area of expenditure restraint was in the category of grants, contributions and transfer payments. These payments, formerly called "uncontrollable" by the present administration, are forecast to increase by about 1 per cent between main estimates 1977 and 1978. Because expenditures here account for 56 per cent of total federal budgetary outlays, near to zero growth in this category has the effect of halving the over-all budgetary impact of increases in other areas.

Although the former minister of finance, John Turner, argued in his speech on June 23, 1975, that economy measures will prove to be very painful, the present administration has found that the pain of restraint can easily be lessened by good luck, and by transferring the burden of restraint to others the present administration can take the credit for economy measures while achieving very few economies on its own. In short, Mr. Speaker, as we discuss fiscal relationships with the provinces at the federal level it is clear that the federal government has been less than fair to its provincial counterparts.

Payments to other levels of government are forecast to increase by 1.4 per cent from the 1977 to the 1978 main estimates. Proposed changes in the fiscal arrangements between the federal and provincial levels, and the transfer of the former shared-cost programs to the provinces, account for much of the reduction in expenditure growth. Transfers to persons, including family allowances, the federal contribution to the Unemployment Insurance Commission, and old age security and the income supplement, will increase by 3.6 per cent.

Subsidy payments are forecast to decrease by almost 28 per cent. A reduction in the cost of maintaining the national oil price is the principal contributor to the spending decrease in this category; the reduction results from a higher national oil price. Reduced costs of maintaining the two-price wheat system also assisted in the spending decline. Other transfer payments are forecast to increase by 20.3 per cent, led primarily by spending on job-creation projects, regional economic expansion projects, and foreign aid payments.

Clearly, federal spending restraint is more illusory than real. If Canadians were to follow the example of the federal government in its 1978 main estimates presentation, the message to them would surely run thus, "Spend more and more, but hide it well. Make sure that others pay the bills. Above all, dissemble and deceive".

Mr. Knowles (Winnipeg North Centre): Would the hon. member for York-Simcoe (Mr. Stevens) permit a question?

The Acting Speaker (Mr. Ethier): Is it agreed that the hon. member for Winnipeg North Centre (Mr. Knowles) ask a question?

[Mr. Stevens.]

Mr. Knowles (Winnipeg North Centre): In view of the criticism the hon. member has made of the way the government is treating the provinces, would he indicate how he is going to vote on this bill?

Mr. Stevens: Mr. Speaker, I am sure I would not want to end prematurely the suspense the hon. member is obviously in.

The Acting Speaker (Mr. Ethier): Before recognizing the Minister of Finance (Mr. Macdonald) I must advise the House that he will automatically be closing the debate on Bill C-37.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, just before the question is put, may I just deal with a number of points which have been raised in the debate. Firstly I should like to reply to the point made by the hon. member for Kingston and the Islands (Miss MacDonald), and repeated by a number of other members, that, in effect, the arrangements made between the federal and provincial governments in some way shut out any role parliament may have in this regard.

● (1720)

I certainly recognize that there is a contradiction or conflict between the situation of the House of Commons and the Senate on the one hand which have to enact the bill and the arrangements that had to be made between the two levels of government to provide the substance of it. I am not sure how this can ever be resolved.

One can be quite certain that if the federal government had brought forward these propositions first, not by presenting them to the provinces but presenting them in a debate in the House of Commons, one would have heard from the provinces, objections that they were being called to comment on a set of proposals that had not yet been presented directly to them and upon which they had not had the full opportunity of consultation. Inevitably, the process has to start somewhere. It seems equally inevitable that a federal-provincial agreement of this kind should be preceded, as this was, by extensive consultation, recognizing of course that the House of Commons must ultimately pass judgment on the proposals put forward.

One of the points raised by the hon. member for Oshawa-Whitby (Mr. Broadbent), and repeated by a number of members by that group, is that the transfer of taxation benefits to the provinces as arranged under the established programs financing would provide an actual deprivation for the particular province. I point out that the arrangements here not only provide in favour of the provinces a transfer of taxation room which, of course, will mean a difference in the ability to recover costs from province to province depending on the relative income in each province, but in addition provide for an equalization factor.

Not only is the province with a lower income getting the benefit of the tax resource, but the federal government pays a special equalization payment to bring the transfer payment up to the national average levels. In that sense, it is quite true that one of the provinces with a higher range of income, such as Ontario, will have the benefit of growth over time of taxation

points. At the same time, the less well-to-do provinces will be protected by this additional form of equalization.

One of the members who spoke this afternoon said that the federal government had approached these discussions on a "take it or leave it" basis. If that had really been our approach, if that had been the formula, we would hardly have spent 18 months in official, finance ministerial and prime ministerial discussion with the provinces. After the meeting of December 13, certain premiers came away from that meeting—Premier Davis was one—saying that it was a tough negotiation and, like every negotiation, they did not get everything they wanted; but on the whole it was a pretty fair deal worked out for the next five years. It was far from being a "take it or leave it" proposition. There was extensive negotiation and extensive adjustment by both parties. It can fairly be said it is a bargain that has been struck between the two levels of government, the agreement arrived at, and not in any sense imposed on the provinces.

The hon. member for Kingston and the Islands (Miss MacDonald), and other members as well, referred to the so-called conditions that will apply with regard to the transfer for post-secondary education and with respect to the existing established programs for medical and hospital care. My colleague, the Secretary of State (Mr. Roberts), dealt with the circumstances surrounding post-secondary education. The fact is, as hon. members know, that the field of education is being jealously guarded by the provinces. There are at stake national interests in education such as the ones referred to by the hon. member, the ability of students to move from province to province without financial impediment and the meeting of certain national goals in education. The provinces have resolutely insisted on making this decision in the absence of any direction and, until recently, any participation by the federal government. We agree with the hon. member for Kingston and the Islands that it would be desirable to achieve these national goals in education. However, she should recognize that it is difficult to meet these goals when the provinces insist that the federal government should not have a substantial say in certain aspects of the program.

With regard to medical care and hospital care conditions, the famous four points that were in the basic program, we would anticipate that the program is being well established; it really requires no enforcement by the federal government to make sure that the four points are adhered to. The electors of the individual provinces will ensure that the level of hospital and medical services to which they have become accustomed and to which they are entitled will be maintained by the provincial governments.

We have had an extensive discussion not only of this bill, which I concede is a difficult bill, but on a broader basis. I anticipate that myself and my two colleagues will be participating at some length in committee on more detailed questions. Therefore, at this point I will let the debate rest as we move on to the next stage.

The Acting Speaker (Mr. Ethier): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Ethier): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Ethier): All those in favour will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Ethier): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Ethier): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Ethier): Call in the members.

The House divided on the motion (Mr. Macdonald, Rosedale) which was agreed to on the following division:

(*Division No. 23*)

YEAS

Messrs.

Abbott
Alexander
Andras
(Port Arthur)
Appolloni (Mrs.)
Baker
(Gander-Twillingate)
Baker
(Grenville-Carleton)
Basford
Bawden
Beatty
Béchard
Bégin (Miss)
Blais
Blaker
Blouin
Breau
Brisco
Buchanan
Bussières
Caccia
Cadieu
Campbell (Miss)
(South Western Nova)
Caron
Chrétien
Clark
(Rocky Mountain)
Clermont
Collenette
Condon
Corbin
Côté
Crosbie
Crouse
Cyr
Danson
Darling
De Bané
Demers
Dick
Dinsdale
Dionne
(Northumberland-
Miramichi)
Douglas
(Bruce-Grey)
Drury
Dupont
Dupras
Duquet
Elzinga
Epp
Ethier
Fairweather
Fleming
Flynn
Foster
Fox
Francis
Friesen
Gendron
Gillies
Goodale
Goyer
Gray
Guilbault
Haidasz
Halliday
Hamilton
(Swift Current-
Maple Creek)
Hargrave
Harquail
Herbert
Holt (Mrs.)
Hopkins
Horner
Huntington
Jamieson
Jarvis
Joyal
Kaplan
Kempling
Korchinski
Lachance
Lalonde
Lambert
(Edmonton West)
Landers
Lang
Langlois
Laniel
Lapointe
La Salle
Lavoie
Leblanc
(Laurier)
Lee
Lessard
Loiselle
(Chambly)
Loiselle
(Saint-Henri)
Lumley
Macdonald
(Rosedale)
MacEachen
MacFarlane
MacGuigan
Macquarrie
Maine
Malone
Marceau
Marshall
Masniuk

Messrs.

McCain	Oberle	Robinson
McGrath	O'Connell	Rooney
McIsaac	Olivier	Sauvé (Mrs.)
McKenzie	Paproski	Scott
McRae	Parent	Sharp
Mitges	Patterson	Smith (Saint-Jean)
Muir	Philbrook	Stanbury
Munro (Esquimalt-Saanich	Poulin	Stevens
Munro (Hamilton East)	Prud'homme	Tessier
Neil	Railton	Towers
Nicholson (Miss)	Raines	Trudel
Nowlan	Reid	Whittaker
	Ritchie	Wise
	Roberts	Young—142.

NAYS

Messrs.

Allard	Douglas (Nanaimo-Cowichan-The Islands)	Knowles (Winnipeg North Centre)
Benjamin	Firth	Nystrom
Blackburn	Gilbert	Peters
Dionne (Kamouraska)	Hogan	Rodriguez
		Rondeau
		Symes—14.

● (1750)

Mr. Speaker: I declare the motion carried.

Motion agreed to, bill read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Speaker: There having been some indication that a message may arrive from the other place for Royal Assent it behoves those hon. members who are anxious to participate in that important parliamentary experience to wait here, and those others who are not so inclined might feel free to carry on some other endeavours.

* * *

THE ROYAL ASSENT

[*Translation*]

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable House in the Chamber of the Honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate Chamber.

● (1800)

[*English*]

And being returned:

Mr. Speaker informed the House that the Deputy Governor General had been pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C-22, An Act to amend the Statute law relating to income tax—Chapter No. 4.

[The Acting Speaker (Mr. Ethier).]

Bill C-15, An Act to amend the Customs Tariff—Chapter No. 5.

Bill C-21, An Act to amend the Excise Tax Act-Chapter No. 6.

Mr. Speaker: It being after six o'clock I do now leave the chair until eight o'clock this evening.

At 6.10 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

CANADIAN HUMAN RIGHTS ACT

MEASURE TO PROTECT PRIVACY OF INDIVIDUALS

The House resumed, from Thursday, February 17, consideration of the motion of Mr. Basford that Bill C-25, to extend the present laws in Canada which proscribe discrimination and that protect the privacy of individuals, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, last Thursday, when we were debating this bill and before ten o'clock arrived I had just managed to mention the case of Bill Buchanan, the former chairman of the Anti-Dumping Tribunal, who was treated by the government in a very shabby way. The record indicates very well the approach the government has taken in the past to the protection of personal privacy.

Perhaps I should recapitulate Mr. Buchanan's history very briefly. He had been chairman of the Anti-Dumping Tribunal. He had done some private work for glass companies when he was in private business. Consequently, he did not sit on the hearing which dealt with the subject of imported glass being dumped in Canada, feeling there might be a conflict of interest. However, following some conflicting legal advice, he joined with the other two members of the tribunal in signing the final judgement when it came out.

Two years later, in 1972, federal tax investigators swooped down on Mr. Buchanan claiming to be carrying out a tax audit, searched his files and took away some documents related to his previous dealings with the Canadian glass companies. It was the former minister of justice, the present Minister of Transport (Mr. Lang), the person who introduced the last bill which was ostensibly designed to protect individual privacy, who then moved in the courts to overturn the tribunal's decision. He also passed the file to Mr. John Turner, who was then minister of finance, and Mr. Turner demanded Mr. Buchanan's resignation. Mr. Buchanan submitted his resignation. Subsequently the case was taken to the Supreme Court

and the justices unanimously threw the case out. I think it worth while in discussing this case to quote Chief Justice Laskin's ruling. It read, in part, as follows:

> I resist the temptation to expatiate on the way in which records were obtained from Buchanan and on the attempted use of the appellants' documents against Buchanan, although obtained on a confidential basis for the purposes of the Combines Investigation Act . . . or of the Income Tax Act. I say only that unjustified tactics were employed.

I mention this case because it demonstrates graphically the difference between the rhetoric of the government and its performance. It was the minister of finance at the time, Mr. Turner, who made the statement in the glowing phrase which I read into the record when last I spoke on this bill strongly in defence of the principle of protecting human privacy. And it was of course his colleague, the minister of justice, the predecessor of the present minister, with the responsibility for piloting human rights legislation through parliament, who was also responsible for this. Consequently, Canadians have every right to doubt the sincerity of the government.

● (2010)

I have already mentioned that no one really knows how many computerized data banks there are at the federal level. What is clear, however, is that both the number of files about individuals and the amount of information stored in them has grown daily. Let me give the House some examples. In 1974 I put two questions on the order paper asking what sort of computerized data banks there were in existence at that time. Although the information now is dated, I think it is worth while to take a look at some of the answers.

First of all, all government employees have files kept on them, most of which are computerized. Some departments make provision for their employees to see the files; others do not. The Department of National Revenue reported that a record is maintained for each individual required by law to file a T-1 return. At the present time records are maintained for approximately 12.8 million employees. There are some 250,000 corporation tax returns, and some 770,000 lists of employers who are making payroll deductions from employees. The Ministry of Transport has a computerized data bank for some 75,000 pilot licence holders.

The Department of National Health and Welfare has a computer data bank of families with children entitled to family allowances, including parents and children up to 19 years of age. There are some 3.5 million families and some seven million children who have personal files in that data bank. There are some 1.8 million recipients of old age pensions and some 1.1 million recipients of the guaranteed income supplement recorded in a computerized data bank. The department also holds files on some 10.3 million contributors to the Canada Pension Plan.

The Department of External Affairs has a new data bank which was established in 1974, which at that time had only 600,000 names, but which was planned to include some 3.5 million people by its fifth year. Also some 30,000 people whose passports are being processed at any one time, and some 20,000 people who are not to be issued passports or whose passports have been reported lost or found, are recorded in the data bank.

The Canadian Wheat Board keeps computerized files for some 240,000 producers whose names appear on Wheat Board delivery permits. The names of some 43,000 children of up to one year of age born with birth defects in New Brunswick, Ontario, Manitoba, Alberta and British Columbia since 1967 are also recorded, as is the following information: the hospital number and serial number, the name, date of birth, sex, the birth weight, the gestation period, the place of admission or death, the residence code, the place of residence, and types of abnormalities. Obviously, Mr. Speaker, in the past two years many new data banks have been created, and the numbers of people who are on files have grown enormously.

I want to deal briefly with one other file system that the government maintains, and this is the one at the Canadian Police Information Centre, CPIC, which became operational on July 1, 1972. At the present time there are over 850 terminals in Canada. CPIC is also tied into the National Crime Information Centre, NCIC, in Washington, and NCIC has over 40,000 terminals around the United States.

There are a number of different categories of personal information which are listed at CPIC. The most interesting and potentially dangerous ones are in the observation category, described by CPIC as follows: "A person who is suspected of committing an indictable offence but sufficient evidence is not available to prosecute". Note, Mr. Speaker, that these are people who have not been charged with any offence, and all that is needed to open up a computerized file on an individual, which can be kept open indefinitely and made available to police agencies throughout Canada and the United States, with no provision for the person concerned ever to know that he is in the computer, is the claim by an authorized police officer that he suspects that the individual may have been involved in a crime with which he has not been charged.

In that particular computerized file the sort of information that is kept includes a description of the person's activities and a list of people who are seen associating with him. I was concerned when I learned that there were 6,556 people included in this category as of April 20, 1975. However, I had my office check today and learned that in less than two years the figure has grown by over 50 per cent, and that as of today 10,046 people are listed in this particular category. No one would quarrel with the assertion that our police in Canada deserve the most modern and efficient weapons to fight crime. But we must also ensure that the rights of our citizens are protected.

What are some of the provisions, Mr. Speaker, that I would like to see included in the right to privacy legislation? First, I should like to see the portions of the bill dealing with privacy severed from the rest of the bill and reintroduced in amended form in the context of an information package dealing both with the question of freedom of information and that of privacy. The guiding principles behind the bill should be that information is the property of the citizens of Canada and not of the government. When the government wishes to coerce

personal information from an individual, or when it wants to deny him information about how public policy is made or about how his money is being spent, the responsibility should be upon the government and not upon the citizen to prove its action is warranted.

Second, the substance of the legislation should be contained within the bill itself, so that parliament knows exactly what it is voting upon. It should not be left to the government to legislate by order in council.

Third, the dangerously broad discretionary powers given any minister to create data banks, whose very existence is secret, simply by exempting them from the provisions of the bill, should be ended.

Fourth, specific provisions outlawing the gathering of certain types of information about individuals, requiring the destruction of files once the purpose for which they were created has ended, providing for an individual's access to his files, and allowing him to challenge the contents of his files, must be included in this bill.

Fifth, there should be an information auditor, similar to the Auditor General, who should be charged with reporting to parliament on how completely departments are complying with the spirit of the act.

Finally, there should be recourse to the courts if an individual feels that he has been unfairly treated. This legislation before us now would allow the government to be judge and jury in its own case.

The development of the computer, like any other advance in technology, brings with it both a promise and a threat. If properly used, the computer will enable us not only to provide services for a growing population more quickly and efficiently, but it will also allow us to build safeguards into the system that will go further toward protecting individual privacy. But, if the government reneges on its responsibility to draw up tough rules for its own conduct, the future of our citizens at the hands of an evergrowing and ever more intrusive government is bleak.

In this bill the government asks parliament and the people of Canada to trust it to regulate itself and not to abuse its enormous power. On the basis of its record, this government has become the most distrusted and disliked in the history of Canada. But even if its record were different and it had proven itself worthy of Canadians' faith, a further question would remain, and that is whether democracy can function on faith alone. In a dictatorship there is little left for the citizens except faith and hope. But in a democracy we know that there should be statutory guarantees to protect the rights of our people.

As a Conservative I know that the interests of the state and the interests of the individual are often in conflict and I know that the bigger government becomes, the smaller each and every citizen becomes. I implore the Minister of Justice (Mr. Basford) to prove that his professed intentions of giving adequate protection to all our citizens are real by allowing the portions of this bill relating to privacy to be substantially amended at the committee stage. If he will do that, he will have the full support of the members on this side of the House.

But if the government refuses to keep faith with parliament and the Canadian people, one of the first actions of a new government led by the Leader of the Opposition (Mr. Clark) will be to introduce tough and comprehensive legislation to ensure freedom of information and the right to individual privacy. That is a commitment we make to the Canadian people and, just as this administration will be judged on its record, we are prepared to be judged on ours.

Mr. F. A. Philbrook (Halton): Mr. Speaker, once again I am very proud to have the opportunity to debate in this House a bill presented by our government which is clearly well conceived and well attuned to the needs of a modern, civilized society. It is not surprising that the government should see fit, through the human rights legislation that we now have before the House, to guarantee the rights of all Canadians to fair and equal treatment from each other and to the utmost sensitivity from their government.

Briefly I should like to review some of the major innovations contained in this bill which underscore its relevance for present day Canada.

Mr. O'Sullivan: Put your notes aside and see if you can still remember them.

Mr. Philbrook: Take your own advice and tell that to your previous speaker. It is nice to see you in the House for a change.

Mr. O'Sullivan: I rise on a point of order, Mr. Speaker.

The Acting Speaker (Mr. Ethier): The hon. member for Hamilton-Wentworth (Mr. O'Sullivan) is rising on a point of order.

Mr. O'Sullivan: Mr. Speaker, the hon. member might be excused in view of his recent introduction to this Chamber, which will be for only one term anyway. However, under the Standing Orders he cannot cast a reflection upon the attendance of any member. If he checks the record, he will see that I match his any day.

● (2020)

Mr. Philbrook: Mr. Speaker, I think both interruptions were unfortunate. I would like to continue on the point I was making.

First, this legislation will entrench once and for all, with the teeth of the law, specifically prohibited grounds of discrimination—race, national or ethnic origin, colour, religion, age, sex, marital status, conviction for which a pardon was subsequently granted, and physical handicap in relation to employment.

Here, I believe, is a large and very significant step forward from the set of ideals that has protected our rights until today, the Canadian Bill of Rights.

Second, I view as evidence of the government's sensitivity to the real needs of the day the categories of prohibited grounds

for discrimination included in this legislation which cannot be found in the Canadian Bill of Rights. These are ethnic origin, age, marital status, conviction in the case of a subsequent pardon, and physical handicap in matters related to employment. Nowhere in the Bill of Rights are these considerations mentioned, yet we hear daily of men and women in their fifties who cannot get hired; of the disabled who are considered mentally deficient just because they do not look "normal"; of wives who cannot get work because they are expected to get pregnant instead.

A third innovation which should prove to be a landmark in the history of civil liberties in Canada is the provision for a federal human rights commission. Here, finally, we would have the mechanism required to ensure that our anti-discrimination laws are applied, and applied effectively.

Currently, enforcement of human rights is a highly fragmented process. The provinces each have their own commissions to take care of their areas of jurisdiction, while Part I of the Canada Labour Code and a disparate sprinkling of anti-discrimination statutes provide a modicum of protection at the federal level.

Finally, Mr. Speaker, protection of privacy is another area where the government is charting new paths for Canadian society.

On the one hand our citizens will be given the right to see personal information about themselves contained in government records and to correct it if need be. On the other, meanwhile, the government will curtail its own information-gathering activities so that citizens need not be swamped with requests for information irrelevant to their particular case every time they must deal with the government. Moreover, with provision for a privacy commissioner to act as an ombudsman in overseeing the implementation of this aspect of the bill, I believe the Canadian public will be more adequately protected than ever before from invasion of privacy and possible harassment by the government.

I would like to make a few remarks on three special areas—women, the handicapped, and language or linguistic rights. I would first like to comment on the subject of women.

To begin with, there is probably no group of individuals in our society more deserving of this legislation than the women of Canada. They have lobbied long and hard for legislation such as this, and it is high time they got it, particularly with reference to their participation in the labour force.

This legislation, when passed, should herald the end of female job ghettoes and unjust pay differentials between men and women. When the effects of this legislation take hold in the labour force, women in managerial positions and the service industries will no longer be earning less than half of what their male counterparts make; women in clerical occupations will no longer have their average earnings exceeded by approximately 50 per cent by men; women in sales occupations will no longer find themselves earning 150 per cent less than men.

Furthermore, the current trend toward greater participation by women in the upper echelons of government departments and the Crown corporations will be strengthened through the encouragement of affirmative action programs, as provided for in this bill.

As hon. members should know, this draft of the bill currently before the House has been revised from the previous human rights bill which died on the order paper last session. Included in this revised version is the concept of equal pay for work of equal value, as opposed to the conventional notion of equal pay for equal or similar work. In the words of the Woman and the Law Association of Ottawa, one of several organizations responsible for inclusion of this principle into the new bill, "it is time women were paid what they are worth".

I can foresee that, in fact, this aspect of the bill may well encounter strong opposition from employers claiming that implementation of such a principle is not practicable. I concede that this could indeed raise problems and that it should be looked into thoroughly when the bill is in committee. In the meantime, however, I would refer those concerned about this problem to a publication prepared by the Department of Manpower and Immigration entitled "The Canadian Classification and Dictionary of Occupations".

This formula is not perfect, as my colleague, the hon. member for Trinity (Miss Nicholson), has indicated on a previous occasion in this House, but it is certainly a healthy beginning.

Since 1970 the Royal Commission on the Status of Women has been seeking legislative action by the federal government on some 122 recommendations. This bill, incorporating about 30 of those recommendations, would bring our record of implementation up to approximately 103 of 122 proposed by the commission. This record, I believe, indicates the government's serious desire to make up for lost time and provide women with every opportunity to gain an equal footing with men in our society.

The other area I would like to touch on, Mr. Speaker, pertains to protection of the handicapped. As a physician, and one concerned about this country's problems in the field of health care, I am especially pleased to note the extra provision included in this draft of the legislation designed to protect our handicapped citizens from discrimination in the work place.

Like the vast majority of women in Canada, most of our physically handicapped are financial dependants. As they have emphasized repeatedly, however, they do not want, nor do they need, simple handouts from the government or any other source. What they desire is the opportunity to secure a good job and fend for themselves. What has gotten in their way are old-fashioned attitudes and innate prejudice on the part of employers that an individual who does not look "normal" on the outside is necessarily "abnormal" inside as well. On top of this I would suggest that, to date, these people have not been given adequate help in trying to locate jobs which would be suited to their particular talents.

For these reasons, therefore, I believe that the protection extended to handicapped people through this bill should have profound repercussions on how we view these people in the future. Moreover, the sooner we can change employers' atti-

tude the sooner we shall be able to draw upon the talents and productive capacity of these people as they contribute more fully to the general prosperity of the country.

[*Translation*]

In closing, Mr. Speaker, I would like to point out the impact of this bill on the issue that in the eyes of all Canadians is undoubtedly the most important at this time—national unity.

In 1908, on the occasion of the tricentennial of Quebec City, Sir Wilfrid Laurier stated:

"We are proud to say that Canada is the freest country in the world, that all civil and religious liberties are recognized here."

Mr. Speaker, I want to say that such pride is no longer enough today. We can no longer be satisfied with judging the quality of our freedom by comparing ourselves to other countries because there is no doubt that compared to the U.S.S.R., Chile or South Africa we are a free nation but that is not saying much. So we must aim for a higher ideal, an ideal based on our own set of values and reflecting those moral values.

In the Canadian context language rights are a basic element of both individual liberties and national unity. Such rights must therefore be guaranteed and recognized by legislation similar to that which is now before us. In that sense it gives me great pleasure to see that Bill C-25 provides for the creation of a Human Rights Commission which:

(a) shall develop and conduct information programs to foster public understanding of . . . the principles described—

—in the Act and—

(b) shall undertake and sponsor research programs relating to its duties and functions—

—under the Act.

I share the opinion that, in most cases, bigotry and racism are caused by ignorance. The act, by allowing us to know one another better, will therefore play a very important role. I cannot stress enough the importance of the task entrusted to the Commission and the need for the latter to be able to count on the full support it needs to fulfill it. In this area we can no longer afford the luxury of failure.

On the other hand, I would also like to stress that the legislation as it now stands does not include language as a prohibited ground of discrimination. If any true significance is to be attached to human rights, as this bill apparently suggests, and if we really want to ensure that every Canadian has a right to deal with the government—

● (2030)

[*English*]

The Acting Speaker (Mr. Ethier): Order, please. I ask hon. members to listen to the hon. member for Halton (Mr. Philbrook).

[*Translation*]

Mr. Philbrook: —as the bill seemingly suggests, and if we really want to ensure that every Canadian has the right to deal with the government in either one of our official languages, I would then feel that such a ground of discrimination should also be included in the act.

The air controllers issue for one amply demonstrates the extreme difficulty of the language rights issue. But if we are to safeguard national unity, there is no choice. We must tackle that problem.

Mr. De Bané: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Ethier): Order, please. The hon. member for Matane (Mr. De Bané) on a point of order.

Mr. De Bané: Mr. Speaker . . .

[*English*]

Mr. Speaker, I was most disgusted to see that when the hon. member switched to the French language, members on the other side laughed. I cannot stand that.

Some hon. Members: Oh, oh!

Mr. De Bané: I have been watching for some time those who interrupted the hon. member only when he spoke French.

Some hon. Members: Order.

Mr. De Bané: Let there not be hypocrisy here. I will not stand for it.

The Acting Speaker (Mr. Ethier): Order, please.

An hon. Member: Cheap shot.

The Acting Speaker (Mr. Ethier): The remarks of the hon. member should be addressed to the Chair.

[*Translation*]

Mr. Philbrook: As far as I am concerned, my belief is it will be much easier, once linguistic rights are enshrined in the human rights bill, to deal with this issue in a quiet, courteous and legal way.

[*English*]

These then, are the observations I would make with reference to Bill C-25 at this time, Mr. Speaker.

As I said earlier, I believe it is an excellent piece of legislation which will go a long way in righting some of the wrongs which have plagued our society in recent years. I have taken the opportunity, meanwhile, to suggest areas where perhaps the Standing Committee on Justice and Legal Affairs would do well to focus its attention and recommend additional improvements. In its entirety, however, I have no hesitation whatsoever in voting for passage of Bill C-25 through second reading, and indeed I congratulate the minister on his fine efforts in this area.

Mr. John Gilbert (Broadview): Mr. Speaker, the last speaker indicated the necessity for passing this bill on Canadian human rights because the underlying base of this bill is tolerance, but we saw a display of intolerance in the last few minutes, especially when the hon. member for Halton (Mr.

Philbrook) spoke. I heard the remarks of the hon. member for Matane (Mr. De Bané) and I say to him that we must not be intolerant of intolerance. It is very important to be tolerant of those who are intolerant.

Some hon. Members: Hear, hear!

Mr. Gilbert: I hope that we will approach some of the problems of national unity which we are facing, in a very tolerant way, otherwise we will have a divided country.

I promised that I would speak for only a few minutes because most of us want to pass the bill tonight and send it to committee to be examined in detail. I might say that all the lead spokesmen of the different parties have praised the main principle of the bill, which I think is a worth-while bill and which all of us welcome. I might say that all the provinces have passed similar bills, and this one is the final bill to give human rights to all Canadians. Therefore, it is a very important bill.

If I were to use a text, I would use the text that eternal vigilance is the price of liberty. From the commencement of time we have seen the trampling and violation of human rights, but in the last generation we have seen serious violations of the liberties of man. I cannot help but think of what happened during World War II and subsequently, and I cannot forget what we in Canada did to the Japanese Canadians. I think it behooves all of us to remember this. In a few months a conference will be held in Belgrade on the Helsinki Agreement. We should keep in mind the trampling and violation of human rights which the people in eastern Europe have suffered, and we should keep in mind some of the terrible discrimination suffered by our black friends in the south. We should also keep in mind the necessity for eternal vigilance because it is the price of liberty.

I hope that this is the first of three steps. When I read the speech of the hon. member for Fundy-Royal (Mr. Fairweather) I noted that he said we had the Canadian Bill of Rights but that it was not enshrined in our constitution. It was his hope, as I am sure it is the hope of many of us, that we will reach the stage when we can enshrine the Canadian Bill of Rights in the constitution. It is something for which the right hon. member for Prince Albert (Mr. Diefenbaker) should be remembered. I share the thoughts of the hon. member for Fundy-Royal and his hopes that we will finally enshrine our Bill of Rights in the constitution.

Some hon. Members: Hear, hear!

Mr. Gilbert: There is one other matter that we should remember, that is, the Universal Declaration of Human Rights which was passed by the United Nations on December 16, 1948. The main thrust of that Declaration is that all human beings are born free and equal, in dignity, and with rights. We in Canada have not seen fit at this stage to adopt a country-wide declaration of human rights. It seems to me that the Minister of Justice (Mr. Basford) and the government should give leadership in Canada and move toward the adoption of such a declaration. It should go hand in hand with the Canadian Bill of Rights, and it should go hand in hand with the Canadian human rights legislation we are studying at the present time.

● (2040)

I think the main purpose of this bill is to define the prohibited grounds for discrimination, which are race, national or ethnic origin, colour, religion, age, sex, marital status, physical handicap in relation to employment, or conviction for an offence where a pardon has been granted.

As set forth, the types of discriminatory practices covered in this connection are refusal to employ, a differentiation between persons with regard to promotions, discrimination in advertising of jobs or in questionnaires to be filled out when applying for a job, the exclusion of individuals from membership in employee organizations or segregation of members, refusal to employ the physically handicapped whose handicap does not interfere with performance, and differentiation in wages based on jobs of equal value in the same firm. These are some of the things covered by the legislation, and the setting up of a human rights commission would be for the purpose of enforcing these provisions.

It has been said before, and it should be repeated, that we hope the approach of the commission will be an approach of conciliation rather than prosecution, because in the final analysis conciliation is the proper approach. We cannot legislate freedom; we have to persuade people to be free and to allow freedom for all persons.

I feel that I represent a riding which is a microcosm of the United Nations. The Broadview riding embraces all the races and nationalities of this world. When I moved into the riding in 1948, it was 98 per cent Anglo-Saxon, but as of today it is about 45 per cent Anglo-Saxon, and the rest is made up of the different races and nationalities of the different parts of the world. Hon. members can appreciate the stresses and strains which are imposed on a constituency like Broadview. However, those stresses and strains can be multiplied throughout the city of Toronto and in some of the other, main cities across the dominion.

In recent months we have seen some forms of racism in the city of Toronto. Most Torontonians are not proud of the acts of a small number with regard to the treatment of minorities there. There has been an attempt to reduce the amount of racism in Toronto by trying to bring about a change of attitude in the people who live there. This bill gives some strength and force to the protection of human rights for all persons of all nationalities. Therefore it strikes me as a bill which is very important, and I think all have said that it is important to have as its underlying basis the process of conciliation instead of prosecution.

In a city like Toronto there is not much to be gained by a large number of prosecutions for violations, but I can see a great deal to be gained by the approach of some churches, schools, and social organizations within the communities in an effort to learn the different cultures, languages, and backgrounds of the different people. I am proud to say that within

my riding a group has organized which has held meetings which were attended by people of different races and nationalities. They have shared their common heritage and their differences in language and culture, and the results have been very encouraging. That is an educational approach, and with a change of attitudes the spirit of conciliation will bring about a fulfillment of basic human rights.

If there is one part of the bill which needs study it is the part dealing with the protection of personal information. My colleague, the hon. member for Greenwood (Mr. Brewin), was very critical and harsh with regard to those provisions. Tonight the hon. member for Wellington-Grey-Dufferin-Waterloo (Mr. Beatty) told us how many organizations are compiling data with regard to persons and their activities across Canada. The compilation of records is massive, it is mountainous, and in some ways it is quite scary.

Mr. Friesen: And secret.

Mr. Gilbert: And, as the hon. member says, possibly secret. I hope the minister will review these parts of the bill, that when the bill gets to committee he can defend his position, and that there can be some assurance that there will be full protection of personal information, because this is important.

Those are the main comments I wanted to make on this bill. I hope Canadians are the most tolerant people in the world. I hope we can be tolerant about intolerance. I hope we can move forward with an expression of conciliation and with a change of attitude so that we can have a united Canada rather than a divided Canada. I hope this measure strengthens the bulwark of liberty within Canada and strengthens basic human rights, and that we as Canadians will dedicate ourselves and our work to the full acceptance of the principles set forth in this bill.

Mr. Peter P. Masniuk (Portage): Mr. Speaker, I am pleased to take part in this debate at second reading of Bill C-25, to be known as the Canadian Human Rights Act. All hon. members are aware that this legislation is not new and that it has been around for some time in one form or another. During the last session it was Bill C-72. In spite of that, however, Bill C-25 does represent, as far as I know, an original effort on the part of the government to provide some form of human rights protection at the federal level.

We in this party have no real quarrel with this legislation. Other spokesmen for our party have said earlier that we are prepared to allow the bill to proceed through the House at second reading as quickly as possible, so my remarks will therefore be brief.

The areas of discrimination which this bill will proscribe, and the fundamental human and civil rights which it would protect, are very necessary, worth-while and long overdue measures for enshrinement in a federal statute. Certainly the federal government lags far behind all the provincial governments in the area of civil or human rights legislation.

Part I of this bill would make it an offence to discriminate on most of the usual traditional grounds such as race, ethnic origin, skin colour, sex, and also adds a few innovative ones. Of course age discrimination is not new, but it is a very common discrimination today against which protection is necessary. Marital status as grounds for discrimination in relation to employment is also something which I am pleased to see included in this bill. Most of us are aware, I am sure, of instances in which a job applicant was discriminated against because he or she was single, or in some cases because he or she was married, or widowed, or divorced.

• (2050)

Also in relation to employment this bill would make it an offence to discriminate on the grounds of a physical handicap. Unfortunately, however, the bill seems to be more concerned here with actual physical disabilities, such as blindness, or paralyzed or amputated limbs, and although epilepsy is specifically included it does not seem that a disease like diabetes, for instance, is included as a grounds for discrimination in employment. Mr. Speaker, I am sure that all members are aware of the rather celebrated case which occurred up in Pembroke, I think it was, a few months ago, in which a telecommunications clerk was fired because he was a diabetic. Here is an example of discrimination taking place practically on parliament's doorstep. How can we as Canadian parliamentarians defend ourselves against the frequent charge made today that parliament is irrelevant in the modern, contemporary life of this nation, if we cannot address ourselves to a situation like this involving discrimination? The physical handicap clauses of Bill C-25 should be given some more attention in committee.

Making it an offence to discriminate against anyone who was convicted of a crime for which a pardon was later granted is a worth-while protection against a certain type of discrimination. I think, though, that discrimination against convicts who have already served their sentence or otherwise paid the penalty is a far more common type of discrimination against which some protection should be provided in law. Maybe some would say that the percentage of convicts trying to go straight is not very large, but nevertheless this is still discrimination when it occurs. Broadening this part of the bill in this way would seem to be the only logical extension of the type of human rights protection which is envisaged in this particular clause.

I think that the general tone of this bill in the area of proscribed grounds for discrimination is quite progressive on the whole. Perhaps it is too bad that the drafters of the bill could not also have included a few other categories of discrimination such as certain types of unpopular or dissenting political views, as well as religious ones, plus certain types of what are known as alternative lifestyles, that is, interpersonal relationships, and perhaps also sexual orientation, as proscribed grounds for discrimination. These things today are, after all, only in accord with contemporary reality and modern schools of thought or opinions on these subjects. They no longer shock us the way they once did, Mr. Speaker, and extending legislation into these areas does not have the same radicalism about it that it once had. Certainly the only true concept that can underlie any genuine human rights legislation is that social or

public discrimination based on one's privately-held beliefs or on one's private life, which is not society's business to begin with, is just as unjust as discrimination based on race or skin colour.

The other provisions of this bill do seem to be real attempts to deal with some contemporary discrimination problems. We have the usual prohibition against discriminatory signs and notices. This would make illegal the notorious "No Englishmen need apply" type of signs which were common in western Canada a half century ago. Of course discrimination today is much more subtle than this. As well as signs and notices, this bill also deals with the use of the telephone to spread racism and discrimination. The universal and automatic telephone has today become an easy tool for the racist hate mongers, and this bill addresses itself to that problem by making the use of telephones for racist hate campaigns an illegal act, subject to fine or imprisonment.

Of course, Mr. Speaker, proscribing certain practices as discriminatory, and protecting in law certain fundamental human rights, are useless unless the law can be enforced, and for this purpose Bill C-25 provides for a Canadian human rights commission. It is intented that the independence of this commission will be ensured by having the eight members of the commission appointed by order in council and removable only on an address of the House of Commons and the Senate.

I think it is interesting that the bill does not limit the human rights commission to an enforcing role but also gives it an educational, or what should perhaps more accurately be described as a public relations role. Human rights in Canada would be furthered through public education programs, although it is hard for me to envision how these programs would take place in practice. As part of its public education role the commission could conduct research into discrimination. This is an interesting power to give to the commission. However, it is one which I think could be easily abused. The research would have to be of a hard, practical nature. The nature and scope of prejudice and discrimination have been thoroughly studied by now by various social scientists, and any research which the Canadian human rights commission might do would have to be useful and original and not just chasing after some will-o'-the-wisp.

In addition to this power to undertake research, the commission would also be able to review and comment on federal regulations, rules and orders, to ensure that they are consistent with the principles stated in the bill. This is a very unusual power, with the possible exception of the Anti-Inflation Act, Bill C-73. I think that this is one of the very few times that a bill sets up an internal mechanism for reviewing its own application and enforcement.

It is the latter part of this act, the privacy or protection of personal information provisions of Bill C-25, which our party does not like, Mr. Speaker. These provisions would give an individual access to personal information about himself which is contained in information banks maintained by certain federal government departments or agencies. Bill C-25 in this part makes a weak gesture into the area of freedom of information, but that is the best that one can say about it. I know that the Minister of Justice (Mr. Basford) and the Prime Minister (Mr. Trudeau) think that this particular aspect of this bill is a tremendous and progressive innovation in Canadian legislation and, given the closeted secrecy which for so long has characterized this government, I suppose that is probably true. But this is not 1940 or 1950, Mr. Speaker. The examples of other countries, particularly the United States and Sweden, show us what can be done in the area of access to government files.

I know that Bill C-25 is not meant to be freedom of information legislation, but the Prime Minister himself suggested at a press conference a few weeks ago that the protection of personal information provisions of this bill might be some sort of substitute for it. This is absurd. It is just another example, similar to the so-called gun control bill of last year, of the government trying to give the impression of doing something about a situation while not really doing anything substantial about it at all. The exemptions attached to this right of access to personal information banks in the federal government are so widespread and comprehensive that in practice this whole part of the bill will be worthless. For instance, I see in the schedule attached to this bill that one of the federal government agencies which the individual would presumably have access to is the Royal Canadian Mounted Police. However, one of the exemptions provided against access of the individual is, and I quote:

> . . . information or matter . . . obtained . . . in the course of investigations pertaining to the detection or suppression of crime generally.

But by definition a police force's very function is the detection and suppression of crime, and all of the information which it possesses will be obtained through such investigations. In practice this means that nothing in RCMP files will be accessible to anyone. Mr. Speaker, this matter is not just academic, in light of the Prime Minister's statements in this very House only a few days ago that the RCMP probably has files on millions—and those were the words he used—millions of Canadians. This part of Bill C-25 is a good example of how not to approach the whole issue of giving the individual greater access to some government information.

● (2100)

Hon. members are aware that our party has advocated a true freedom of information act for some time. The hon. member for Peace River (Mr. Baldwin) has spent a great deal of time and effort on this, but his tremendous efforts do not seem to have had any effect on the government. I wonder how long the government can go on denying the Canadian public what the citizens of many other democratic states now take for granted. The denial of something which has become such a populist public issue is a position which is, for any government today, almost indefensible. There has not been a time in our recent history during which the public has been so suspicious of government. I am amazed that the present Liberal government, which is already facing such a crisis of confidence among the Canadian people, would adopt such an intransigent attitude with respect to the freedom of information issue.

Mr. Guay (St. Boniface): The hon. member is against television in the House.

Mr. Masniuk: I said earlier that my comments tonight will be brief. I will not say any more about Bill C-25 at this time. As I indicated earlier, in spite of the many reservations which we have about clause 4 of this bill, our party supports the principle of Bill C-25, the Canadian Human Rights Act.

Mr. Arnold Malone (Battle River): Mr. Speaker, I take great pleasure in speaking this evening on Bill C-25, the Canadian human rights bill. I think members of all parties support the principle of this bill.

According to archaeologists, human civilizations date back at least 50,000 years. For most of that time the law of civilized societies dealt with commodities, commerce and property. Only recently in human history has the focus of attention shifted to human rights, to a person's feelings which are not part of the external, objective world, but which are most important to every human being.

I am pleased to be a member of the political party which brought forward the Bill of Rights, the cornerstone of our human rights legislation. I say that although my party will vote for the bill, it will by no means end the discussion on human rights in Canada. This bill is only the beginning of the whole debate on human rights which must take place in this country. We have embarked on a new era for human rights, because really for the first time we are passing a law which has to do with a person's feelings, not with trade, commerce, commodity or property rights.

All this being so, is it not ironic that at this very time when the parliament of Canada is debating this human rights legislation, the government refuses to give a strong rebuke to the government of Uganda for its involvement in the death of an archbishop of that country and two Ugandan cabinet ministers, deaths which occurred under conditions of great secrecy and grave doubt? Surely our human rights philosophy must be extended, must be projected to govern our international relations with other countries. In other words, it will not be sufficient to establish fundamental human rights in this country without paying attention to the question of human rights generally in the world.

Historically we have come a long way. We are to enshrine in law the rights of persons. We are passing a law which does not deal with trade, or commercial relations. However, let me point out that passage of this bill will not give us assurance of adequate human rights in Canada. We must recognize that other laws and regulations must be amended if we are to advance significantly our concept of human rights. Perhaps I can give hon. members one or two examples of what I mean.

This human rights bill will not, by itself, assure all of equal opportunities. Why do I say that? At present a farmer is allowed to claim a deduction of $1,830 for his working farm wife. Mr. Speaker, we all know that you cannot hire help on the farm for that sum. But the farmer's wife works on the farm; she may be hauling bales, milking cows, or doing any number of farm chores. Under our tax laws the farmer is not entitled to claim her as a hired employee—although this difficulty is partly overcome if he incorporates the farm. As matters now stand, the farmer is not entitled to treat his wife as a hired employee for tax purposes; he is entitled to claim a deduction of only $1,830 for his wife who may work full-time on the farm. Such laws must be changed in the name of equity.

Full human rights must be granted to all, and all must be treated fairly. Unfortunately many of our laws treat our native Indians as if they are of second-class status. I am aware of the provisions of the Indian Act and the historical background to that act. Unfortunately, the law abuses our native peoples. The unemployment rate among native peoples is high, as high as 95 per cent on some Indian reserves. At present our national labour force statistics do not include native Indians among the unemployed. Why not, Mr. Speaker? If we are to provide adequate human rights for all our people, we must change many of our laws which presently restrict human rights in Canada. I see no reason for not counting among the unemployed our unemployed native citizens. They should be included in unemployment statistics when those are put forward.

The hon. member for Halton (Mr. Philbrook) spoke about the handicapped, and I wish to draw to the attention of the House the existence of regulations which discriminate against certain disabled people. I suggest that such regulations must be corrected if we are to ensure human rights for all. At present those who are blind, confined to a wheel chair, or completely bedridden are allowed a tax deduction of $1,400 a year over and above the normal tax allowance. My quarrel is with the way in which the categories of the incapacitated are defined. The three categories mentioned are entitled to the full tax deduction. Unfortunately other people who are totally incapacitated for health reasons are not included under those provisions of our tax laws.

Last fall when I was in British Columbia I met a number of people in Kamloops who were seriously ill. One of them had had a heart attack, another was wearing a metal brace because of a severe back problem. These people wanted a tax deduction equivalent to that available to the blind, bedridden, or those in wheel chairs. Their request was turned down. As a matter of fact I received a letter on this subject just today. Surely those people are entitled to be treated in the same way as those in the first category I mentioned. I am citing these examples to show that we must amend many of our regulations and laws, otherwise some of our citizens will be denied their human rights. As I said, passage of this bill will not, by itself, bring full equity to all Canadians. Unless we change our other laws and regulations, we shall not see full human rights in Canada.

This bill should establish the broad parameters of human rights in Canada. I believe the bill should place a high degree of trust in the courts. Its interpretation will, no doubt, be subject to variation in accordance with our changing Canadian culture.

• (2110)

It would be naive to assume that legislation could ever be written in such a way as to ensure human responses in all

circumstances. Perhaps I might give some examples in this regard. It is stated in the bill there is not to be any discrimination on the ground of age. The fact is that, in the absence of opportunities for the courts to make judicial decisions in this regard, discrimination in this sphere will continue to take place. One must certainly question what appears to be happening at the present time—the concept of forced retirement which is so often approved by labour unions as well as by management, business people, and government institutions.

People are considered to be useful and employable at the age of 64, and somehow fit only to be passengers at 65. It seems to me this is not only a tremendous waste of talent and skill but that it is really an affront within the context of this bill. It is an affront to all our human rights because to remain meaningfully involved in our country's affairs is the prerogative, surely, of any citizen. Nevertheless, given the manner in which society is structured at present, the bill before us will not alleviate the situation.

People over 65 who want to work and who have the capacity to work will not be given the opportunity to continue. I am speaking now about the discrimination in respect to age. The bill is not sufficiently specific to be useful in this regard. We read that among citizens over 45 years of age, 37 per cent of the unemployment is long term, while for men of all ages only 27 per cent is long term unemployment. Again, we can turn to the analysis of the data relating to the job retraining program which clearly indicates that citizens over the age of 65 are denied the advantages available to younger people. What we find, then, is personal discrimination in Canada based on age. The bill before us, of itself, fails to take adequate steps in the direction of removing this discrimination.

I should like now to talk for a few moments about the concept of equal pay for equal work, specifically as it is applied to women. The words themselves are, of course, poetic rhetoric. Most women are cast into job ghettoes which are cemented by tradition. The nurse, the telephone operator, the secretary, the bank teller and the waitress can all enjoy equal pay for equal work and still be undervalued. In recent years, according to Statistics Canada, the gap between wages paid to men and wages paid to women for similar work has widened.

The real test should not be "equal pay for equal work" but rather whether the person who is being paid measures up in terms of skills expected, effort exerted, responsibility demonstrated, and training or experience required. Conditions of work are a further factor which should be taken into consideration. To take any other view is simply to say that those jobs which have traditionally been reserved for the female part of the population will continue to be so, and that those engaged in them will receive lower salaries and wages than are paid to others employed in work to which different forms of measurement are applied when estimating its value to Canadian society.

I turn now to other aspects of the bill which ought be examined carefully, both here and later in the committee. I refer first of all to Part I, clause 11(1), which states:

> It is a discriminatory practice for an employer to establish or maintain differences in wages between male and female employees employed in the same establishment who are performing work of equal value.

The question is: why is this principle limited only to pay discrimination by sex? Why are the other prohibited grounds of discrimination such as race, religion, and age not included in this clause?

I turn next to another clause of the bill which also needs to be reviewed, in my opinion. I refer to clause 3 in part one which sets out the proscribed grounds of discrimination as follows:

> For all purposes of this act, race, national or ethnic origin, colour religion, age, sex, marital status, conviction for which a pardon has been granted, and, in matters related to employment, physical handicap, are prohibited grounds of discrimination.

You will note, Mr. Speaker, that this list is much less inclusive than is the United Nations Declaration of Human Rights. That 1948 Declaration was ratified by the federal government in 1976, after provincial consultation and agreement. Article II reads:

> Everyone is entitled to all the rights and freedoms set forth in this declaration, without distinction of any kind, such as race, colour, sex, religion, language, political or other opinion, national or social origin, property, birth or other status.

While we have taken a step forward, the government has failed to go even as far as the United Nations in this regard because the definition I have just read in connection with prohibited discrimination suffers from being a closed list in the legal sense that anything not included within it is automatically excluded.

A bill of rights is a bill of principles, not a catalogue of acceptable behaviour. What we really find in the bill placed before us is a catalogue of behaviour rather than an acceptable set of principles subject to a judgment which is left to the courts. The government has sought to anticipate all the possible behaviour of human beings and to determine which kinds of behaviour are acceptable and which are not, without recognizing the fact that it is not possible to predict the changing conditions of our culture. What would be acceptable today might, therefore, not be acceptable at some future time.

● (2120)

The purpose of Part IV of Bill C-25 is to protect the privacy of individuals. While it has been well stated by many members of this party that this part of the bill is one of the most offensive parts to the members on this side, the bill at most gives citizens the right to inspect their files which are held in government information banks. The truth of the matter is that the bill does not define the limits or conditions within or under which the government or any other agency may collect or store information on persons. It is not enough just to be able to inspect individual files in this country; what is more important is that there should be limits placed on the kind of criteria establishing such information banks on individuals.

Far more important than this kind of restriction on the right to inspect files is to impose strict conditions upon the government establishing, either on its own behalf or through any

other private agency, a data bank on human beings in this country. This provision is not made in the bill but I hope it can be discussed in committee and amendments made to the bill, so there is not only the right to question the kind of data that are kept on individuals, but so the law itself spells out clearly the limitations placed on the keeping of information on the citizens of Canada. To do otherwise, I think, would be a great affront to Canadian freedoms and human rights.

I should also like to point out that while the bill provides the right to inspect our files, it does not give us the right to appeal any misjudgment that we believe exists on those files. As the hon. member for Calgary North (Mr. Woolliams) said a couple of days ago when he was speaking on this measure, there is no right of appeal provided; the only recourse is to a bureaucratic tribunal, not to the non-partisan judgment of the Canadian courts. So in a case where there is a file kept on a person and the person is not satisfied that the information on the file is accurate or that there should be a file, he does not have full access to the Canadian court system. This kind of biased perspective should not be in a bill that embraces the concept of the Canadian Bill of Rights.

Bill C-25 provides that the privacy of individuals should be protected to the greatest extent consistent with public order and well-being. Compare this modest statement with the wording of the principle enshrined in Article 12 of the Universal Declaration of Human Rights of 1948, which states as follows:

> No one shall be subjected to arbitrary interference with his (or her) privacy, family, home or correspondence, nor attacks upon his (or her) honour and reputation. Everyone has the right to the protection of the law against such interference or attacks.

While the government has taken a step forward, it is not as significant a step as we would like to see. To say that we have the right to inspect our files is certainly admirable. But what the bill does not provide is even more important, and that is the setting down of conditions under which any agency in this country can collect data and, file that data away. If we are truly interested in the protection of individual and human rights in this country, that protection would be narrowly defined and cast into the cement of the law. Then agencies would not be able to collect data on people unless they fell within that definition. It is often difficult to find out who has the information, let alone go to the file to see the information for ourselves.

It has been a privilege to speak on this bill, Mr. Speaker, and I want to congratulate the House for having come this far, where we are not only talking about commodity rights, the rights of commerce, trade and property, but also are starting to talk about the rights of human beings. But this bill has not taken the complete step forward. Many changes will need to be made as well to other pieces of legislation. I hope the minister will be amiable enough in committee to make a number of amendments which will tighten up the bill in certain areas, so as to move away from the concept of cataloguing human behaviours. Rather, we should establish the broad principle of the bill and a framework to work within, from which we will develop a proud Canadian act that protects the human rights of all Canadians.

[Mr. Malone.]

Mr. Arnold Peters (Timiskaming): Mr. Speaker, it has been a pleasure to listen to the speeches made on this bill. As the previous speaker has said, we have come so far as to talk not only about protection of the rights of commerce and other fields of endeavour, but also about human rights. A few years ago the United Nations passed the Universal Declaration of Human Rights and we in this country passed an act having to do with a Canadian Bill of Rights. We are now talking about placing a code of rights into our constitution, so it seems to me we have come a long way.

The hon. member for Broadview (Mr. Gilbert) pointed out very clearly that the bill has many good parts, and that it places in federal legislation provisions that appear in many pieces of provincial legislation. But what the bill does not cover, certainly according to representatives of the Canadian Bar Association, is the protection of personal information and the right to privacy.

It is all very well for lawyers to tell us that we should examine the information on which the government assesses us as individuals, but I am sure most Canadians would ask what business it is of the government to collect such information in the first place. What business has the government to collect information which is not collected to protect the security of the nation? If I were a bank robber and crook—

Mr. O'Sullivan: Then you would be a Liberal.

Mr. Peters: Not necessarily. While I have not engaged in the activities I named, I once did have an RCMP file for some time containing information that I knew about. It also had some information dealing with my small part in a very major strike in the gold mining industry, and some difficulties I had had with the Ontario Supreme Court. There was also information on some small matters, like a little case of assault and battery in which I was involved in some court case. But then the information went on to disclose that I was a rabble rouser, a dangerous character because I had engaged, innocently, as Your Honour would be well aware, in some small disagreement with the government over a veterans' school. The government did not have a very big majority at that time and was very upset about the way that certain discussions had been carried on. There were number of little things like that which were not significant to the security of the nation. However, I have no objection to that being collected because it may lead to something the country should know about. Certain agencies should be established to collect that information.

● (2130)

However, under no circumstances is it important how much money my children receive in family allowances. What business is that of anyone's? The government has to keep an account in order to make a payment. The fact that I receive so much for each child is an accounting detail. Why should that information be put into a computer bank? This is particularly important when you have grandchildren, or possibly great grandchildren. What is the significance of collecting that kind of information? However, that is the kind of information the

government collects. In fact it collects a lot of information we do not even know about.

There are now television cameras on Parliament Hill. They scan the area and, if it is desired, pictures are taken of anyone who comes here. These people could be here for peaceful purposes, or for a demonstration. If anyone walks in front of the parliament buildings, the RCMP can take a picture of that person. That can be related to anything else. They then start a file on that individual.

The public are well aware that the bureaucracy is being increased every day. I am sure that to collect these pictures, label them, and identify them will involve dozens and dozens of people. It is done for no specific reason.

Whenever there is a demonstration, the RCMP take pictures. That has always been their little game. Now it is being played in an economic field. It is being played with regard to credit arrangements. We will soon reach the point where it will not be necessary to ask your bank manager whether you can borrow $1,000. All he will do is take your social insurance number, feed that into a computer, and he will know about every debt you have ever owed. He will know whether you owe the income tax people $50 or whether you have a loan with another bank. Some smart kid with a little black box will also be able to get that information on anyone in this country. If it served a purpose, that would be all right. We must be developing a psychotic attitude when those in government believe they need that kind of information. I do not know why they think it will be of any value.

These people must have been watching the movie on television "2001" where big brother in the form of a computer had all the information and knew everything about everybody. I do not see why we need all these computer banks. If the general public knew the extent to which information is collected, they would revolt against it. Do the civil servants require this information because they are going to run this country? The general public would certainly object to that.

The Minister of Justice (Mr. Basford) is a learned member of the bar. I understand he had a distinguished career in that field. Therefore, his personal thinking must not be too far removed from the Canadian Bar Association. That association says that if we are to have a well developed country, there must be a disclosure of personal information. If this information is disclosed, I believe that less and less will be collected.

The Bar Association is not my favourite organization. I have no connection with it. My background is that of an underground hard rock miner. Any relationship I had to the law was always on the wrong side of it. However, the Bar Association is violently opposed to this legislation being passed without personal protection. Its members are so violently opposed, they have in effect become apolitical. They have gone so far as to say that, if the minister wishes, they will draft legislation that is in keeping with that of other countries where there is a full disclosure. I suggest the minister consider that offer and bring that before the committee as well.

I was surprised at some of the explanations given by members of the Bar Association with regard to United States legislation respecting disclosure. The example was given of a person living near an airport. If that person wanted to object to that airport on the basis that there would be too much noise in the vicinity, he could ask the government to disclose to him all documents prepared by the government in relation to the noise surrounding that airport. Then that information could be used by him to prepare a case against the government. The theory is that the information obtained by the government was paid for by individual taxpayers. Therefore all information in the hands of the government should be available to the individual, as well as to the government, in preparing his case.

I was very interested, because normally when lawyers get involved in legislation by regulation they confuse the matter. It usually makes it worse. However, I understood from a representative of the Canadian Bar Association that under United States law you can make an application for disclosure of information which affects you. The agency has ten days to present that information. If it does not present it, it must have good reason. If the information is not made available, the decision can be appealed and the appeal must be heard within ten days. If the appeal is not successful, you can then take the matter before a judge who has another ten days in which to make a decision. I know that is hard to understand because judges do not work very fast.

What happens in the United States is that the matter goes to the top of the docket and it is the first thing the court hears. The judge then receives the document for which the individual is asking. All this is done without lawyers being involved. The judge then looks at the information, considers the arguments that have been made, and decides whether the information is to be made public. If he decides the information is to be made available, it is then released to the individual. If he decides not to release the information, the matter can then be appealed to the highest court. All this must take place within a period of 30 days.

Under that law, it is not necessary to have lawyers on both sides arguing the matter. If the information is to be produced, it is done quickly. For all three stages of the law to be carried out in 30 days is very quick. That disclosure of information means something to the general public and certainly means something to the individual.

● (2140)

I think the minister will be hard pressed to say that the information, whether it is in a computer or in the form of a document concerning the individual, should be disclosed to the individual involved just as it is to the agency, which in this case would be acting as his adversary. But it seems to me that that information should be made available to him. To a layman like me who is not a lawyer it seems only logical that such a disclosure should be made, and there is no reason for not doing so.

I agree that in the case of information affecting national security and also information on criminal activity should be

restricted. But in other cases, why should public servants put a stamp saying "Confidential" on every document they handle, or stamp "To Be Seen By The Minister Only" or some other foolish statement? Are they doing it just to protect themselves against having their work seen and being judged incompetent? In 99 per cent of the cases the document is stamped confidential only to protect the incompetence of the person who produced the report. If that were not so, the author of the document would be proud of producing it and would want it seen.

In other countries people like to see their names on the documents which they prepare. In the United States, for example, many documents are tabled because someone wants his name seen by the public. But in this country everyone is stamping "Confidential" on documents, which are then put away some place where no one can see them, and the only reason for doing so is to hide the incompetence of the person who has prepared them. I am sure it is not the ministers who say that a document should not be released but public servants.

We took a very small step forward when we passed the Canadian Bill of Rights. Many other countries have gone far beyond what the minister is suggesting in the legislation before us, and they have passed their legislation a long time ago. We move very slowly. This legislation has been around for some time. For some reason or other we do not have the proper machinery to update our legislation. The minister has put forward legislation which originally was prepared two or three years ago. Since that time it has not been updated because we do not have the proper mechanism with which to do it.

I hope the minister will agree to accept the offer of the Canadian Bar Association to assist him. I suppose it is the only time in history when they have been prepared to do something for nothing. They are offering to supply the services of some people for free to help the minister. It would be the minister's legislation, but they would be pleased to give him any help he wanted. They were asked what they will get out of it, and they replied, "Nothing. We believe in the rights of the individual, and we want to enshrine in the legislation every possible protection for the individual against the technology that is developing which makes all kinds of information on individuals available to governments and agencies, information about which the individual may know nothing and which he cannot check to ascertain whether or not it is correct". The Canadian Bar Association believes that this is fundamental justice which should be contained in the human rights bill, and that it is absolutely mandatory.

Perhaps I have been misled, and perhaps the minister could indicate some reason why there should be all this secrecy. Perhaps he could go even further and give me a good reason why public servants want to keep so many documents confidential. Let me tell you that in my view there are 20 per cent too many of them, and everybody in the country will agree with that.

Mr. Nystrom: 25 per cent.

[Mr. Peters.]

Mr. Peters: If we got rid of the top 25 per cent—

Mr. Stevens: When do we do it?

Mr. Peters: There is an interesting comment which I should like to make about this.

This afternoon I was reading about the chairman of the Bell Telephone Company. Apparently when he came to Canada from IT&T his first order to Northern Electric was that they should get rid of their sales people. He said, "We must stop making all the sales we are making and we must get rid of many of our people. We must get down to the point at which we can compete, the point where everyone is hungry and everyone wants to keep his job, and everyone is scared that, if they do not, they will have no job". Perhaps some hon. members know something about Northern Electric, because that is exactly what he did. He trimmed the organization from the top. The managers went first, then he got rid of some of the sales staff. One salesman on the staff was making $1 million worth of sales. Anyone might think that the chairman was crazy, but in the thinking of IT&T if you eliminate a certain percentage from the staff at the top and you increase the efficiency of those who are left, you get a bettter organization. Those who expect an increase in their pay in accordance with their productivity are rewarded.

Everyone will agree that there are many people in the civil service in the top bracket who are just staying in their jobs awaiting their pensions, and who certainly do not want to rock the boat.

The minister knows full well that he has a great opportunity to move forward and not have to follow someone else. He should take the offer of the Canadian Bar Association with regard to the clause relating to the disclosure of personal information. He should accept their kind offer, their generous offer to pay a number of people to provide the government with assistance. We should move forward in this direction as fast as we can.

As my last remark I would like to say that I would be surprised if our country, which believes in the rights of individuals, does not withdraw our ambassador to Uganda. I believe that this legislation would have no teeth unless we agreed to attend the next Commonwealth conference only on condition that Uganda is not invited, because if there has ever been a country going in the opposite direction to what we want to achieve through this legislation it is that country.

If the government really believes in this legislation, then we will withdraw our representative in Uganda, and we will not sit with the representatives of that country at any international conference until their regime is changed. It might even be wise for us to talk to our CIA friends and ask them to put out a contract to eliminate that unsavoury situation so that people in Uganda can again have some rights such as they had under their previous leader, Milton Obote.

[*Translation*]

The Acting Speaker (Mr. Ethier): Order, please. Before recognizing the hon. minister, I must inform the House that in speaking now he will close the debate.

● (2150)

[*English*]

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I have just a few minutes in which to close the debate so that this bill can be referred to committee this evening. I appreciate the debate we have had, and the co-operation we have had from all quarters in the House. We had a sufficient debate to deal with the issues of principle involved in this bill and still get it referred to the standing committee this evening.

Just at the tail end of this debate, however, we heard a most outlandish proposal from my friend who just spoke. He went on about freedom, human dignity, civil and human rights, the need to curb police power, and the need to put proper restrictions on the police and on governmental authorities. However, he suggested that somehow we should employ a foreign police force to go out and assassinate someone.

Mr. Baker (Grenville-Carleton): He is just a simple socialist.

Mr. Basford: I hope, for the sake of himself and his party, that he was being facetious. I would not want to call what the hon. member said a joke because it was so silly. I trust he was not even trying to make a joke.

I wish I had time to deal with a number of misunderstandings and misconceptions which arose in this debate about certain provisions and intentions of this bill. Obviously that is something for the committee, when the bill gets there.

The struggle for human rights is an ongoing, ever-present and never-ending one, as the hon. member for Winnipeg North Centre (Mr. Knowles) said. In this debate we heard discussion of the international scene and, in particular, discussion about Uganda. I am not drawing attention only to the reference just made; references were also made in earlier speeches. The Prime Minister (Mr. Trudeau) has just returned from Washington where the Helsinki Agreement was discussed. It was on August 1, 1975, that through our Prime Minister our country signed the final act of the Conference on Security and Co-operation at Helsinki, and among the principles with which the 35 governments concerned themselves was the determination to respect and put into practice Principle 7, namely, respect for human rights and fundamental freedoms, including freedom of thought, conscience, religion or belief.

In subscribing to these principles each government, including the Canadian government, undertook to promote and encourage the effective exercise of civil, political, economic, social, cultural and other freedoms. I think this bill represents a concrete step, in Canadian legal development, toward giving additional legislative expression to our commitment to the Helsinki Agreement because it extends the existing Canadian human rights laws, both federal and provincial, still further. I therefore hope that before the up-coming conference reviewing the Helsinki Agreement we will be able to have this bill passed and become part of the law of the country.

I cannot and will not deal extensively with Parts I, II and III of the bill relating to discrimination. There was much reference in the debate to the Canadian Bill of Rights, and in my introductory remarks I mentioned it myself and paid credit to the right hon. member for Prince Albert (Mr. Diefenbaker). However, some hon. members, particularly the hon. member for Calgary North (Mr. Woolliams), seem to think that we do not need a human rights commission; that we could just legislate, take a legalistic approach, and have all these problems solved in the courts.

I was glad that there were other hon. members, for example, the hon. member for Fundy-Royal (Mr. Fairweather), the hon. member for Winnipeg North (Mr. Orlikow), and the hon. member for Broadview (Mr. Gilbert) who recognized that there must be, in addition to a Bill of Rights, and in addition to a legalistic and judicial approach to this question, a human rights commission which not only has power to investigate, examine and, if need be, impose penalties, but also power to educate and promote or, as the hon. member for Portage (Mr. Masniuk) said, engage in P.R. on behalf of the issue of human rights and anti-discrimination. To solve some of these problems we need a commission with the power to conciliate between parties. I am glad that need was recognized by a good number of speakers representing different parties because this aspect has been criticized by some. Undoubtedly that approach should be recommended.

With regard to Part IV of the bill there is immense confusion, it seems to me, about two subjects. One is freedom of information or freedom of access to government documents, and the other is the right of privacy. These are two quite different subjects.

We made it clear in the Speech from the Throne that we would be tabling before the Standing Committee on Regulations and other Statutory Instruments, through the Secretary of State (Mr. Roberts), a set of proposals on the first of those subjects, namely, freedom of information or the right to government documents, and to the information upon which the government makes decisions—and this bill does not deal with that issue. Part IV of this bill though deals with the right of individuals to protection of their privacy in terms of government information, the right of an individual, and no others, to see his file and to correct that file. While hon. members can be critical of any proposal, I hope they will make sure they are making that very fundamental distinction, a distinction which is recognized in Sweden and in the United States. There are two things we are talking about, and in Part IV we should be talking about the right of privacy.

With regard to exemptions, every act of this nature has some exemptions. I hope hon. members will examine the exemptions in this bill, not with rhetoric but with care. I thought the hon. member for Portage made an excellent speech tonight, but he attacked the exemption for information

used in the course of investigations pertaining to the detection of suspicion of crime. Surely, however, we cannot give drug traffickers the legal right in the course of a drug investigation to apply to the government and obtain the police file on that investigation. If that is to be the case, there will be literally no drug prosecutions or drug convictions in the country. I implore hon. members to look at these exemptions carefully and study them carefully. Obviously it is my job to justify those exemptions in committee. I submit that I will be able to do that.

There is much more I would like to say, but I will have to say it in committee. I appreciate the remarks of hon. members. I appreciate the concurrence with my opening statement that I hope we can have the bill passed by June 30. There seems to be general co-operation and support for that proposition. The Standing Committee on Justice and Legal Affairs is immensely busy right now, and I hope all hon. members will co-operate with that committee to see that we achieve that objective.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Ethier): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

EXTERNAL AFFAIRS—CUBA—SUGGESTED RECONSIDERATION OF RELATIONSHIP IN VIEW OF SUPPORT OF RHODESIAN GUERRILLAS

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, I want to begin by thanking the parliamentary secretary for making it possible to return to this subject. The department somehow became confused in the returning of answers the last time I raised this question during the adjournment debate, and the parliamentary secretary was good enough to insist to the Clerk and the department that we return to the subject as soon as possible.

● (2200)

The Minister of Justice (Mr. Basford), in the closing minutes of the debate on Bill C-25, displayed what I think we could call some mock shock when the hon. member for Timiskaming (Mr. Peters) suggested that perhaps the Canadian government should hire the CIA to investigate the activities of Idi Amin. I do not think I am stretching the point by saying that perhaps we are doing somewhat the same thing in our relationship with Cuba.

A year ago a question was raised in this House about the use of our facilities at Gander by allowing the Cubans to land planes there. On that point the Secretary of State for External Affairs (Mr. Jamieson) said that we had made it clear we would not tolerate any such use of Canadian facilities for military purposes, if indeed that was the case. A year later we have the shocking declaration that Cuban officials have been using facilities on Canadian soil to train guerrillas to be operatives on the continent of Africa.

Two or three weeks ago newspaper headlines were screaming about the assassination of seven missionaries in Rhodesia. There are allegations and suspicions that the missionaries were assassinated by guerrillas who had been trained by the Cubans. When I posed the question to the Prime Minister (Mr. Trudeau) two weeks ago he said he thought the question was based on a *non sequitur*. The very fact that we are giving some form of economic aid to Cuba does not seem to impress the Prime Minister, and it is probably allowing Cubans to carry on furtive activities in other countries in a way they could not if we did not give them the aid. I said in that question that some of the aid is very extensive, and I want to put on record some of the figures involved. It strikes me that if we are giving Cuba aid by way of CIDA almost to the tune of $23 million to $100 million at 3 per cent interest, that is a relatively extensive boost to its foreign aid. I am not speaking of foreign trade but foreign aid. I know there are thousands of people in Canada who would love to have a 3 per cent loan to pay off their mortages. That could be a good war on poverty. Right now the Cubans are waging war, but it certainly is not a war on poverty.

The figures tell us that Cuba has up to 7,000 troops and advisers in the Middle East, 4,000 in Syria, 3,000 in Yemen, and 2,000 in Africa apart from the 12,000 they had in Angola. If we can lend Cuba up to $100 million at 3 per cent interest perhaps that releases some of their other resources for the kind of activities going on in Rhodesia at the present time, so I cannot see why the Prime Minister would say my question was based on a *non sequitur*. The Canadian people are faced with the dilemma of trying to find out what is the foreign policy of this country. Are we against this kind of activiy being carried on by the Cubans in Africa? If we are, why are we continuing with aid that allows them to carry it on?

The Prime Minister has just come back from Washington saying we ought to be friends with our best friends, who happen to be the Americans in his eyes, at least for the time being. If that is the case, presumably we are thinking of principles of democracy and self-determination, but if at the same time we are allowing the Cubans to carry on guerrilla activities, we cannot be espousing the principles of democracy.

I should like the parliamentary secretary to give us a clear statement of the policy of the Department of External Affairs and of the Prime Minister.Does he in fact espouse democracy as we usually think of it, or does he intend to continue the kind of economic activity with Cuba that will allow them to carry

on those activities and let them rape the sanctity of Canadian soil in the process?

[*Translation*]

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, I shall answer the question asked by the hon. member for Surrey-White Rock (Mr. Friesen) concerning the advisability of reconsidering our relationship with Cuba because of that country's support of Rhodesian guerillas.

[*English*]

The government's position on foreign intervention in Africa, and particularly in Angola and Rhodesia, has been clearly stated on a number of occasions. We are completely opposed to foreign military intervention into these countries. This opposition as it then related to Angola was reiterated on a number of occasions in this House, as well as in a public statement made on January 20, 1976, by the then secretary of state for external affairs, the hon. member for Cape Breton Highlands-Canso (Mr. MacEachen). It was also brought to the attention of Premier Castro by the Prime Minister (Mr. Trudeau) during his trip to Cuba early last year. This opposition to the introduction of troops and material is still the policy of the government of Canada, and the Cuban government has been made well aware of it.

With regard to our relationship with Cuba, I do not think it would be in the best interests of Canada to reconsider it, as it has served us well in the past. It is not our policy to tie the provisions of our development assistance to any given country to the suitability to Canada of that country's foreign policy. We offer our assistance on the understanding that aid will not be used for political purposes but rather for bettering the standard of living of the people of the recipient country. We apply this approach fairly to a number of countries with different political, economic, and social structures. We believe that pursuit of the goal of long-term betterment of the standard of living of the peoples of the developing world is in our best interests, as it is in theirs.

In the case of Cuba we do not believe that the best way to ensure that our advice is followed is by going back on commitments made—or for that matter by tampering with our commercial relationship. Rather, we shall continue to urge them and any others involved to refrain from intervening militarily in the affairs of other nations.

ENVIRONMENTAL AFFAIRS—ARSENIC POLLUTION IN YELLOWKNIFE—DISCUSSIONS BETWEEN MINISTER AND HEALTH MINISTER PRIOR TO ESTABLISHMENT OF STUDY GROUP

Mr. Bob Brisco (Kootenay West): Mr. Speaker, I have asked both the Minister of National Health and Welfare (Mr. Lalonde) and the Minister of Fisheries and the Environment (Mr. LeBlanc) who is looking into the Yellowknife arsenic pollution problem? The Minister of National Health and Welfare said in part, as reported at page 3190 of *Hansard*, that the Canadian Public Health Association has been asked to set up a work committee. The minister, in his customary sarcastic manner, suggested that I had failed to understand the nature of the exchange which had taken place between the minister and the hon. member for Oshawa-Whitby (Mr. Broadbent) on the previous day, February 17. I understand exactly what was said.

In his exchange with the Minister of National Health and Welfare the hon. member for Oshawa-Whitby referred to the Clean Air Act. On February 18 the Minister of National Health and Welfare was referring to the Environmental Contaminants Act, as is evident if one reads the exchange reported at page 3190 of *Hansard*. The minister said:

> ... The question of the hon. member for Oshawa-Whitby dealt with a very specific matter, namely the setting up of standards under the Environmental Contaminants Act.

If the minister had read the question of the hon. member for Oshawa-Whitby, he would have seen that it referred to the Clean Air Act, not to the Environmental Contaminants Act. Nevertheless, the Minister of National Health and Welfare finally admitted after that long exchange with the hon. member for Oshawa-Whitby that a joint committee had been set up under the Ministry of the Environment and, one must assume, the Ministry of National Health and Welfare. Its purpose is to consider every aspect of the issue currently confronting the people of Yellowknife.

On the face of it two separate committees have been established, the one established by the Ministry of the Environment and the other by the Ministry of National Health and Welfare, under the auspices of the Canadian Public Health Association. Yesterday, when I asked the Minister of Fisheries and the Environment questions, in an attempt to determine if the Environmental Contaminants Act was being invoked, the minister failed to understand the thrust of my question. Previously, the Minister of Health said I should consult with the Minister of the Environment:—"He knows what I am talking about, ask him when he returns to the House; I am sure you will get this matter clarified."

● (2210)

It was clarified by the Minister of the Environment yesterday when he said to me, "Maybe I did not understand the hon. member's question", and when I put it to him again, he said, "We have a special committee in place under the Canadian Public Health Association".

The point is that parliament passed a bill called the Environmental Contaminants Act, a bill which comprises a schedule of contaminants clearly laid out and which must be investigated by the Department of the Environment. Arsenic is one of the substances listed in that schedule. On reading the bill I find that the Minister of the Environment and the Minister of National Health and Welfare may jointly appoint advisory committees to review any data collected pursuant to the act, more specifically with reference to environmental contaminants. Obviously such a committee is not in place. There appears to be some sort of joint committee which has not been

defined, though it could have been defined in the response the Minister of the Environment gave yesterday. But this he failed to do. We have that committee, we have a Public Health Commission, and protection under the Environmental Contaminants Act which the minister has failed to implement.

The Environmental Contaminants Act is not a lengthy bill. It is interesting to note that it went into force on March 1, 1976, and that to date no charges have been laid under the statute. I am pleased, of course, that we should have such a clean environment and that everything is moving so smoothly. But when I consider that we also have on the statute books an Ocean Dumping Control Act which was assented to even earlier, an act which really pertains to the same objectives, though in the oceans and inland waterways, I become somewhat doubtful since no charges have been laid under that act either.

I suggest, Mr. Speaker, that the Ministry of the Environment has totally and completely failed to implement anything in the Environmental Contaminants Act, to exercise any of its rights under that act as well as under the Ocean Dumping Control Act. I suggest that the Minister of the Environment in his response to me yesterday clearly showed that he does not know what is going on in his own department with reference to an act which is of paramount concern to that ministry.

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, the hon. member for Kootenay West (Mr. Brisco) presumably refers to section 3(4) of the Environmental Contaminants Act in which it is stated:

> The Minister and the Minister of National Health and Welfare may jointly appoint advisory committees to review any data collected pursuant to subsection (1) and paragraph (3)(a), to receive representations from interested parties or concerned members of the public and to advise the Minister and the Minister of National Health and Welfare respecting measures to control the presence in the environment of any substance or class of substances.

The Department of Fisheries and the Environment, the Department of National Health and Welfare, and the Department of Indian Affairs have been addressing the Yellowknife arsenic problem for some time under their respective legislation. These considerations have included federal government authority under the Clean Air Act, the Fisheries Act, and the Northern Inland Waters Act. It is doubtful whether establishing an advisory committee at this time under the Environmental Contaminants Act would have contributed anything more to the solution of this problem than is already being done.

It should be emphasized that the focus of the Environmental Contaminants Act is upon the widespread contamination of the environment associated with the commercial use of problem substances. I might add that arsenic is included in the list of priority substances under consideration for major investigation under the Environmental Contaminants Act.

A priority setting exercise has been under way for some time in an attempt to establish short lists of problem substances. The two departments are now reviewing responses from across the country, greater than 100 replies to date. It is planned to distribute a summary of this survey for further comment.

[Mr. Brisco.]

No advisory committees under the Environmental Contaminants Act have been appointed as yet. We have had working groups and task forces to examine the technical issues about such chemicals as PCB's and fluorocarbons. Formal advisory committees may be required to examine in detail the wider issues of acceptable risk and social-economic impact once technical issues are resolved.

With respect to the specific Yellowknife arsenic problem, the Minister of Fisheries and the Environment (Mr. LeBlanc) supported the Minister of National Health and Welfare in the appointment of the special Canadian Public Health Association committee to provide an independent appraisal of the risk to human health.

MANPOWER—PRACTICE OF SUPPLYING WORKERS TO COMPANIES WHOSE EMPLOYEES ARE ON STRIKE—GOVERNMENT POSITION

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, a week ago the Minister of Manpower and Immigration (Mr. Cullen) told this House that when it came to strikes his department was neutral. He made that comment in response to a question I had raised concerning the fact that the Manpower Department was referring workers to work in legally struck plants, specially at the Ottawa *Journal* and Wyandotte Chemicals in Scarborough. Manpower has referred unemployed workers to both these plants. Mr. R. Lapointe of the Manpower Department stated in a telegram, in relation to the Wyandotte plant:

> Wyandotte Chemicals Limited has had a standing job order for storemen since December 10, 1976. To date 26 referrals have been made by C.M.C. resulting in six placements.

There are two questions involved in this particular issue. One is impartiality, and the minister's answer touched on the question of impartiality. The minister says that what has taken place is all right. He said last Thursday in response to the question I asked in the House, as reported at page 3137 of *Hansard:*

> If an employer, who also pays substantial taxes, wants to make use of Canada Manpower Centres to indicate a job vacancy, we tell the workers that there is a vacancy but that the plant is on strike. If the individual opts not to go he is not penalized.

Well, Mr. Speaker, the workers pay taxes too, and thanks to the way that the government has handled our tax structure, they pay a great deal more in taxes than employers do. But that is not the question I want to raise tonight. What benefits do they get from the minister's department during a strike or lockout? As for the question of impartiality, the very nature of the Unemployment Insurance Act forbids their receiving unemployment insurance during a work stoppage as a result of a labour dispute. The act is very clear in this regard. So they do not get unemployment insurance.

The government claims that if it paid these people unemployment insurance it would be taking sides in the dispute, and no one will argue with that. That is a quite correct position to take. It is not taking sides in the dispute when it funnels people to jobs formally held by other people involved in labour disputes. This is what the minister would have us believe. But I

suggest it is taking sides when it allows a Canada Manpower centre to be used as a referral centre for jobs at a legally struck plant.

It seems to me that on the one hand the government says it is not taking sides when it lets the Manpower centre be a referral centre for jobs at a legally struck plant; on the other hand, the government says it is not taking sides when it comes to paying the strikers unemployment insurance. It cannot have it both ways, Mr. Speaker. It cannot have its cake and eat it too. If the government is to be neutral, it has to be completely neutral. The Manpower centre ought not to be used at all by either employer or employee during a legal strike.

The government says that people involved in labour disputes can go to Manpower centres to get temporary work. This at this time in our history is a sick joke. The government knows that there are about one million people out of work in this country today. It knows perfectly well there is a big difference between finding a new job and filling one that is advertised.

● (2220)

The second point is even more serious than the whole question of impartiality. When the government and the Manpower Department allow Manpower centres to be referral centres for jobs at legally struck plants, they pit brother against brother, worker against worker. In this economy there are desperately few jobs being created and a very large number of people are unemployed. It is obvious that people want to work. Manpower makes these jobs in the struck plants public to all people who frequent Manpower centres. In fact men and women looking for jobs will jump at the opportunity, even though it states in the fine print that a legal strike is in process. It is most dehumanizing placing brother against brother, sister against sister, in the scramble for jobs.

The government's practices in this regard are even more evidence that when it comes to a difference between business and labour, the government's neutrality is pretty one-sided.

What does business get out of this? It gets a large pool of unemployed people. The private sector gets a guaranteed supply of scab labour to fill its plants every time there is a strike or lockout. It gets it from a government agency paid for out of the taxes of Canadian workers. Those on strike pay taxes and their taxes go to support a Manpower centre that is participating in an effort to replace them in a legally struck plant.

What do the employees get? Nothing. They cannot get unemployment insurance benefits while the government is sending scabs in to fill their jobs. That would not be neutral. That is why workers at *The Journal* were denied unemployment insurance. Their jobs were filled by workers referred by the Manpower centre and escorted to their jobs by the police. These workers are on a legal strike. While they are out on the pavement, their jobs are being filled by scab employees referred by the Manpower centre. These people are being denied relocation grants because Manpower says there is a strike in process.

The jobs are not there for the workers, thanks to the government's deliberate attempts to wreck the economy in the name of fighting inflation. If people doubt that the government works only for business, they will sure have their noses rubbed into that fact if they are ever forced into a strike or lockout situation. This is the situation as it exists.

[*Translation*]

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, the Department of Manpower and Immigration does not participate in any activity aimed at breaking a strike. On the contrary, it tries to keep its neutrality in all labour conflicts.

Nevertheless, the placement services of Canada Manpower Centres are available to all employers and employees affected by a conflict and who want to use them. That is how Manpower Centres register striking employees and present them to other employers. They also receive job opportunities offered by employers who face a labour conflict and try to fill them. However, before offering a job, Manpower Centres inform workers, orally and in writing, that the employer in question is involved in a labour conflict. Once they know this, workers are then free to accept or refuse the offer. That way, employers and workers can both decide whether they will avail themselves of the placement service of the department if a labour conflict arises. By keeping its neutrality, the department tries not to cause any prejudice to either party.

The hon. member for Nickel Belt (Mr. Rodriguez) will certainly understand that although department officials may observe the strictest neutrality in this type of situation, they will always be criticized by both parties involved, each claiming that they are acting against its own best interests. If it offers the employer the workers he needs, the unions will accuse the department of helping management to break the strike. On the other hand, if it does not, both the employer and his organization will accuse it of helping the union stop the operation. Although each of the parties will generally consider the minister is favouring the other, any impartial observer will find that he is really neutral.

The Unemployment Insurance Commission also remains neutral in cases of employer-employee conflicts. Should a recipient refuse to fill a vacancy resulting from such a conflict, he will not be prevented from receiving unemployment insurance benefits, because such a vacancy is not deemed as a normal working opportunity under the Unemployment Insurance Act. Under our collective bargaining system, employers and employees negotiate freely, without governmental interference. The Unemployment Insurance Commission maintains its objectivity by refusing its financial assistance to workers who are unemployed because of a working conflict. I am sure that the hon. member for Nickel Belt will recognize now that the Department of Manpower and Immigration and the Unemployment Insurance Commission are doing their utmost to remain impartial whenever industrial conflicts arise.

The Acting Speaker (Mr. Ethier): Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until eleven o'clock tomorrow morning.

Motion agreed to and the House adjourned at 10:29 p.m.

HOUSE OF COMMONS

Friday, February 25, 1977

The House met at 11 a.m.

ROUTINE PROCEEDINGS

[*English*]

TRANSPORT

PROVISION OF FUNDS TO MUNICIPALITIES FOR DEVELOPMENT OF URBAN TRANSIT SYSTEMS—MOTION UNDER S.O. 43

Mr. James Gillies (Don Valley): Mr. Speaker, I rise in accordance with Standing Order 43 to put a motion on a matter of urgent and pressing necessity which I believe, given the present disposition of many members on both sides of the House, will receive wide support. In view of the government's announcement to renege on its promise to provide $290 million of funding for urban transit systems and in view of the fact that many municipalities and provinces had made plans on the basis of this promise, I move, seconded by the hon. member for Grenville-Carleton (Mr. Baker):

That this House calls on the government to provide funds for those municipalities and provinces where planning has proceeded and decisions have been made on the basis of the government's promise for funding and that the government re-imburse all municipalities and provinces for funds that have so far been expended for purposes related to the promise of federal funding for urban transit systems.

Some hon. Members: Hear, hear!

Mr. Speaker: The presentation of such a motion for debate pursuant to Standing Order 43 can only be made with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

* * *

NATIONAL DEFENCE

SUGGESTED PREPARATION OF NEW WHITE PAPER ON DEFENCE POLICY FOR COMMITTEE STUDY—MOTION UNDER S.O. 43

Mr. Andy Hogan (Cape Breton-East Richmond): Mr. Speaker, I rise under a matter of importance and urgency. In view of the fact that the recent conference of defence associations criticized Canada for not having a comprehensive defence policy and in view of the fact that the same conference indicated that various statements by the new defence minister and the Chief of Defence Staff represent reversals of government policy as stated in the past white papers, and in view of the fact that the present minister seems to be wanting to escalate defence expenditures by increasing our fighter plane capacity, I move, seconded by the hon. member from Greenwood (Mr. Brewin):

That a new white paper be prepared for submission to a special subcommittee of the parliamentary committee on defence.

Mr. Speaker: The provisions of Standing Order 43 require unanimous consent for the presentation of such a motion. Is there unanimous consent?

Some hon. Members: No!

* * *

TRANSPORT

HONOURING OF PROMISE TO PROVIDE FUNDS FOR DEVELOPMENT OF URBAN TRANSIT SYSTEMS—MOTION UNDER S.O. 43

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I, too, rise under the provisions of Standing Order 43 to move a motion on a matter of urgent and pressing necessity. It being now apparent that in the absence of federal aid as promised, the CN and CP are proposing to raise fares and reduce commuter train services in the Montreal area while the Province of Ontario is unable to continue with plans to increase commuter services in the Toronto area, and since members of this House who support the government have indicated concern over this matter, feeling a promise is a promise and should be honoured, I move, seconded by the hon. member for Edmonton Centre (Mr. Paproski):

That this House instruct the government to honour its commitment to certain provinces with respect to urban transit financing, including, in the case of Ontario, an assurance that federal authorities would finance $38 million worth of commuter equipment which had already been ordered by the province on the strength of the federal commitment.

Mr. Speaker: Such a motion can only be presented with the unanimous consent of the House. Is there such consent?

Some hon. Members: No!

* * *

● (1110)

NORTHERN AFFAIRS

PROPOSED COMMITTEE STUDY OF DRILLING IN BEAUFORT SEA—MOTION UNDER S.O. 43

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I rise under the provisions of Standing Order 43 as a result of further news reports this morning regarding the drilling operations which took place in the Beaufort sea last summer. The

news evidently revealed the failure to announce at the time, or reveal in the technical review, that containment of the blowout was made very difficult by amendments to the safety drillcasing program which was approved by the Department of Indian Affairs and Northern Development, and the failure to make public at the time, or reveal in the technical review, that drilling was allowed to proceed with insufficient tests and that the absence of those tests made containment of the blowout almost impossible. Therefore, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the Minister of Indian Affairs and Northern Development conduct an inquiry into his department's review of the drilling program, and that the Standing Committee on Indian Affairs and Northern Development be empowered to conduct a complete review of drilling in the Beaufort sea that took place last summer.

Mr. Speaker: The presentation of such a motion for debate pursuant to Standing Order 43 can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

NATIONAL SECURITY

DEPORTATION OF RUSSIAN SCIENTIST FOR ATTEMPTING TO PURCHASE DOCUMENTS—REASON FOR FAILURE TO PROSECUTE

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I should like to direct a question to the Prime Minister arising out of the reports that a Russian scientist who was arrested and subsequently deported was on an exchange visit. Is it the intention of the government to make a statement with respect to this matter, and in particular could the Prime Minister inform the House how such lenient treatment of a person caught in this type of activity—at least to the extent that some action was taken—could possibly act as a deterrent to other people who might wish to engage in such practices? Is this the best the government can do under those circumstances?

[*Translation*]

Hon. Francis Fox (Solicitor General): Mr. Speaker, the individual involved, Mr. Khvostantsev, was deported last evening under section 18 of the Immigration Act. Indeed, he was deported as the result of an investigation carried out by the RCMP through the co-operation of a Canadian NRC scientist. Following the investigation made by the RCMP, it was clearly established that even if some unclassified material had been delivered, no privileged or secret material was handed over.

[*English*]

Mr. Baker (Grenville-Carleton): I want to thank the Solicitor General for telling us exactly what we can read in the *Globe and Mail* in any event this morning. The question I will now put to the Solicitor General, since he seems to be the person with knowledge, is, why was this lenient treatment given, and are there any undertakings, any agreements or conditions that scientists are subject to on these exchanges which give them some form of diplomatic immunity or that would allow those people to be treated as if they had diplomatic immunity, and why was the man not prosecuted for offending the law of Canada, because surely that is what happened?

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Fox: Mr. Speaker, as I said the individual was deported under section 18 of the Immigration Act. As for any criminal offence, I am advised that since there was no delivery of confidential or secret documents, there was no violation of the Canadian Criminal Code.

[*English*]

Mr. Baker (Grenville-Carleton): Even the report in the *Globe and Mail*, which the minister may not have read, indicated he tried to do that. The question I want to ask the Solicitor General or the Prime Minister is, when will these matters start being treated in a serious way? In other words, at what point in time does an activity like this, and activities such as the involvement at the Cuban embassy, cease to be acts requiring only deportation to the homeland of the offender, because the offences are against the laws of this country? In other words, when will the government begin to act in these matters in a serious way.

[*Translation*]

Mr. Fox: Mr. Speaker, we are beginning to see great changes. For the first time in a few months we are getting some support from the opposite side of the House in respect of the RCMP security services and I am happy about it. Of course this matter has been well conducted and one of the goals of the RCMP security services is to prevent violations. We are trying to act before criminal acts are perpetrated. Of course some dealings may be wrong when they are made in Canada by foreign agents, but they do not necessarily constitute a violation of the criminal laws of this country. If the hon. member wants to move amendments to the Criminal Code or to the Official Secrets Act, he is at liberty to do so, but at the present time the situation is as I described it and I am told that there has not been any violation of the laws of our country.

[*English*]

NATURE OF CHARGES AGAINST PERSONS WHO ALLEGEDLY AIDED ILLEGAL ENTRY OF ALIENS—INQUIRY IF COMMUNIST PARTY INVOLVED

Mr. Jake Epp (Provencher): Mr. Speaker, I should like to direct my questions to the Solicitor General as well because of activities in addition to the one referred to by the hon. member for Grenville-Carleton. I am referring to the activities which took place at Waterloo, Ontario. Canadians are shocked at the increasing number of incidents of this nature in Canada.

Reports out of Waterloo, Ontario indicate that RCMP and immigration officers conducted raids resulting in six persons being charged with illegally aiding aliens to enter Canada and once in Canada harbouring them in contravention of the Immigration Act, one of these six persons being Hardial Bains, Chairman of the Communist Party of Canada, Marxist-Leninist.

I would like to ask the minister what the specific charges were. Were they laid only under the Immigration Act? Were they also laid under the Criminal Code, especially in view of the nature of these crimes and in view of the fact that these persons might intend to leave the country? This government has shown a lenient attitude. These persons are presently not in custody, nor was bail set. What were the charges, and why were these people not kept in custody?

[*Translation*]

Hon. Francis Fox (Solicitor General): Mr. Speaker, I shall have to ask for a report on the case mentioned by the hon. member. I do not have any precise information on this for the time being, but it indicates that the RCMP security services are obviously doing their work.

As far as establishing bail conditions, this is a matter that comes under the jurisdiction of the courts and not of the RCMP.

[*English*]

Mr. Epp: In view of the fact that these investigations have been going on since November of last year, I feel the minister should have more information. In view of this shocking development could the minister indicate whether the Communist Party of Canada has aided the entry of illegal aliens into Canada in order to facilitate subversive actions of groups engaged in subversion, intelligence gathering and spy activities?

[*Translation*]

Mr. Fox: Mr. Speaker, the hon. member is anticipating a little on the investigations. If his allegations were justified, the necessary steps and procedures would be taken immediately.

* * *

[*English*]

CANADIAN BROADCASTING CORPORATION

ALLEGATIONS BY MINISTERS OF SEPARATIST BIAS IN RADIO-CANADA—REQUEST FOR ASSURANCE NO EMPLOYEE FIRED WITHOUT JUST CAUSE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I would like to direct a question to the Prime Minister regarding statements which appear in the Toronto *Star* of February 23 quoting the Minister of Industry, Trade and Commerce as saying that as far as Radio-Canada is concerned it might as well be called Radio-Quebec and the statement of the Minister of National Revenue to the effect that the French language CBC reflects separatism and nothing else. In an interview the President of the CBC stated that he looked closely at the French programming and found no evidence of the bias charged.

In view of the fact that all members of this House want to see fair and unbiased reporting on the CBC, whether it be on the English-speaking section or the French-speaking section, can the Prime Minister not find a more appropriate way to resolve this problem rather than having the unseemly spectacle of cabinet ministers publicly attacking Canada's public broadcasting corporation?

Some hon. Members: Hear, hear!

• (1120)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the CBC is not under the direct jurisdiction of any of these ministers mentioned by the hon. member.

Some hon. Members: Oh, oh!

Mr. Trudeau: Wait a minute. This is Friday morning—

An hon. Member: Yes, and it is Ottawa, not Washington.

Mr. Trudeau: It is Ottawa, not Washington.

An hon. Member: Back in the real world.

Mr. Hees: No more of that "Your Excellency" stuff. You are back in the real world.

Mr. Trudeau: Mr. Speaker, I hope the hon. member of the New Democratic party can judge from this exchange that nobody is taking his question very seriously.

Some hon. Members: Oh, oh!

An hon. Member: You are the only one.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, there may be members who do not take it seriously, but even on a Friday morning I would have thought the Prime Minister would have taken seriously the question of cabinet solidarity and collective responsibility.

Some hon. Members: Hear, hear!

Mr. Douglas (Nanaimo-Cowichan-The Islands): May I ask the Prime Minister a question with respect to the report which appeared in *La Presse* of Montreal on February 24.

An hon. Member: He does not read that any more.

Mr. Douglas (Nanaimo-Cowichan-The Islands): It says that the Minister of State for Urban Affairs has said that he has a list—

An hon. Member: Oh, another list.

Mr. Douglas (Nanaimo-Cowichan-The Islands): —of CBC French employees who are out to destroy the country. He is quoted in the Toronto *Star* of February 23 as saying he is challenging CBC president Al Johnson to "fire the bloody

guys that are working separatists". What I want to ask the Prime Minister, and I hope he will take this seriously, is whether he can assure the House that no individuals will be fired because of the views they hold but only if they have violated the guidelines set down for fair, unbiased and balanced reporting?

Mr. Trudeau: Mr. Speaker, the hon. member of the New Democratic Party really is knocking down a straw man. He knows the government cannot fire any employees of the CBC.

An hon. Member: Oh, come on.

Mr. Baker (Grenville-Carleton): You could transfer them to Inuvik.

Mr. Trudeau: I am somewhat bemused by the rushing of the opposition parties to the defence of the freedom of speech of the CBC. The government annually votes a very substantial budget to the CBC.

Mr. Baldwin: I thought parliament did that.

Mr. Trudeau: I accept the correction, Mr. Speaker. The government puts before parliament annually a very substantial budget for the CBC and we treat it at arm's length as a corporation with which we cannot interfere in terms of its programming. From there to say that cabinet solidarity is at stake because some ministers having viewed the CBC feel it is not showing an unbiased series of opinions, I do not take that step and I disagree with the hon. member. I think members of cabinet or any member of this House is entitled to look at the CBC and to say "that is a lousy story; it is biased and I disagree with it." I will not rebuke any minister for saying that.

ALLEGED PREPARATION BY MINISTER OF LIST OF SEPARATISTS IN RADIO-CANADA—GOVERNMENT POSITION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A final supplementary question, Mr. Speaker. I want to ask the Prime Minister if he condones the idea of cabinet ministers announcing publicly that they are preparing lists of people who ought to be fired for attempting to destroy this country. Surely if the government has any evidence of people trying to destroy the country the matter ought to be referred to the Solicitor General. I want to ask the Prime Minister if he will take steps to see that members of cabinet do not prepare lists—we have had enough lists in the past few weeks by the former solicitor general and others—which can only have the effect of attempting to intimidate and create fear among people either in the public service or in the Canadian Broadcasting Corporation.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have a very basic disagreement with the hon. member. I think hon. members on this side, at any rate, are very concerned about the possibility of CBC Radio-Canada propagating separatism.

Some hon. Members: Hear, hear!

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

Mr. Trudeau: I am not all offended that they think so and that they say so. As for the rest, the matter of proposing estimates and seeking corrections should be and is being done in the proper way. We are dealing with the head of the CBC. He is responsible for defending his estimates in cabinet and questions are being asked of him. He is not being assaulted or persecuted in any way. Some hon. members feel that there is separatist propaganda on the CBC. I believe, if they have that opinion, they are perfectly entitled to state it, and if the hon. member feels the contrary, that Radio-Canada is fighting hard for Canadian unity, I think he is perfectly entitled to say so as well.

* * *

[*Translation*]

RESEARCH

REQUEST FOR INCREASED FUNDS

Mr. Eudore Allard (Rimouski): Mr. Speaker, my question is for the Minister of State for Science and Technology.

Since Canadian researchers are uncertain because of last year's reduction in grants and since government expenditures have increased by 16 per cent during that same period, would the minister be in a position to say whether he considers putting an end soon to that time of lean kine for research in medicine and other fields?

[*English*]

Hon. James Hugh Faulkner (Minister of State for Science and Technology): Mr. Speaker, I suggest that if the hon. member were to read the blue book he would know there will be an increase this year.

* * *

CANADIAN BROADCASTING CORPORATION

KNOWLEDGE OF PRIME MINISTER OF ALLEGED LIST OF SEPARATISTS IN RADIO-CANADA—GOVERNMENT ACTION

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I should like to return to the earlier series of questions concerning the CBC. The Prime Minister was discussing separatism in Radio-Canada which, as he pointed out, is a matter of opinion. But we still have not heard an answer about the list. Is the Prime Minister aware of a list, allegedly made by the Minister of State for Urban Affairs, of people who work for Radio-Canada and who may not be in sympathy with our federal system of government? Is the Prime Minister aware of such a list? What has been the disposition of that list, and are people on the list able to speak about the list?

Some hon. Members: Oh, oh!

An hon. Member: What do you mean?

Mr. Fairweather: Just a moment. If you want to ask questions, you can—

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I had not heard about this until it was asked a few minutes ago. I have before me a clipping which does not say that Mr. Ouellet is circulating lists or asking the government to act on lists. I am told that he has volunteered to give the CBC the names of people he thinks are separatists and propagating their ideas in a way they should not be. I congratulate him for offering his services to the CBC. If they want to take him up, if President Johnson of the CBC—

An hon. Member: Oh!

Mr. Trudeau: Oh! If President Johnson of the CBC wants to ask Mr. Ouellet or any other citizen—

An hon. Member: They are not doing their professional job.

Mr. Trudeau: Who do you think is not doing a professional job? Perhaps we could look at their job. I see no objection to that. It is up to Mr. Johnson to make up his mind.

Mr. Fairweather: A supplementary question, Mr. Speaker. I was not aware the government had been reorganized and that it was the function of the Minister of State for Urban Affairs to compile lists of people whose loyalty may be in doubt. I have never seen thinner skins that those exhibited round here in the last few weeks.

Mr. Paproski: In the last couple of days.

Mr. Chrétien: Look at the facts.

Some hon. Members: Oh, oh!

Mr. Fairweather: The orchestra is a little blurred, Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Fairweather: Mr. Speaker, I wonder if people could settle down, because I want to ask another question.

An hon. Member: Well, ask it.

Mr. Fairweather: Mr. Speaker, this is a fairly serious issue, although it does not appear to be so to some. Will the Prime Minister recall, for the edification of ministers and others, including the opposition, the definitive statement regarding the separation of the publicly-owned corporation from the government which was made eloquently in this House by the late George Nowlan and supported in subsequent statements by Mr. Pickersgill and Miss LaMarsh.

• (1130)

Mr. Trudeau: Mr. Speaker, in this House, I have, as have other members, sometimes shown impatience with the media, including the CBC. This does not seem to be an offence against any rules of this House or against any conception of freedom of speech. However, hon. members on the other side, for reasons which I respect, are trying to make sure that freedom of speech still prevails. I congratulate them. I assure them that I have not asked Mr. Johnson, and I am sure the minister has in no way told him to do anything in particular, to get rid of any members he feels are separatists.

An hon. Member: Not yet.

Mr. Trudeau: No, not yet. I would think that members on the other side would not try to use their political advantage. There is a very real concern on the part of many citizens, particularly those who listen to Radio-Canada, that that can be a separatist propaganda machine. Indeed, it can be used to get the people of Quebec to believe more in separatism than in federalism. This government is very concerned about that. We are trying to act on that in a proper fashion. I hope we will have the support of hon. members opposite who believe in freedom of speech but still believe it is the duty of the CBC to promote Canadian unity and not separation.

* * *

NATIONAL SECURITY

DEPORTATION OF RUSSIAN SCIENTIST—ACCESSIBILITY OF CLASSIFIED INFORMATION TO SCIENTIST FROM ANOTHER COUNTRY

Mr. G. W. Baldwin (Peace River): Mr. Speaker, with your permission I would like to come back to the question first raised by the hon. member for Grenville-Carleton. I ask the Solicitor General, having in mind my curiosity was aroused by the suggestion in the story that the scientist from whom the Soviet agent attempted to secure information had access to classified information which would be denied to members of this House or the public, to give a categorical assurance that the scientist from another country did not have access to classified information which would be denied to myself or to other members of the public.

Hon. Francis Fox (Solicitor General): Mr. Speaker, I am advised that the scientist from the Soviet Union who was recently deported did not have access to classified information.

Mr. Baldwin: Mr. Speaker, I do not think the Solicitor General quite understood the point. The scientist from another country from whom the Soviet agent sought information was alleged in the story to himself have had access to classified information. Apparently the Soviet scientist did not because he would not have sought to buy it otherwise. Did the scientist from the other country from whom the Soviet agent sought information in fact have access to classified information which I would not be allowed to have?

Mr. Fox: Mr. Speaker, the Soviet scientist's discussions took place with a Canadian scientist employed at NRC. My understanding is that the scientist had access to classified information of a scientific nature.

DEPORTATION OF RUSSIAN SCIENTIST—INQUIRY OF CHARGES RECOMMENDED PRIOR TO DEPORTATION

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a supplementary question for the Solicitor General. I must say I did not fully hear his response to the first question. Will the minister advise whether charges were recommended to be laid by the RCMP prior to this deportation?

Hon. Francis Fox (Solicitor General): Mr. Speaker, my understanding is that the information which was amassed by the RCMP was brought to the attention of the Department of Manpower and Immigration and they thought the appropriate procedure in that instance was to proceed with a deportation order.

* * *

CANADIAN BROADCASTING CORPORATION

ALLEGED LIST OF SEPARATISTS IN RADIO-CANADA—SUGGESTION SEPARATISTS BE NAMED AND GIVEN CHANCE TO DEFEND THEMSELVES

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, in the absence of the Minister of State for Urban Affairs, I will direct my question to the Prime Minister. Having regard to statements made by the Minister of State for Urban Affairs to Broadcast News with respect to a number of journalists engaged by Radio-Canada, and having regard to the fact he accused these persons of plotting to destroy this country, will the Prime Minister in the interest of protecting the fine reputation of this network and most people there ask the minister to name these individuals of whom he has compiled a list so that they can be made to account for their actions and have an opportunity to defend themselves against these charges, or is the handling of this whole matter to follow the EPO concept of political blood testing?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as far as we are concerned, people on this side can make lists of what they want. I have some lists in my own drawer which contain the names of the politically inept members of the opposition.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Trudeau: Now that I have made that information public, I am sure I will be challenged to make those names public so that hon. members can defend themselves. I will give it some thought.

Some hon. Members: Hear, hear!

Mr. Oberle: I can understand the Prime Minister's dilemma. We do not have the same problem because everyone on the other side is inept. Therefore, we do not have to single them out.

Some hon. Members: Hear, hear!

[Mr. Fox.]

Mr. Oberle: I ask the Prime Minister to answer my question. Will these people be named? Will they be made to account for their actions? In the interest of the survival of this country, will the Prime Minister consult with the minister who made these unfortunate statements, particularly the statement that it is a fact of life that he, as a minister, will interfere with the president of a Crown corporation, smearing by innuendo the reputation of fine civil servants? Will the Prime Minister state here and now whether he will take some action, whether he will consult with his minister, whether we will be told who these individuals are and what action is going to be taken against them?

Some hon. Members: Hear, hear!

Mr. Trudeau: I am surprised that the hon. member says they do not make lists. They hire private agencies to spy on the opposition.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

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COMMONWEALTH CONFERENCE

REQUEST THAT HUMAN RIGHTS IN UGANDA BE ON AGENDA

Hon. Robert Stanbury (York-Scarborough): Mr. Speaker, I have a question for the Prime Minister. Will the Prime Minister request that the state of human rights in Uganda be placed on the agenda of the Commonwealth Heads of Government Conference scheduled for June in London?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will convey to the secretariat of the commonwealth the suggestion by the hon. member. I am sure they are getting a lot of suggestions for the possible agenda. I will convey that suggestion.

Mr. Stanbury: Mr. Speaker, I think perhaps the Prime Minister missed the full import of my question. I asked, will the Prime Minister request that this item be placed on the agenda.

Mr. Trudeau: Mr. Speaker, I will be communicating with the Commonwealth Secretary General. I will ask him if there are agenda items dealing with this particular subject. If there are not, I will consider putting it on.

* * *

EXTERNAL AFFAIRS

UGANDA—OPPORTUNITY FOR HOUSE TO EXPRESS CONCERN OVER DENIAL OF HUMAN RIGHTS

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary question for the Prime Minister. In order to give this House, representing as it does all the people

of Canada, an opportunity to express its concern over what is happening in Uganda, will the Prime Minister bring forward as a government order a motion reflecting this attitude of the House, either in the form of a formal motion or by allowing a Standing Order 43 motion to be placed before the House without debate?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe this is a question for the Secretary of State for External Affairs. I will convey it to him.

* * *

NORTHERN AFFAIRS

DRILLING IN BEAUFORT SEA—SUGGESTED DELAY IN ISSUANCE OF PERMITS PENDING COMMITTEE STUDY

Mr. Wally Firth (Northwest Territories): Mr. Speaker, in the absence of the Minister of Indian Affairs and Northern Development, I will direct my question to the Prime Minister. We have already heard how an amendment to the casing procedures permitted by the Department of Indian Affairs and Northern Development made the shutting off of the blowout of the Dome petroleum well site last summer very difficult. A news report this morning indicates that failure to perform a routine check for low pressure testing made containment of the blowout virtually impossible. I should like to ask the Prime Minister whether he can assure this House that no further drilling permits will be granted until the Standing Committee on Indian Affairs and Northern Development has had a chance to review the whole question of drilling in the Beaufort Sea?

● (1140)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this is a technical question which I do not have the knowledge to answer, but I will bring it to the attention of the minister.

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AIRPORTS

PRINCE ALBERT—INQUIRY AS TO APPROVAL OF EXPENDITURE FOR IMPROVEMENTS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the President of the Treasury Board. It has to do with an agreement which has been entered into between the government of Canada in the right of the Department of Transport and the city of Prince Albert concerning the possibility of there being an expenditure of some millions of dollars being made to improve and bring up to date the airport at Prince Albert. I ask the minister whether or not Treasury Board has agreed to this expenditure?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, I am afraid that I would have to take notice of that question and get the facts for the right hon. member. I do not recall from memory what the disposition of the matter was but I will check into it and let him know.

Mr. Diefenbaker: A supplementary question, Mr. Speaker. The reason the matter becomes urgent is that two or three days ago the Minister of Transport signed the agreement in Prince Albert and there just happens to be a by-election there on Tuesday or Wednesday, which of course is purely coincidental. Would the minister find out by Monday and let the House know whether or not this agreement is simply padding during an election campaign in order to help the helpless?

Mr. Andras: Mr. Speaker, I would doubt very much if that would be the case but I will certainly get the information for the hon. member.

* * *

TRANSPORT

TORONTO TERMINAL PROJECT—REASON FEDERAL FUNDS NOT AVAILABLE IN ACCORDANCE WITH PROMISE TO AID URBAN TRANSIT

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the right hon. Prime Minister. Since it has been indicated that a 1974 promise of $290 million for urban transit will not be forthcoming, would the Prime Minister indicate whether he is aware that the Toronto transportation terminal project, which is needed to relieve congestion in that area in which federal authorities joined at the planning stage, will not be completed without federal funding and, if so, would the Prime Minister indicate why he feels that this project is not a suitable one for the application of funds pursuant to his 1974 promise of $290 million for such urban development?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the matter of metropolitan urban transportation is before cabinet now. There has been no decision one way or another but we are keeping the various arguments in mind, including the desire in every part of this House to keep expenditures down, as well as an often expressed desire by the provinces themselves that the federal government refrain from continuing to invade areas of provincial jurisdiction, that we should decentralize more, that we should let the provinces do more things. The question of intra-city transportation is one of these dubious cases. I believe there have been arguments put by the Tory party that we should be getting out of housing and out of a lot of areas where we should not be.

Mr. Paproski: Just keep your 1974 promise.

Mr. Trudeau: But, Mr. Speaker, we learn from the opposition. When they tell us to spend less money we take that seriously.

ALLEGED ASSURANCE TO ONTARIO OF FUNDING FOR TRANSIT EQUIPMENT

Mr. Sinclair Stevens (York-Simcoe): A supplementary question for the Prime Minister, Mr. Speaker. Is the Prime Minister aware that the previous minister of transport, Senator Marchand, gave an assurance to the province of Ontario that the government would fund the purchase of 80 tri-level transit cars at an approximate cost of $38 million; and if the Prime Minister is aware of this assurance, does he at least intend to see that that commitment is honoured?

Right Hon. P. E. Trudeau (Prime Minister): I am not aware of that particular assurance but I do know that the former minister of transport, and indeed the present Minister of Transport, would like to spend more money in helping the cities in their problems of metropolitan transportation. I just gave to the opposition the consideration that the government has to take in mind when it is considering those proposals of the Minister of Transport.

Mr. Stevens: A final supplementary question, Mr. Speaker. As members of both sides of the House are greatly concerned about the question of urban transit funding, and since it has been indicated that certain supporters of the Prime Minister may vote against Bill C-33, to amend the National Transportation Act when it comes up for second reading, Would the Prime Minister indicate whether, if there is a defeat of his government on that bill, he will regard it as non-confidence?

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FINANCE

ALLEGED PROMISE OF FINANCING FOR EDMONTON SUBWAY SYSTEM—GOVERNMENT POSITION

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of Finance and it concerns the related subject of urban transportation and promises made by the former minister of transport and the former minister of urban affairs, the present Minister of National Defence, in regard to the financing of long-lead items for the Edmonton subway system, in regard to which it is recognized that all levels of government are participating, although on the basis of engagements of the two ministers certain steps were taken in connection with long-lead items. Is the government of Canada now reneging on its participation in the financing of that system?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would have to confirm the premise in the hon. member's question in regard to Edmonton in particular. So far as Edmonton and indeed the Toronto transportation terminal are concerned, the hard fact remains that within the blue book, within the budget, and indeed within the financial projections for the next several years, there is only so much room available. As I indicated to the mayors of metropolitan Toronto, it is important to state priorities as to how funds should be used among the various alternatives in urban transportation. As for the specific Edmonton question, I would have to canvass that further.

* * *

TRANSPORT

ALLEGED PROMISE OF RAPID TRANSIT SYSTEM THROUGH FRASER VALLEY TO VANCOUVER—GOVERNMENT POSITION

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, I have a supplementary question for the Prime Minister. In view of the efforts of the government of British Columbia to obtain a rapid transit service through the Fraser valley to Vancouver, would the Prime Minister advise this House as to the efforts he has made to fulfil his election promise to the residents of Fraser Valley East that a rapid transit system would be put in place if his government were returned in the 1974 election?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, that particular line was not made the subject of a promise. The government indicated that it would be putting substantial funds into intra-city and inter-city transportation. We have already put $100 million into intra-city transportation. We have made other expenditures of funds. The question before the government, and I think before the opposition, is how fast we want our expenditures to grow. We generally have criticism from the other side when our expenditures grow. I am just reminding them of this now, that we are undertaking in the blue book to keep the growth of our expenditures at a certain rate, and we have to try to meet this objective, which means that we cannot spend as much money as the opposition would like us to.

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ADMINISTRATION OF JUSTICE

INVESTIGATION OF USE OF WRITS OF ASSISTANCE—REQUEST FOR REPORT

Mr. John M. Reid (Kenora-Rainy River): Mr. Speaker, my question is directed to the Minister of National Revenue. Has the minister completed her investigation into writs of assistance as they apply under the Customs Act, and is she prepared to take the House into her confidence as to her decision? If she has not yet made her decision, would she indicate when the decision will be made?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, in answer to that may I say there are a number of us reviewing writs of assistance. In the meatime, I have ordered my officials not to request any further ones. Having read the judgment of Mr. Justice Collier, I am sympathetic to the comments that he made about the lack of information with which the court is provided. No further writs of assistance will be asked for, either by myself, or by my colleague the Minister of National Health and Welfare—under the Narcotic Control Act—until the matter is at least reviewed. If writs of assistance are to be continued, the court should be provided with full information.

In the meatime, we are continuing our examination as to whether they are needed at all.

* * *

• (1150)

CANADIAN BROADCASTING CORPORATION

ALLEGED SEPARATIST BIAS IN RADIO-CANADA—REQUEST FOR INQUIRY—POSSIBILITY OF ATTACK ON PRIVATE STATIONS

Hon. Robert L. Stanfield (Halifax): My question is directed to the Prime Minister, Mr. Speaker. I should like to associate myself with the concern expressed by the hon. member for Nanaimo-Cowichan-The Islands with regard to Radio-Canada. I do not think it is a question of proving who is the most loyal Canadian in this chamber. We are hearing some of the same kind of charges being made as were made at the time of the troubles in Quebec in 1970, charges which were never substantiated, and fearing very much that there may be some on the other side who might be inclined to demagoguery for their own political reasons, and not wishing to see the CBC or Radio-Canada destroyed in the process, would the Prime Minister please institute promptly a full inquiry, through a House committee or in some other appropriate way, of the charges being made by ministers and others, and in the meantime suggest to his ministers that they retain a reasonable degree of discretion in order that we may not see the CBC English network and Radio-Canada destroyed? It is always popular to attack those organizations but they are set up to serve the country.

Will the Prime Minister please cease the kind of tactics which were followed in 1970, the rumour-based charges which were never substantiated, and will he please have an investigation made to determine whether there is anything in the charges which are now being made?

Right Hon. P. E. Trudeau (Prime Minister): The hon. member for Halifax says it is always popular to attack the CBC. It would seem to me to be more popular to spring to the defence of the freedom of the press at any time and at any place anywhere, and that is what members of the opposition parties appear to be doing.

Some hon. Members: Oh, oh!

Mr. Trudeau: The hon. member for Halifax indicates a way, perhaps, of getting to the bottom of some of these suspicions and fears that the CBC French side may be promoting separatism. I think it is a moderate and constructive proposal. I do not see any necessity of drawing a parallel with what happened in 1970. The issue, then, was not freedom of the press; the issue was kidnapping and murder. We dealt with it in the best way we could with the support of the opposition parties. So, I will give some consideration to the hon. member's suggestion. I can assure him that nobody is trying to promote himself as a hero or saviour of confederation—

Some hon. Members: Oh, oh!

Mr. Trudeau: I believe those are the words the hon. member for Halifax used; I imagine he used them with some intent. But I do want to say to him that if the CBC, a government-owned corporation, were promoting separatism it would be a matter for very grave concern on this side, and I would hope we would have the support of the other side rather than these phoney rushes to defend freedom of speech.

Mr. Stanfield: It would be of concern to all of us, just as it is to some of us, to hear these charges being made by ministers and others without any effort being exercised to substantiate them. I ask the Prime Minister whether it is not a short step from this kind of assertion being made to attacks on private stations which, after all, are licensed by the CRTC and reach a far greater proportion of the people in Quebec and French-speaking Canada than does Radio-Canada. It might be quite unnecessary, but can the Prime Minister assure me that the next step in whatever is going on will not be an attack on the private stations for their allegedly unbalanced reporting on the grounds that they are licensed by an agency of this parliament?

Some hon. Members: Oh, oh!

Mr. Trudeau: Those who are fairly attentive viewers of the CBC and of private stations in Quebec, to mention that particular province, are of the opinion that the private stations seem to carry less separatist propaganda messages than does the CBC. I do not think the opposition appears to be aware, and I am telling them with all the candour I can command, that almost everyone, including the high officials of the CBC, would be prepared to concede that the overwhelming majority of employees in the CBC are of separatist leaning. I have heard them say that. They are just asking: what can we do about it without infringing freedom of speech?

This is the question which is puzzling the government. We do not wish to judge people for their ideas. We want to judge them on the basis of their professional integrity. This is the question which is being brought up by a lot of members on this side, in this caucus, in and out of cabinet. It is a question which I am sure the CBC is asking of itself. I am informed they are holding seminars or groups of inquiry to try to get the opinion of people about the content, separatist or otherwise, of broadcasts from the French CBC stations. This is a matter of very serious concern to the government. I have answered this on other occasions. I am not sure how it could be dealt with because we do not intend on this side to police thought and we have never contended that the separatist ideology was not a legal one. We merely say that the CBC, the property of the Canadian people, should not be used to help destroy the country.

Some hon. Members: Hear, hear!

Mr. Trudeau: There are people on this side of the House better informed than I am on these matters who know militant separatists who are doing their job at the CBC. They want that to be stopped, and I agree with them.

Some hon. Members: Hear, hear!

Mr. Stanfield: Would the Prime Minister as head of the government please try to figure out some way of dealing with the problem which is worrying him and, apparently, worrying others?

An hon. Member: Are you not concerned at all?

Mr. Stanfield: I do not intend to stand here to apologize for my views as to whether I am a Canadian or not.

Some hon. Members: Hear, hear!

Mr. Stanfield: Of course we want to see the CBC and Radio-Canada give us balanced reporting. We are concerned when we see what appears to be powerful people in the government leaning on an institution. I do not doubt they are holding many meetings with regard to what is going on. All I ask is that the Prime Minister will stop what seems to some of us to have elements of demagoguery about it, but seek some way of attacking the problem which is worrying him without destroying Radio-Canada in the process.

Mr. Trudeau: It should be obvious from my previous answers that we are seeking some way to stop Radio Canada from being a propaganda machine for the separatist party, if indeed it is. The hon. member for Halifax has made a suggestion as to one way, in a previous question, and I said I would look into it.

ALLEGED THREAT TO REDUCE BUDGET OF CORPORATION UNLESS SEPARATIST BIAS ELIMINATED

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): The Prime Minister mentioned earlier that the government has a responsibility for preparing the budget of the CBC and submitting it to parliament. A *Canadian Press* report today of an extraordinary meeting between a section of the Liberal caucus and the President of the CBC yesterday reads as follows:

● (1200)

A number of Liberal MPs who attended the caucus meeting said Johnson was raked over the coals. They threatened to slash the corporation's proposed budget increases unless he took action to get rid of pro-separatists.

May I ask the Prime Minister whether the government has any intention of threatening the CBC with budget cuts unless there is a purge of separatists within the CBC?

Right Hon. P. E. Trudeau (Prime Minister): I missed part of the question during the shouting, Mr. Speaker, but I have beside me the hon. member for Matane who says that this is not true, that is not what happened there.

Some hon. Members: Oh, oh!

Mr. Trudeau: I know that if I were a member—

An hon. Member: Get up on a question of privilege.

[Mr. Trudeau.]

Mr. Trudeau: —if I were in caucus, I would be very concerned with the subject we have been discussing in the past little while. Before voting the budget for the CBC or any other Crown corporation, I would want to make very sure that it is not acting to destroy Canadian unity, and that does not seem so to me.

ALLEGATION BY URBAN AFFAIRS MINISTER THAT SEPARATISTS ARE HIRED AND PROMOTED—POSSIBILITY OF EVIDENCE IN SUPPORT OF CLAIM

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, my question is for the Secretary of State who is responsible for the CBC. In view of the fact that in the interview with the Toronto *Star* which was given by his colleague, the Minister of State for Urban Affairs, the minister was quoted as saying the following:

If you're a separatist, you're hired and you're well paid and you get promotions.

Has the minister discussed this allegation with his colleague, the Minister of State for Urban Affairs and, if so, has the Minister of State for Urban Affairs offered one scintilla of evidence to substantiate the allegation he made?

Hon. John Roberts (Secretary of State): Mr. Speaker, I cannot recall having had a conversation with—

Some hon. Members: Oh, oh!

Mr. Roberts: —the Minister of State for Urban Affairs in particular, but I confess I have had extensive discussions with members of the cabinet, with members from the House from all parties, and indeed with many citizens who have expressed to me their concerns about the activities of CBC, concerns which may or may not be justified. So there have been wide ranging discussions. It seems to me that my role as the link between the House of Commons and the CBC does require me to pay attention to those representations which are made to me, and I try to communicate them to the CBC for their information.

IMPLICATION OF PRIME MINISTER'S STATEMENT ON ALLEGED LIST OF SEPARATISTS IN RADIO-CANADA—GOVERNMENT ACTION

Mr. Cyril Symes (Sault Ste. Marie): Again I have a question on the CBC for the Prime Minister. In view of the policy of the president of the CBC not to take political blood tests of employees in order to preserve freedom of speech, and the Prime Minister's statement earlier today that he encourages his ministers to forward a list of alleged separatists in Radio-Canada to the president of the CBC, is the implication of such an action not that the president of the CBC should reverse his stand and carry out such a witch hunt?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we are back to the lists, and I can assure the hon. member that I know of no such lists. However, to repeat what the Secretary of State has said excellently, it is his job, and perhaps my job

as Prime Minister, to make sure that the CBC is aware of certain complaints, some of which might be justified and some might not be. I put it to the hon. member: If a well known and militant separatist is in the CBC at the head of, shall we say, some public affairs program, there is something uneasy about that, even if he does not take a blood test. If he is consistently producing programs which are of a separatist nature, it would be the duty of any listener, including members on this side, to convey that information to the head of the CBC, and I presume that that is what is being done by some hon. members referred to by the hon. member.

Mr. Symes: In view of that answer and the supposed independence of Crown corporations from political interference, would the Prime Minister, before that list is sent to the president of the CBC, personally look at it and look at the evidence to convince himself that it is indeed a valid list, and also, if such a list is sent, that the employees be told of it so they have a chance to defend themselves in view of the paranoia which exists among the ministers?

Mr. Trudeau: No, Mr. Speaker, I will not do that. If any citizen or any person in this country wants to complain to the CBC, he can do it by picking up the phone and having his message registered. If he wants to do it, I will not try to interfere.

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PRIVILEGE

MR. CHRÉTIEN—REMARKS MADE IN CONNECTION WITH RADIO-CANADA

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I rise on a question of privilege. I have listened to the debate and heard my name referred to a couple of times. The hon. member for Halifax (Mr. Stanfield) spoke about substantiation. I would like to say that in my statement to the Toronto *Star* I said that citizens in my riding do not call Radio-Canada by its own name any more; they call it Radio-Quebec. I reported that. The second point I made was that one night when driving my car I noticed that Radio-Canada was no longer playing the national anthem of Canada. I reported that to the vice-president of the CBC. He confirmed this and said that "O Canada" had not been played on Radio-Canada for there months. He told me that this was a technical error, to which I replied, "My eye".

Some hon. Members: Hear, hear!

Mr. Chrétien: I do not believe it, and I do not think this was a technical error in the present climate. At the time the Parti Quebecois was elected in Quebec. I do not think it was a technical error that Radio-Canada had not played the anthem of my country for three months. This is a fact that I reported, and I said it in public. This is not a witch-hunt but a fact which I observed. I did not believe the explanation which was given to me. I think it was my duty to report that to the press because there were no complaints in the press that the CBC had not been playing "O Canada". Since that time they have started playing it again, and I am grateful for that.

Some hon. Members: Hear, hear!

Hon. Robert L. Stanfield (Halifax): I do not think it is a question of privilege really, Mr. Speaker, but my name was mentioned by the minister who just spoke. All I ask of him is that if he has these concerns, would he please get together with the Prime Minister (Mr. Trudeau) and have an investigation carried out of the sort that I asked for? May I say to him that I and some other members of the House will have suspicions, until this is done and ministers keep making these kinds of assertions—and will wonder what the purpose of the exercise really is. We would like to believe that the purpose of this government is to keep the country together. We would not like to believe that the purpose is incidentally to destroy the CBC.

Some hon. Members: Oh, oh!

An hon. Member: Come on.

Mr. Stanfield: So long as this kind of attack goes on without substantiation and investigation, some of us will wonder.

Mr. Chrétien: Mr. Speaker, on this question of privilege—

Some hon. Members: Order.

Mr. Speaker: Order, please. The Minister of Industry, Trade and Commerce (Mr. Chrétien) has risen to participate in a question of privilege. It was not accompanied by a motion. He has been met by an equal contribution on the other side, and as there is no question of privilege within the definition of our rules the discussion should close.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to raise a question of privilege. The Prime Minister (Mr. Trudeau) in the course of answering questions made the statement that when the government invoked the War Measures Act in October of 1970, this was supported by all parties.

Mr. Trudeau: I did not say that.

Mr. Douglas (Nanaimo-Cowichan-The Islands): His exact words were, "by the opposition parties". It was in the plural.

Some hon. Members: Oh, oh!

Mr. Douglas (Nanaimo-Cowichan-The Islands): It having been Friday morning, the Prime Minister may not have meant "all the parties" when he said "opposition parties," but I assume that meant all the opposition parties in the House of Commons at that time. I think the record should be set straight, that the official opposition of the NDP, of which I was leader at the time, was in opposition to the invocation of the War Measures Act.

● (1210)

Mr. Trudeau: Mr. Speaker, I do not remember if I said "opposition" or "oppositions", but I would accept the plural if the hon. member insists. At least two parties opposite supported the government when we invoked the War Measures Act, and three parties opposite supported us when we brought in the Public Order Act which did exactly the same thing as the War Measures Act.

An hon. Member: Oh, no.

Mr. Trudeau: Oh, yes.

Mr. Speaker: For the record, by way of a question of privilege the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) raised a difference of interpretation respecting the remarks of the Prime Minister (Mr. Trudeau). As is well known, that is not technically a question of privilege. The hon. member for Nanaimo-Cowichan-The Islands set the record straight from his point of view. The Prime Minister added a further interpretation. Neither constitutes any indication of a question of privilege, and the matter ought to terminate there.

The hon. member for Abitibi.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the Prime Minister has now—

Some hon. Members: Order.

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands will realize at once that what was raised by him initially was a matter of disagreement with what the Prime Minister said, or an interpretation of it. That in itself precipitated a debate. To disagree further will only provoke further retaliation. Either it is a matter of discussion on debate or a difference of opinion, which does not constitute a question of privilege.

The hon. member for Abitibi.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I ask, Mr. Speaker, that you at least hear my question of privilege. My question of privilege is that in the course of answering my previous question of privilege the Prime Minister made a new charge, and that is that all parties in this House voted for the public order bill. If the Prime Minister would take the trouble to look at the record, he would find that at third reading we voted against the public order bill.

Mr. Trudeau: All right, Mr. Speaker; they voted for the principle of the Public Order Act and then changed their minds at third reading. So what?

Some hon. Members: Hear, hear!

Mr. Speaker: This, again, obviously would be seen to be a disagreement of interpretation. No suggestion of deliberate misleading was made and no question of privilege exists.

The hon. member for Abitibi.

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I rise on a question of privilege because I am sorry I did not get the floor during the oral question period today to take part in an important debate on the French network of the CBC.

You will surely recall, Mr. Speaker, like all hon. members in the House, the enthusiasm with which the former leader of the Social Credit Party of Canada, Mr. Caouette, fought against Radio-Canada in the past, over a period of years. I wanted to ask the Prime Minister, now that he is confronted with the facts, whether he is not sorry he did not follow the advice of the leader of the Social Credit Party and lock-up Radio-Canada which has become an instrument of divisiveness in Canada, not only through the written press, but by fattening up scores of so-called artists who, even with their songs, spread disunity in Canada?

Mr. Speaker: Order. Clearly it is now impossible to recognize all hon. members who unfortunately did not have the opportunity of putting questions during the oral question period this afternoon.

[*English*]

Mrs. Holt: Mr. Speaker, I rise on a point of order. There was an insinuation in this House that the issue of the CBC strictly refers to Quebec. I can tell the House that at the meeting we had the westerners were equally concerned, and it was wrong to make—

Some hon. Members: Order.

Mr. Speaker: Order, please. This subject is not on the floor for debate. It is not permissible to discuss or debate this subject at this particular time. The matter was raised during the question period. That is one way of getting at the subject—never a sufficient way to explore such a very important subject—but in any case if it was now open to me to allow all hon. members who want to to comment on some of the questions raised during the question period, I am sure the debate would go on for some time. Any point of order at this time has to be related to irregularities during the question period.

Mr. Stevens: Mr. Speaker, I rise on a point of order with respect to a ruling made during the question period by Your Honour. I refer to the question I put as a final supplementary to the Prime Minister asking whether he would regard a defeat with respect to a bill such as Bill C-33 to be a vote of non-confidence. I felt it was important that we understand beforehand whether such a vote, in the mind of the Prime Minister, would be so regarded, as opposed to having some afterthought in case that bill was defeated subsequently in the House.

Mr. Speaker: The hon. member for York-Simcoe raises a point of order with respect to a decision I made during the question period. I am sure that despite the importance and impact of his question, he will realize at once that any projection on an action of the government based on an eventu-

ality which lies in the future is, in its own terms, a hypothetical question in the purest form.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

JUSTICE AND LEGAL AFFAIRS

Second report of Standing Committee on Justice and Legal Affairs—Mr. MacGuigan.

HEALTH, WELFARE AND SOCIAL AFFAIRS

First report of Standing Committee on Health, Welfare and Social Affairs—Mr. Robinson.

[*Editor's Note: For text of the above reports, see today's Votes and Proceedings.*]

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[*Translation*]

REGIONAL DEVELOPMENT

TABLING OF CORRESPONDENCE BETWEEN PREMIER OF NEW BRUNSWICK AND MINISTER OF REGIONAL ECONOMIC EXPANSION

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, under the terms of Standing Order 41(2), I should like to table, in both official languages, copies of the correspondence exchanged between the New Brunswick Premier, Mr. Hatfield, and myself, on improvements to be made to the Trans-Canada Highway near Edmundston.

I do so in compliance with the request made last week by the hon. member for Madawaska-Victoria (Mr. Corbin).

* * *

[*English*]

COMBINES INVESTIGATION ACT

AMENDMENT TO OUTLAW LOSS LEADER SALES

Mr. John Rodriguez (Nickel Belt) moved for leave to introduce Bill C-401, to amend the Combines Investigation Act.

Some hon. Members: Explain.

Mr. Rodriguez: Mr. Speaker, the purpose of this bill is to outlaw the predatory pricing practice of selling items below cost, which places a great disadvantage not only on consumers but also on small businesses which are in competition with large businesses.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

JUSTICE AND LEGAL AFFAIRS

CONCURRENCE IN FIRST REPORT

Mr. Mark MacGuigan (Windsor-Walkerville) moved that the first report of the Standing Committee on Justice and Legal Affairs, presented to the House on Wednesday, February 23, 1977, be concurred in.

Motion agreed to.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 673, 701, 765, 1,132, 1,363, 1,420 (supplementary), 1,421 (supplementary), 1,422 (supplementary), and 1,573.

[*Text*]

MINISTRY OF STATE FOR URBAN AFFAIRS—PERSONNEL

Question No. 673—**Mr. Lachance:**

Between the date of the presentation of the last budget May 25, 1976 and October 12, 1976, did the Ministry of State for Urban Affairs, National Capital Commission and Central Mortgage and Housing Corporation hire, dismiss or transfer employees to other departments and, if so, how many?

Hon. André Ouellet (Minister of State for Urban Affairs): In so far as the Ministry of State for Urban Affairs is concerned: Hired, 9; Dismissed, 0; Transferred out, Urban Affairs, 32; Canadian Habitat Secretariat, 14.

In so far as the National Capital Commission is concerned: Hired, 4; Dismissed, 0; Transferred, 6.

In so far as the Central Mortgage and Housing Corporation is concerned: The employment practices of CMHC are matters of internal administration which, by statute, are the responsibility of its Board of Directors. Employees of CMHC are not included in the provisions of the Public Service Employment Act, and hence a procedure does not exist through which employees may be transferred to government departments.

NEW SUB-MINISTRY RESPONSIBLE FOR SMALL BUSINESS

Question No. 701—**Mr. Jelinek:**

1. What will be the cost of establishing the new sub-ministry responsible for Small Business?

2. What number of personnel will be responsible to the Minister of State for Small Business and what will be their salaries?

Hon. Len Marchand (Minister of State (Small Businesses)): 1. Expenditures, including salaries of exempt staff

members for the Office of the Minister of State, Small Businesses, for the fiscal year 1976/77 are estimated at $127,500, which amount will be accomodated within existing departmental funds.

2. As of the date of this question, the Minister employed four persons through his exempt budget within salary ranges the maxima of which are shown below: three Special Assistants at up to $22,900 per annum. One Private Secretary at up to $17,900 per annum.

STERILIZATION OF NATIVE WOMEN OF CHILD-BEARING AGE

Question No. 765—**Mr. Holmes:**

How many native women of child-bearing age reside in (a) Repulse Bay (b) Chesterfield Inlet (c) Pelly Bay (d) Gjou Haven (e) Hall Beach (f) Rankin Inlet and, in each case, how many were sterilized between January, 1966 and October, 1976?

Hon. Marc Lalonde (Minister of National Health and Welfare): For Canada as a whole, the sterilization rates and live birth rates during recent years for which figures are available are as follows:

	Sterilization rate	Live birth rate
1971	9.26 per thousand	16.8 per thousand
1972	12.54 per thousand	15.9 per thousand
1973	13.54 per thousand	15.5 per thousand

For the period January 1966 to October 1976, the following information is provided: (a) Repulse Bay (i) Inuit population fluctuated between 148 and 265 over the ten years. The number of native women of child bearing age was 48. (It should be pointed out that because over the ten year period a number of women have entered the child-bearing age range-15 to 50 years of age—and a number have left it, the figure listed above for the number of native women of child-bearing age is therefore calculated to represent the average number over the ten-year span.) (ii) There were ten sterilizations carried out over the ten-year period. (iii) The age of those sterilized ranged from 21 to 43 years, with the average age being 38.1 years. (iv) Those sterilized all exhibited multiparity. Average parity was 11.2. (v) The sterilization rate per thousand during the ten years ranged from 0 to 13.3. (vi) The birth rate per thousand during the ten years ranged from 44.8 to 72.8. (b) Chesterfield Inlet (i) Inuit population fluctuated between 199 and 254 over the ten years. The number of native women of child-bearing age was 54. (It should be pointed out that because over the ten-year period a number of women have entered the child-bearing age range-15 to 50 years of age—and a number have left it, the figure listed above for the number of native women of child-bearing age is therefore calculated to represent the average number over the ten-year span). (ii) There were ten (10) sterilizations carried out over the ten-year period. (iii) The age of those sterilized ranged from 28 to 44 years, with the average age being 33.3 years. (iv) The average parity of those sterilized was 7.9. (v) The sterilization rate per thousand during the ten years ranged from 0 to 12.3. (vi) The birth rate per thousand during the ten years ranged from 35.7 to 63.2. (c) Pelly Bay (i) Inuit population fluctuated between 138 and 251 over the ten years. The number of native women of child-bearing age was 40. (It should be pointed out that because over the ten-year period a number of women have entered the child-bearing age range-15 to 50 years of age—and a number have left it, the figure listed above for the number of native women of child-bearing age is therefore calculated to represent the average number over the ten-year span.) (ii) There were five (5) sterilizations carried out over the ten-year period. (iii) The age of those sterilized ranged from 27 to 43 years, with the average age being 31.6 years. (iv) Those sterilized exhibited multiparity, except for one with a history of complicated pregnancies and deliveries. (v) The sterilization rate per thousand during the ten years ranged from 0-10. (vi) The birth rate per thousand during the ten years ranged from 43.8 to 105. (d) Gjou Haven (i) Inuit population fluctuated between 215 and 592 over the ten years. The number of native women of child-bearing age was 90. (It should be pointed out that because over the ten year period a number of women have entered the child-bearing age range-15 to 50 years of age—and a number have left it, the figure listed above for the number of native women of child-bearing age is therefore calculated to represent the average number over the ten-year span.) (ii) There were eleven (11) sterilizations carried out over the ten-year period. (iii) The age of those sterilized ranged from 28 to 41 years, with the average age being 36.1 years. (iv) Those sterilized were all of high parity (i.e. 5 to 13), with average parity being 9.1. (v) The sterilization rate per thousand during the ten years ranged from 0 to 10.5 (vi) The birth rate per thousand during the ten years ranged from 25.7 to 98.7. (e) Hall Beach (i) Inuit population fluctuated between 148 and 301 over the ten years. The number of native women of child-bearing age was 64. (It should be pointed out that because over the ten-year period a number of women have entered the child-bearing age range-15 to 50 years of age—and a number have left it, the figure listed above for the number of native women of child-bearing age is therefore calculated to represent the average number over the ten-year span.) (ii) There were eight (8) sterilizations carried out over the ten-year period. (iii) The age of those sterilized ranged from 22 to 37 years, with the average age being 31.1 years. (iv) Those sterilized all exhibited multiparity. Average parity was 7.1. (v) The sterilization rate per thousand during the ten years ranged from 0 to 6.7. (vi) The birth rate per thousand during the ten years ranged from 40.5 to 91.6 (f) Rankin Inlet (i) Inuit population fluctuated between 310 and 664 over the ten years. The number of native women of child-bearing age was 146. (It should be pointed out that because over the ten-year period a numberof women have entered the child-bearing age range—15 to 50 years of age—and a number have left it, the figure listed above for the number of native women of child-bearing age is therefore calculated to represent the average number over the ten-year span.) (ii) There were twenty-six (26) sterilizations carried out over the ten-year period. (iii) The age of those sterilized ranged from 28 to 44 years, with the average age being 33.3 years. (iv) The average parity of those sterilized was 7.9. (v)

The sterilization rate per thousand during the ten years ranged from 2.2 to 12.9. (vi) The birth rate per thousand during the ten years ranged from 32.6 to 57.5.

APPOINTMENT OF DIRECTOR GENERAL FOR PROVINCE OF NEWFOUNDLAND

Question No. 1,132—**Mr. Marshall:**

1. Was there a delay in the appointment of the Director General for the Province of Newfoundland, to integrate UIC and Manpower and, if so, for what reason?

2. Has an appointment been made and, if so, who was appointed and what are the details of his duties?

3. (a) What are the organizational criteria in setting up such an office (b) what is the purpose (c) where is it to be located (d) what were the considerations given to that location?

4. Was any consideration given to decentralization of departments to Newfoundland to places where unemployment is highest and, if so, what are the details?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Manpower and Immigration and the Treasury Board Secretariat as follows: 1. No.

2. Yes, the Public Service Commission appointed Mr. Gerry Everard as Director General for the Province of Newfoundland on November 24, 1976. He will be the senior officer of the proposed Canada Employment and Immigration Commission in Newfoundland and will be responsible for the management of all manpower, unemployment insurance and immigration programmes in that province.

3. (a) A head office for Newfoundland is being established as part of a plan to establish a regional organization for the proposed Canada Employment and Immigration Commission in each of the 10 provinces. The field offices of the present Unemployment Insurance Commission and Department of Manpower and Immigration are organized into five regions. (b) The purpose is to permit the decentralization of authority from the national headquarters and to increase the sensitivity of policies and programs to regional and local needs. (c) St. John's. (d) It is the largest city in the province and, as the provincial capital, the location of the provincial departments with whom the Director General's office will have regular contact.

4. Yes. All areas of Canada are considered. Both the needs of the communities and the practicality of the relocated unit discharging its assigned task from each proposed location are taken into account in arriving at decisions.

FOREIGN GOVERNMENT GRANTS OR LOANS

Question No. 1,363—**Mr. Jones:**

1. Does any Department or branch of the government scrutinize, investigate and approve grants or loans by foreign governments to firms, individuals and organizations in Canada and, if so, which one?

2. Does any Department or branch of the government scrutinize, investigate and approve grants or loans by the government of France, indirectly or directly, to (a) the French daily newspaper *L'Évangeline* in Moncton, New Brunwick (b) the University of Moncton (c) any other firm, individual or organization in Canada and, if so, which one?

3. Is the government aware of the purposes of such grants or loans and the conditions under which they are made?

4. (a) Is the government aware of the circumstances and financial arrangements under which citizens of France are permitted to take up employment as professors, teachers, instructors or members of the staff of the University of Moncton and, if so, how long have these persons been in or coming to Canada (b) is the government aware that these French citizens can do this work instead of going on active service with the French military?

5. Are investigations and surveillance been conducted by the Canadian Armed Forces with respect to a possible military build-up on St. Pierre and Miquelon?

6. Is a full French Consulate office located in the City of Moncton, New Brunswick and, if so, for what reason?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of External Affairs and National Defence as follows: 1. Foreign government grants or loans to individuals, firms or organizations in Canada may come to the attention of government departments but they do not require approval and are not systematically scrutinized.

2. (a) No. The fact of a grant having been given is, however, well-known. (b) No. The fact of assistance in the field of cultural programmes is, however, well-known. (c) No.

3. The government is aware of the purposes and conditions which generally lead governments to provide such assistance to persons or institutions in countries where they have cultural or business interests. In the cases mentioned, the purposes appear to be analogous to those which have led the Canadian Government to give financial and other forms of support to university centres of Canadian studies in a number of countries including France.

4. (a) Yes, inasmuch as this is provided for under the terms of the laws and regulations administered by the Department of Manpower and Immigration and of government agreements with France. Such persons have been coming to Canada since the establishment of the University for stays of varying lengths. (b) The Government is aware that there is a worldwide programme of the French government providing for employment in a foreign country in lieu of military service. This programme has been functioning in Canada since the mid-sixties, and persons participating in it generally spend sixteen months here.

5. No.

6. Yes. The Consulate carries out the functions of a consular office for the area of the Atlantic Provinces, consular representatives of France in other centres in this area being honorary.

UNEMPLOYMENT INSURANCE BENEFITS

Question No. 1,420—**Mr. Lawrence:** (Supplementary)

For the 1973 taxation year, how many persons in Canada with a taxable income of (a) $20,000 to $25,000 (b) $25,000 to $50,000 (c) $50,000 to $100,000 (d) $100,000 and over, received unemployment insurance benefits and, in each income class, what was the total amount paid?

Order Paper Questions

Hon. Monique Bégin (Minister of National Revenue): 1. Revenue Canada does not compile statistics relating to Unemployment Insurance Benefits by taxable income ranges. However, the information requested is available by total income classes, for the 1973 taxation year, in Table 15 of the 1975 edition of "Taxation Statistics".

UNEMPLOYMENT INSURANCE BENEFITS

Question No. 1,421—**Mr. Lawrence:** (Supplementary)

For 1974 taxation year, how many persons in Canada with a taxable income of (a) $20,000 to $25,000 (b) $25,000 to $50,000 (c) $50,000 to $100,000 (d) $100,000 and over, received unemployment insurance benefits and, in each income class, what was the total amount paid?

Hon. Monique Bégin (Minister of National Revenue): 1. Revenue Canada does not compile statistics relating to Unemployment Insurance Benefits by taxable income ranges. However, the information requested is available by total income classes, for the 1974 taxation year, in Table 15 of the 1976 edition of "Taxation Statistics".

UNEMPLOYMENT INSURANCE BENEFITS

Question No. 1,422—**Mr. Lawrence:** (Supplementary)

For the 1975 taxation year, how many persons in Canada with a taxable income of (a) $20,000 to $25,000 (b) $25,000 to $50,000 (c) $50,000 to $100,000 (d) $100,000 and over, received unemployment insurance benefits and, in each income class, what was the total amount paid?

Hon. Monique Bégin (Minister of National Revenue): 1. Statistics for the 1975 taxation year are not yet available.

MANPOWER AND IMMIGRATION—FINANCIAL ASSISTANCE TO EMPLOYERS IN BRITISH COLUMBIA

Question No. 1,573—**Mr. McKinnon:**

1. Since its inception, how much has been spent, loaned or granted by Manpower Consultative Services in British Columbia?

2. What are the names of the companies who received financial assistance each year since 1965 and, in each case, what was the amount?

Hon. Jack Cullen (Minister of Manpower and Immigration): 1. Total amount spent in British Columbia to date by Manpower Consultative Service since its inception in February 1965 is $756,309.60

2. Following are the employers in British Columbia who received financial assistance through Manpower Consultative Service since February 1965:

Year	Name of employer	Amount
1965	The Joint Consultative Committee of the British Columbia Towing Industry	$ 5,248.41
1966	The Trustees of the Mechanical Industry Promotion Fund of Victoria, B.C.	650.00
	Canadian Pacific Airlines	3,798.66
	Imperial Oil Enterprises Ltd. (IOCO Refinery)	2,947.75
1967	Nil	
1968	The Trustees of the Journeyman Training and Industry Promotion Fund of British Columbia	10,000.00
1969	The Fisheries Association of British Columbia	4,874.23
1970	Bulkley Valley Forest Industries Ltd.	477.82
	The Joint Conference Board Representing: The Masters Painters Association and Painters Union Local 138	2,000.00
	Bulkley Valley Forest Industries Limited	10,000.62
	The Operating Engineers Joint Apprenticeship Board	6,992.00
	Vanguard Trailers Ltd.	4,984.72
	British Columbia Forest Products Limited	8,198.44
	Eddy Match Company Ltd.	766.53
1971	Canadian Exploration Limited	1,888.67
	Kamloops Pulp and Paper Co. Ltd.	8,275.00
	Cominco Ltd.	26,008.18
	Bralorne Can-Fer Resources Limited	12,489.65
	Dominion Glass Company Limited	139.74
	International Woodworkers of America, Local 1-417	4,499.43
	New Imperial Mines Limited	600.00
	Brynnor Mines Limited, Boss Mountain Division	3,913.39
	M.B. King Lumber Company	1,000.00
1972	McGavin Toastmaster Limited	2,702.81
	Endako Mines Division, Canadian Exploration Limited	548.98
	Crown Zellerbach Canada Limited	2,440.46
	Crown Zellerbach Canada Limited	92,177.90
	Westcoast Petroleum Ltd. (Pipeline Division)	15,986.64
	Cominco Limited—Pinchi Lake Mine	335.05
	Crestbrook Forest Industries Limited	550.00
	British Columbia Forest Products Ltd.	940.53
	Cominco Limited	27,777.32
	Bapco Paint Ltd.	38,179.67
1973	Pacific Coast Pipe Ltd.	800.00
	Canex Placer Limited, Tungsten Division	2,158.20
	The Council of Forest Industries of British Columbia	7,750.00
	Fitwell Garments Limited	250.00
	Fiberfoam	500.00
	St. Paul's Hospital	4,966.15
	Bradina Mines (Bradina Joint Venture)	906.93
	Crown Zellerbach Canada Ltd.	721.03
	Bradina Joint Ventures	4,612.77
	Evans Products Ltd.	1,284.43
	Evans Products Limited	10,606.13
	Safeco Insurance Companies	5,242.84
	Brentwood Trailers Limited	352.47
1974	Seaforth Plastics Ltd.	1,416.88
	Underwriters Adjustment Bureau Ltd.	6,620.81
	Jordan Wines (B.C.) Limited	138.50

Year	Name of employer	Amount
	Tofino Fisheries Limited	2,429.37
	B.C. Regional Members of the Canadian Institute of Steel Construction	6,557.25
	Giant Mascot Mines Limited	2,468.91
	Kelly Douglas Company Ltd.	25,926.24
	The Canadian Bar Association	13,712.09
	The Council of Forest Industries of British Columbia	4,889.78
	Okanagan Helicopters Limited	12,285.89
	Kustom Koach Industries Limited	159.40
	Kustom Koach Industries Limited	2,793.10
	Anaconda Britannia Mines, Division of Anaconda Canada Limited	2,212.05
	The Mining Association of B.C.	380.00
	Canadian Cellulose Company Limited (Pohle Lumber Division)	6,500.00
	The Trustees of the Journeyman Training and Industry Promotion Fund of B.C.	4,130.28
	Century Sales and Controls Limited	745.00
	British Columbia Drywall Contractors Association	9,917.13
	Quadra Manufacturing Incorporated	29,895.47
	Uncle Ben Group of Companies	20,000.00
	Brentwood Trailers Ltd.	984.82
	White Pass and Yukon Corporation Ltd.	70,000.00
	Teleflex (Canada) Limited	543.03
	Canadian Masonary Contractors Association, B.C. Chapter Local No. 1—Bricklayers, Masons and Terrazzo Workers International Union	10,920.09
	Jordan River Mines Ltd.	10,000.00
1975	Westroc Industries Limited	76.23
	West Coast Woollen Mills Limited	1,257.95
	Anaconda Britannia Mines	16,742.63
	Forest Industrial Relations Limited	10,768.75
	Carcoat Engineering Limited	2,015.46
	Granduc Operating Company	1,341.20
	Granduc Operating Company	1,564.70
	Parta Industries Limited	2,950.05
	Lornex Mining Corporation Ltd.	50.00
	Westroc Industries Limited	2,558.39
	Verigan Industries Limited	7,663.20
	British Columbia Drywall Contractors Association	10,082.47
	The British Columbia Independent Logging Association, agents of the employees of the B.C. I.L.A.	32,713.43
	Council of Forest Industries of British Columbia Northern Interior Lumber Sector	5,878.42
	Universal Furniture Manufacture Limited	3,982.00
	Elkford Square Limited	5,000.00
	Johnson and Neven Limited	4,503.51
	Citation Cabinets Limited	2,563.43
	The Canadian Restaurant Association—The B.C. Hotel Association, The B.C. Motels, Resorts and Trailer Parks Association	4,807.23
	Columbia C.I. Cabinets Inc.	1,912.60
	C & S Furniture (1975) Limited	3,981.00
	Hayes Trucks Limited	1,547.50
	Western Brewing Company Limited	5,000.01
	Rayonier Canada (B.C.) Limited	3,519.05
	B.C. Forest Products Limited	18,000.00
	Lancer (Canada) Limited	4,916.00
1976	Western National Drugs	1,585.86
	Yale Developments Limited	1,227.47
	Sigurdson Millwork Company Limited	676.76
	Silvichemicals Division Rayonier (Canada) Limited	528.86
	Inglewood Homes Ltd.	3,029.60
	Trident Aircraft Limited	456.05
	Raymond Salons Limited	2,245.62
	Canadian Cellulose Company Limited	225.00
	Canadian Cellulose Company Limited	3,769.53

* * *

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 288 could be made an order for return, this return would be tabled immediately.

[*Text*]

CRTC—SURVEYS INTO ADMINISTRATION OR INTERNAL OPERATION

Question No. 288—**Mr. Orlikow:**

1. For the fiscal year 1975-1976, what contracts for professional services were let (a) for studies, surveys and analyses into present or future policies, programs or information analysis, and their efficiency and effectiveness (b) into the examination of the administration or internal operation of the Canadian Radio and Television Commission?

2. How much was committed on each contract and to whom?

3. What were the comparable figures for the fiscal year 1973-1974?

Return tabled.

[*English*]

Mr. Goodale: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT AND IMMIGRATION REORGANIZATION ACT

MEASURE TO ESTABLISH DEPARTMENT OF EMPLOYMENT AND IMMIGRATION, ETC.

The House resumed from Wednesday, February 2, consideration of the motion of Mr. Cullen that Bill C-27, to establish the department of employment and immigration, the Canada employment and immigration commission and the Canada employment and immigration advisory council, to amend the Unemployment Insurance Act, 1971, and to amend certain other statutes in consequence thereof, be read the second time

and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. James A. McGrath (St. John's East): Mr. Speaker, when this debate adjourned on February 2 I had halfway concluded my remarks. Perhaps it would be useful at this point, since the debate is now being resumed after three weeks, if I were to commence by repeating the suggested amendment that has been placed on the record by my colleague, the hon. member for Hamilton West (Mr. Alexander), which of course will be moved on behalf of the official opposition when this bill goes to committee. The amendment is as follows:

● (1220)

In high unemployment regions, the minister may, with the approval of the governor in council, make regulations

—lowering from 12 weeks down to a minimum of 8 weeks the number of weeks referred to in subsection 16(1) and 17(2)(*a*)

—defining high unemployment regions, delineating the boundaries thereof and determining residence and eligibility within such region;

—setting a date of termination for any such regulations—

Mr. Speaker, I hope my hon. friend from New Brunswick who is interrupting me will support the amendment because it is very important to northern New Brunswick. This bill will affect northern New Brunswick as much or probably even more than my own province of Newfoundland.

Mr. Breau: Mr. Speaker, would the hon. member permit a question?

Mr. McGrath: Mr. Speaker, as I only have limited time I will gladly accept a question from the hon. member at the end of my speech.

• **Mr. Corbin:** You would change your whole speech if you listened to him.

Mr. McGrath: Again, the hon. member from New Brunswick who interrupts should support our amendment which could change the whole course of this bill. I do not see how any member from the Atlantic provinces cannot support the amendment. Unemployment in northern New Brunswick is among the highest in the country and will take a great deal of explaining by the hon. member, more than I suspect he is capable of.

I am glad to know there is concern, as was exemplified by the interjections at the commencement of my remarks by my learned and friendly colleague from New Brunswick. That province is on record as having the second highest unemployment rate in the country—second to my own province. When you get into the northern part of New Brunswick—where the hon. gentleman who continues to interrupt me comes from—then, of course, the unemployment rate is as bad and in some cases is worse than it is in Newfoundland.

Since the debate adjourned on February 2—and perhaps I should underline and emphasize again the importance of this bill—the latest figures have been issued by Statistics Canada referring to unemployment for the month of January. One thing we can draw from those figures is that if we needed proof, it is obviously here, that the present method of measuring unemployment by Statistics Canada is, to say at least, grossly inadequate. I have referred to the seriousness of that already. It is based on these figures released monthly by Statistics Canada that allocations are made for the government's make-work programs such as the Local Initiatives Program, the Canada Works program and Young Canada Works program.

If we examine the figures for the month of January we find that on a seasonally adjusted basis the figures for Newfoundland were 13.6 per cent, representing a decline of two decimal points from 13.8 per cent from the previous month. Of course, taking into account the seasonally adjusted figures, more people were reported unemployed for the month of January than for the previous month.

The same situation applies to the national figures for the month of January which places unemployment in Canada, on a seasonally adjusted basis, at 7.5 per cent compared to the same figure for the previous month of December. Yet for the month of January we reached an all-time record. There were more people out of work in Canada in the month of January than in the history of this country since records have been kept. That fact was brought out quite forcibly in an article which appeared in the February 12 edition of the Toronto *Star*. It listed figures that had been leaked by someone in Statistics Canada showing the real rate of unemployment in Canada for the previous year, 1976.

According to these figures, the official unemployment rate in the province of Newfoundland in 1976 was 14.7 per cent, and officially represented 25,000 people. But there are others who were not regarded by this new methodology of Statistics Canada which was adopted a year ago, and they represent another 28,000 unemployed unreported in the statistics, for a total of 53,000 unemployed, or 25 per cent. There is obviously something wrong with our method of measurement.

Let us look at the methodology for the country as a whole, using the same figures. In Canada as a whole, the rate for 1976 was 7.1 per cent, representing in official terms 735,000 Canadians. But another 450,000 people in the country never qualified to be reported in these statistics: these are the hidden unemployed, the unemployable, the unemployed unemployables. These are the people who have given up, who have been on the labour market for so long that they had given up looking for work, either for lack of skill, surplus in a particular skill or through sheer frustration at their inability to find work. That brings the total unemployed in Canada to 1,185,000, or 11 per cent. Yet officially—and these are the figures on which the government bases its programs—the figure was 7.1 per cent, or 735,000 people unemployed for the year.

Let us look at the method of measuring unemployment. I refer to a document released by Statistics Canada last February to explain the new methodology, entitled "Conceptual, Definitional and Methodological Changes in the Labour Force Survey". Under the heading "Methodology" it reads:

Except for the new questionnaire design, the methodology used is obtaining labour force survey data is similar in the LFS and RLFS. However, the revised

survey has introduced a number of refinements and some of the more important improvements will be presented in this section.

LFS is "labour force survey" and I presume RLFS is "revised labour force survey". The document goes on to define some of those refinements. At page 3 it reads:

Finally, persons not in the labour force are those who are unwilling or unable, during reference week, to supply labour services under existing labour market conditions.

Obviously, half the total of the unemployed fall into that category. Then we go to the end of the document and find this statement in the summary.

—more precise measures of employment and unemployment and the generation of additional information—

Finally the document reads:

When taken in conjunction with the additional information collected about persons who are classified as not in the labour force, the data users—

Those are people who go into the field one week out of four to gather this information.

—can, and in fact are encouraged to, formulate definitions of unemployment which are best suited to their particular applications.

● (1230)

I suggest this puts far too much discretion in the hands of surveyors, the people who actually gather the data. There is ample evidence of the correctness of my contention. According to Statistics Canada, 29,000 were unemployed in my province in January. However, on checking with the Unemployment Insurance Commission I discovered that in that same month, January, there were 60,000 drawing unemployment insurance benefits—60,000 out of a total work force of 168,000 persons.

You can only qualify for unemployment insurance if you are available for work; availability for work is a prerequisite qualification for the receipt of unemployment insurance benefits. If you are available for work, you must be in the work force. Clearly, therefore, the unemployment figures for Newfoundland and for Canada as a whole are misleading. They do not show how serious is the unemployment situation in this country. That is also why I question the judgment—indeed, the humanity—of the government in bringing forward this bill at this time.

I do not deny that the bill contains some excellent features. Obviously, the move to combine the functions of the Unemployment Insurance Commission and the department of manpower is long overdue since those two services are complementary. But if the bill passes it will eliminate many Canadians from the unemployment rolls and force them onto the welfare rolls of the provinces. This is not the time to do it. Although this bill may represent a reform, and even though, as my colleague from Hamilton said, it would provide more incentives to work or more disincentives to not work, I submit this is not the time to bring forward the particular amendment to the Unemployment Insurance Act embodied in this bill.

The C. D. Howe Research Institute, in a policy paper entitled "New Directions for Manpower Policy" which was released on November 1, 1976, said in part:

The government's main response to cyclical unemployment should continue to be unemployment insurance and fiscal and monetary policies.

I note the words "should continue to be unemployment insurance and fiscal and monetary policies." The C. D. Howe Research Institute is a well respected and highly regarded institute or "think tank", if you like. I quoted the research institute to support my argument, namely, that this is not the time, during a period of critically high unemployment, to tamper with the Unemployment Insurance Act.

Mr. Breau: Hear, hear!

Mr. McGrath: I am glad my hon. friend agrees. I knew he would because he is genuinely concerned, as I am about the present situation. He, too, comes from one of the Atlantic provinces. Let us consider the effects of this bill. Who will be affected by the provision changing the qualifying period from 8 to 12 weeks? I shall put forward the figures pertaining to my own province. My hon. friend opposite can refer to the figures relating to New Brunswick. Mr. Speaker, my province will be hardest hit because we have the highest rate of unemployment in the country by far. Bear in mind, Mr. Speaker, that 74 per cent of all those affected are male. When you consider that 44 per cent of that group are 25 years old and older, it is obvious that families will be hardest hit because the heads of families will be disqualified from unemployment insurance benefits. I say that, sir, notwithstanding the assurances given in June by the minister's predecessor who said that these reforms would affect, basically, only students and housewives. The fact that heads of families in my province will be hardest hit gives the lie to that statement.

As I have already said, the burden will fall heavily on the low income earner. Let me illustrate. In Newfoundland, 45 per cent of those affected earn less than $90 a week and 30 per cent of the group affected earn up to $129 a week. What do those figures tell you? If you earn $90 a week, it means that you can draw up to $60 per week in benefits.

Mr. Speaker, it is difficult enough to live on $90 a week anywhere in Canada, especially in my province where the cost of living is high. Surely it is nigh impossible to live on unemployment insurance of $60 a week. I say this to give the lie to those who charge that we must get people off unemployment insurance. Canadians do not, by and large, draw unemployment insurance from choice. They draw unemployment insurance because they cannot find work. They must fall back on unemployment insurance as a means of supporting their families.

Taking people off the unemployment insurance rolls will do something else in the hardest pressed provinces where unemployment is highest. It will place an additional, heavy financial burden on those provinces, especially Newfoundland. At present, people can qualify for unemployment insurance benefits after eight weeks of work. But if they are taken off the unemployment insurance rolls or disqualified they will fall back on our welfare system. At least half of welfare payments must be financed by the province under the Canada Assistance Plan. It is estimated that if this bill passes Newfoundland this

year will have to bear an additional 16 per cent increase in the cost of welfare benefits.

My colleague from Egmont (Mr. MacDonald) talked about the seasonality of work in the Atlantic provinces. Seasonal jobs are a fact of life in many parts of Canada, certainly in the Atlantic provinces. Bear in mind that work projects under the government's Local Initiatives Program usually last about two months. I do not think that is coincidental. I think such programs have been geared to last that long in order to enable those who would otherwise or normally be unemployed with work for a long enough period to qualify for unemployment insurance benefits. Until such make-work programs are phased out—in other words, until we reach a situation in which there is full employment or almost full employment which might be based upon an unemployment rate of 4 per cent or less—I do not think we should tamper with the Unemployment Insurance Act. I say this because at present our make-work programs are geared to the existing provisions of the act.

Obviously, we need a comprehensive employment strategy in this country. We have heard talk in the Atlantic provinces of such a strategy for a number of years. For the last six or seven years the DREE program has been available to us. The DREE program was to be the be-all and end-all of the fight against high unemployment in the high unemployment areas of the country. Unfortunately, the DREE program was not productive. That is to say, it was not successful because as a program it operated in almost total isolation from other government policies. It operated in isolation from monetary and fiscal policies, transportation policies and the government's own tariff policies.

Also, it was necessary to consider all those policies in order to formulate a comprehensive employment strategy. After all, there is not much point in offering industry DREE grants to locate in the Atlantic provinces, on the one hand, and increasing freight rates on the other. One policy, obviously, is counter productive with respect to the other. Until this country has a job strategy or an employment strategy we shall continue to be plagued with high unemployment—and when we have high unemployment in Canada as a whole we have critically high unemployment in the eastern regions of Canada.

● (1240)

There is one other thing we should bear in mind. In the past number of years, going back as far as I can remember in this House—in fact, ever since fishermen were included as qualifying for unemployment insurance in 1956—we have been promised a special income stabilization program for fishermen. The Gill report, which was the last major study into the Unemployment Insurance Act in 1970, had this to say:

> Income stabilization is imperative in the commercial fisheries, with particular reference to the remoter fishing communities, and, pending the completion of plans being prepared specifically for this purpose, self-employed fishermen will be covered by unemployment insurance.

That obviously referred to plans which were under way at that time. In the election of June, 1974, in a speech at Yarmouth, Nova Scotia, the Prime Minister (Mr. Trudeau) said, and I quote from "Notes for remarks by the Prime Minister—Liberal party policy on fisheries, June 21, 1974":

> And, of great importance to fishermen and their families, we are committed to bring in an income stabilization plan to ensure a reasonable average level of earnings.

I appeal to my colleagues opposite from the Atlantic provinces who come from areas where there is heavy dependence upon the fishing industry, where fishing is a major economic factor, not to proceed with this amendment to the act at this time. Withdraw this amendment until the government brings in its promised and "long under development" income stabilization program for fishermen. Otherwise this amendment which changes the qualifying period from eight to 12 weeks will not only hit hardest the heads of families and low income earners in this country but it will hit also hardest the fishermen, the plant workers, the seasonal operations in this country, whether it is processing, packing, fishing for lobster in Nova Scotia or New Brunswick, or the more seasonal fishing operations of the northeast coast of Newfoundland where you can only fish for a short period of time. The produce of that very short fishery has to be processed in less than 12 weeks.

All the people in these seasonal fishing operations in the Atlantic provinces, the Magdalen Islands and the eastern part of Quebec, will be disqualified from drawing unemployment insurance. Given the seasonal nature of their work and the limitation of employment opportunities in these regions, they will have no choice but to fall back on the welfare rolls of these provinces. They are proud people. They should not have to go on welfare. These provinces should not have to add to their already overburdened welfare rolls at this time in our history.

Mr. Breau: Mr. Speaker, will the hon. member permit a question?

Mr. Deputy Speaker: This can be done only with unanimous consent, because the time of the hon. member who had the floor has expired. Is the House ready to allow the question?

Some hon. Members: Agreed.

Mr. Breau: Mr. Speaker, in view of the eloquent plea the hon. member has made for changing this bill, could we hear from him whether some members of his party, either in committee, at report stage or elsewhere, will move an amendment which will do what the hon. member would like to do, namely, change the law, not making these amendments part of the law, rather then the phony amendment he talked about earlier in his speech that all we should do is skate on both sides of the issue and say "we wanted this but the government would not give it." Will the hon. member state whether he or someone else in his party will move amendments to do what he wants to achieve?

Mr. McGrath: Mr. Speaker, the hon. member for Gloucester (Mr. Breau) is a good friend of mine. He is an experienced member of the House and a former parliamentary secretary. I expected better from him. First, I am sure he knows we cannot move an amendment at this stage. However, we can—and we intend to—move the amendment I repeated which was placed

on the record earlier by my colleague for Hamilton West. We intend to move that amendment in committee. I suggest that the hon. member for Gloucester read the amendment very carefully. It is not a phony amendment.

The amendment will enable the minister to use discretion and eliminate the abuses which take place in the big cities where unemployment is not the major factor. That is where most abuses occur. It will also enable the minister to continue the eight-week qualifying period in the areas hardest hit due to economic, cyclical and seasonal factors—areas such as the constituency of Gloucester which is represented in the House by the hon. member. I hope that he and his colleagues from New Brunswick will make a speech on this matter. Not only do I look forward to hearing him speak, but I look forward to his support on this very worthwhile amendment.

Mr. Rodriguez: Mr. Speaker, I wish to ask the hon. member for St. John's East (Mr. McGrath) a question.

Mr. Deputy Speaker: Again, this can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: I suggest that hon. members have agreed to one set of rules for one member. I think there could be agreement to do the same for the hon. member in all fairness.

Mr. Goodale: As long as the question does not last a week.

Some hon. Members: Hear, hear!

Mr. Rodriguez: I can understand the reluctance of members opposite to listen to words of wisdom. My question is along the same lines as the question asked by the hon. member for Gloucester (Mr. Breau). I listened to the very excellent remarks of the hon. member for St. John's East (Mr. McGrath) for whom I have a great deal of respect. I also listened to the speech of the official spokesman for his party with respect to the amendment they intend to introduce. I am sure that the hon. member for St. John's East knows how long it takes for the government and the bureaucracy to move on anything. Does the hon. member not consider it unwise to agree to a change in the Unemployment Insurance Act and then later try to force the government into moving the bureaucracy to bring in a change correcting the obviously inadequate situation with regard to certain parts of the country?

Mr. McGrath: Mr. Speaker, I listened very carefully to the hon. member. I tried to understand the purport of his question. Obviously, there are very attractive features in this bill. It is in the best interests of the country to have the two agencies, the Unemployment Insurance Commission and Manpower, with their job-creation services, housed once again, as they once were, under one agency. That is a very progressive and useful suggestion, one which is very helpful at this time.

I also believe that given the majority of the government in this House, it is our responsibility to try to improve legislation. I believe the amendment which we have put forward is a reasonable amendment and will commend itself to the House. I hope, at the very least, it will commend itself to individual members of the House and will be accepted.

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I am pleased to have the opportunity to speak on Bill C-27 dealing with Unemployment Insurance, manpower and the integration of the two. If the hon. member for Gloucester (Mr. Breau) wants to carry on a conversation, he should cross the floor, go outside or try to get the attention of the Speaker so that he can make a speech. The fact that the minimum period for qualifying for unemployment insurance will be 12 weeks perhaps has some merit in view of the rip-offs and the problems resulting from some people misusing or taking advantage of the eight-week period in urban areas and other areas of this country.

• (1250)

I represent an area of Ontario that has some of the highest unemployment in the province—indeed, in the whole country. In one community 20 per cent of the working population is unemployed. For this reason I am concerned about this 12-week landmark that the government has established for all parts of Canada. We frequently hear it said that regions of Canada are affected by various problems and for that reason we should have flexible federalism. I am not suggesting that we need flexible federalism or a balanced federalism, but that federal government programs should be sufficiently flexible to take account of the circumstances obtaining in various regions of the country.

I think there is support among all parties in the House for the proposition that in areas of high unemployment where the situation is markedly different from the low level of unemployment in large industrial areas the period of 12 weeks should be reduced to eight. I realize we do not like giving the governor in council discretionary powers, but we must consider human problems in the various regions of this country. Therefore, I think the best solution is to exercise discretion in favour of people in depressed areas.

If the government carries out all the programs it has announced to improve the employment situation, this particular problem may disappear and we will not have to designate certain regions for special attention in terms of lowering the 12-week period to eight weeks. However, in my own constituency, if the government had carried out the DREE programs that it promised, perhaps we would not have had the crisis in unemployment which may require us to make application for some special consideration. For example, in 1973 the federal government announced that it was going to negotiate with the province of Ontario the establishment of a basic infrastructure for the county of Renfrew, but to date nothing has been done in this regard.

The province of Ontario could not get the federal government to commit itself, and finally the province had to act on its

own. Had the federal government lived up to its oft-promised participation, and federal money been poured into the area, we would have been much better off and further ahead than we are today, with the province using its limited resources to support a program which was originally announced to be a joint project.

If the federal government had instituted proper DREE programs and co-ordinated its industrial programs, I am sure it would have eliminated some of the regions of high unemployment in this country. In that event, the discretionary power suggested in the amendment would not be required. Since that is not the case, for the sake of those living in disadvantaged areas and, indeed, for humanitarian reasons alone, the amendment proposed by our party will be introduced at the committee stage and I hope will be accepted by the members of the House and become the law of this country.

I feel that the electoral success which the Progressive Conservative party, and particularly myself, had in my region in 1972 was because there was a feeling that the Unemployment Insurance Commission and the manpower department were completely unable to fulfill their respective roles. I readily admit that throughout that election campaign I campaigned on the platform that UIC and manpower should be joined together, that they could not do their job effectively when the left hand did not know what the right hand was doing. There was a great hue and cry during the election campaign on that issue. Although this government now has a majority in the House, it has been unable to come to grips with the problems facing this country and only now, almost 4½ years since the election, has started to take action. This shows how inept is this government.

I appreciate that this bill is a difficult one to swallow so far as some aspects are concerned, but it would have been much easier from the point of view of government business to bring it in last June or even earlier. In fact, the government did have some legislation on the order paper in the twenty-ninth parliament that covered some of the provisions in this bill, but it remained on the order paper. This is an indication that the government does not react very quickly at times, and this I regret.

I want to talk about youth unemployment in this country, Mr. Speaker, but seeing it is almost one o'clock perhaps it would be convenient to call it one o'clock and I will recommence after the luncheon recess.

Mr. Deputy Speaker: Is it agreed to call it one o'clock?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being one o'clock I do now leave the chair till two o'clock this afternoon.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

[Mr. Dick.]

Mr. Fox: I rise on a question of privilege, Mr. Speaker. In the course of the question period this morning I attributed Canadian citizenship to an NRC scientist in connection with deportation proceedings involving a Russian scientist. My answer should have indicated that the scientist was an NRC scientist, without reference to nationality. This was brought to my attention when the House rose at 1 p.m. This is the first opportunity I have had to make a correction.

Mr. Dick: Mr. Speaker. Just prior to the lunch break I tried to bring my thoughts on the topic of Bill C-27 to the attention of the House in dealing with the government's bill to try to make minimum benefits payable only to a person who works for 12 weeks. The amendment which our party has suggested is that in special circumstances, when humanitarian concerns are most evident in places of high unemployment, this period could perhaps be reduced down to as low as eight weeks.

I also tried to indicate that some concerns about unemployment insurance, some of which are being dealt with under this legislation, were first raised in the 1972 election campaign. A bill on the order paper of the twenty-ninth parliament died on the order paper, and have had to wait 4½ years for the government to take any action.

I want for a moment to deal with what is perhaps the major unemployment problem in Canada, which is youth unemployment. Today in Canada 46 per cent of the people who are on the unemployment insurance rolls are between age 14 and 24. This is absolutely ridiculous. It is unfair to an age group which is offering so much to this country and which wants to offer so much to this country that they are the ones who are being denied an opportunity to make the contribution they wish to make.

As somebody once indicated, the logic of Manpower's approach toward unemployment in Canada affecting those between 14 and 24 years of age was obscured by the growth of Manpower's many programs. That person indicated that the program failures were always being met by band-aid remedies. We have a perfect example of some of these band-aid remedies. Last year, prior to Christmas, the Minister of Manpower and Immigration (Mr. Cullen) announced two "brilliant" new programs for the creation of jobs. They were really going to do wonders for the Canadian economy. He announced the Canada Works program and the Young Canada Works program. He announced that they were going to be five-year programs. I suppose if one were skeptical about it, one would assume that the government believes it is going to be so inefficient over the next few years that it requires these make-work programs to be in place for five years to get over the government's ineptness. However, the young people in Canada, the people between 14 and 24 who make up half the unemployed, have been given a special program—the Young Canada Works Program—and as we see from a Manpower advertisement, it is geared generally to students who will work on community benefit programs which will enable them to test their career aspirations.

If we read further we find that students can expect six weeks of consecutive work. I am sure that in those six weeks the

students will be able to discover all the facets of their career aspirations! It goes on to say that the program can work up to 14 weeks. So between a 6-week and a 14-week period the department of manpower believes young people in the age group between 14 and 24 will find jobs which will help them in their career aspirations.

This is just ludicrous. Maybe they are creating jobs, but they are certainly not creating jobs which will help people generally in their careers. First of all, they are restricting the jobs to community benefits. In other advertising it is indicated that work will be created by a community group, a group responsible in the community, perhaps a municipal council. It is just another band-aid. It will generate some jobs like Opportunities for Youth. In the past we have had LIP, which closely resembles Canada Works, but this is only a band-aid approach and a scratch on the surface.

● (1410)

Also, we are going to have, as indicated in answer to a question I asked the Minister of National Defence (Mr. Danson), a department responsible for a program which may become entitled "operation Canada". Indications that I have are that it will be under the Minister of National Defence. The minister submitted to cabinet on December 1 a plan for "operation Canada" which will bring Canadians between the ages of 17 and 22 together for a ten months' period. This "operation Canada" program is to demonstrate that through physical development, mental fitness and the resilience of Canadian youth, they will provide a greater service to the Canadian nation. They plan to start on a pilot program involving about 1,000 people in this youth corps, and it will cost in the beginning about $5,145,000, or a little over $5,000 per person for the ten months during which they will be employed. That program might start in July, 1977, and they hope they will have 10,000 participants involved by January 1978, with a budget of about $48 million.

I asked the Prime Minister (Mr. Trudeau) a question about this youth corps about a week ago and he said about the program—which was mentioned in the throne speech—that he did not know when it would be enacted or under which department it would come, but it would be introduced in the second half of this session. It appears to me that the government threw the idea into the throne speech without thinking it out. Now, some five months later, they are trying to think a bit more about it. They will set it up under the Minister of National Defence. I do not know whether it will be a paramilitary group in the outbound movement mode, as the Minister of National Defence expressed it. Perhaps they will even teach them the proper and safe use of firearms; I do not know. There is to be an option whereby people working in the youth corps will have an opportunity of joining the forces.

I am very interested in this program but I am not sure how it will help the youth in this country, who are underemployed right now, to meet their career aspirations, unless one considers the limited number of people who may have career aspirations in the military or who do not know what they are going to do and take ten months to work in this paramilitary group, this youth corps, the establishment of which was announced but on which the government cannot give us any figures or any specifics. Again, this is a band-aid approach. We do not know whether in this youth corps the young people will be taught any life skills or career skills. They will be taught how to get along with their neighbours and how to get along in the outdoors, as far as we know.

This program, along with Young Canada Works program, does not attack the real problem of future unemployment in this country. Canada Works, which is much like LIP, will not attack the real unemployment problems in this country because under the Canada Works program they are accepting applications for bits and pieces of work which some organizations would like to sponsor, and which will benefit communities, which would normally be of 32 weeks' duration but may be extended to up to 52 weeks. So, again, it is a temporary program. A person cannot find a career job in any one of these government band-aid programs.

The Minister of Manpower and Immigration (Mr. Cullen), prior to Christmas, in a paper which he put forth announced the Young Canada Works and Canada Works programs and went on to say how much help they would be to help students at universities find career opportunities. At that time I believe there were 72 Manpower offices located on university or post-secondary institution campuses. He announced that he would increase that number by another 17 so that there would be about 89 Manpower offices on the campuses of secondary institutions.

It is strange that the government keeps spending money in this way when the return it is getting is so limited. One of the major universities in Ontario carried out a survey of their student population who had graduated and left university, to see how many of them found jobs through Manpower offices. They found that some 9 per cent of the graduate students had found jobs through Manpower offices. They were, basically, people who did not know what they wanted to do and had taken a construction job or another hourly or weekly paid job through the student Manpower office. After another nine months, that figure went down to a little over 5 per cent of the students who obtained their jobs through a Manpower office.

Expanding the Manpower network on university campuses may not be a wise expenditure of money, because obviously the vast majority of students do not find the Manpower office to be the place to go when looking for a job. Indeed, the experience in my riding is that even people who want an hourly or weekly paid job do not go to the Manpower office to look for it. Also, people who have real career aspirations, whether it be in business, in law or in any other career option which a person may have by getting post-secondary education, do not generally leave it to the Manpower office on their local campus to find them a job. Usually they get a job through their own initiative, or perhaps even by going to one of the specialized personnel agencies which hire for executive, management training jobs or sales jobs.

To show that the Department of Manpower and Immigration is rather contradictory in its approach, let me point out that the figures on youth unemployment are a scandal. They are the highest Canada has ever had, in absolute terms—meaning in the number of unemployed—and in percentage terms, since the department started collecting special data on youth unemployment in 1952. Oddly enough, last year, in spite of this the Department of Manpower and Immigration withdrew the budget for collecting student unemployment data. Since the 1950s the department, in co-ordination with Statistics Canada, has always done, in the months of May, June, July, August and September, special student unemployment surveys in which they have asked whether the person was a student in the preceding month of March, whether the person was looking for summer employment now, and whether the person intended being a student the following September. By this series of questions they could isolate who was really a student and intended to continue his studies and thus could put an actual figure on student unemployment.

Last year the government, in its wisdom, decided to withdraw the small budget—which I think amounted to around $12,000—to carry out these surveys and instead incorporated in its general survey questions which initially they said would indicate student unemployment. They asked, "Were you a student last week? Are you a student now? Will you be a student next week?" Of course, if the person was asked in the last week of July whether he had been a student the previous week, his answer was "No", because the institution had closed in May. To the question whether he was going to be a student the following week, the first of August, the answer, of course, was "No", because the institution would not open until September. So, naturally, they did not get the correct figures for youth student unemployment. It was a neat little trick, and rather deceitful. It did not give the government the correct statistical base to plan appropriately for students entering the work force in the years ahead.

● (1420)

I was very pleased to hear that as a result of a condemnation by this party, other parties and members of this House, the department has rethought this shortsighted policy. As a result of questions asked by the hon. member for Hamilton West (Mr. Alexander) in the Standing Committee on Labour, Manpower and Immigration, the minister indicated that he would reinstitute student employment surveys this coming summer. I think that is part of a program which may be more helpful than the rather shortsighted programs the government has used in the past. At least it will provide some statistical base for dealing with some of the youth unemployment in this country.

The government should concentrate on this problem and really do something to try to find employment for the young people of this country. As chairman of the Progressive Conservative caucus committee on youth, I have tried over the last number of months to get to many youth conferences, to a number of universities and to other places where young people gather, to try to find out what they want the federal government to provide. I have found out, from the limited exposure I have had, that they do not want more OFY, Young Canada Works or LIP-type opportunities.

Young people laugh, they say that these programs are a rip-off and that they are a waste of taxpayers' money, but if the government is going to be so stupid as to give it out this way, they might as well take their share of it. I suppose that is a reasonable attitude to take, but these young people really want career opportunities, full-time jobs, jobs in which there is an opportunity for advancement. They want jobs which they believe contribute to Canadian society as a whole. They want jobs which they see as being productive and helpful. When I say "productive", I do not mean working on an assembly line and increasing the output of canned meats from 19,000 cans per hour to 22,000 cans per hour. They want to be productive by doing something which will help society.

In my university days, back in the late fifties and early sixties, the attitude was that we wanted jobs which paid high salaries. There were all kinds of people around recruiting in universities at that time. In the late sixties and early seventies people took time off, travelled, bummed around and had experiences, but not working experiences. Students today have returned to some extent to the approach taken in the late fifties and early sixties. They want serious jobs, jobs with career opportunities and jobs which are socially useful to Canadian society as a whole. They want jobs which are meaningful to them, but perhaps they are influenced by that other era of the late sixties and early seventies in that they are not necessarily demanding high-paying jobs. Perhaps they would take a job which pays $12,000 rather than $15,000 if they felt the environment in that lower-paying job was more appropriate to them.

They may be more selective in that they might like to work in a small town or for a small company rather than for a large, multinational company or in a large city. They are more selective with regard to the environment and the type of job, than they are with regard to the dollar value attributed to the job. This is the kind of thing the young people of this country want. They do not want band-aid programs, although they will take advantage of them while they are still around and while the government tries to rely on them. However, this government will not substantially improve the climate for these students until it tackles the real job, and that is the job of expanding business in this country and expanding business opportunities so that business can grow and will require more employees in full-time jobs.

I feel that the government has let down Canadian society as a whole—and this is one of the reasons for the quarrelling and grumbling of today—because it has not approached business in Canada in an enlightened way which would encourage business to expand. For example, in the textile industry we find that in the United States 85 per cent of the textiles sold are produced there. In the European Economic Community, 90 per cent of the textiles used there are made in that community.

What has our government allowed this country to do? Only 45 per cent of the textiles used in Canada are made here.

Because of our do-gooder attitude, our Boy Scout attitude, and as a result of GATT negotiations, we have lowered our tariffs and our quotas on imports. This has wiped out thousands of jobs in this country. It has been estimated that in the textile industry alone, if we could come back up to 75 per cent or 80 per cent fabrication in this country almost 200,000 more jobs would be created. As anybody who follows the textile industry would know, we have been closing down textile plants at an alarming rate, so much so that finally last fall the government, through political considerations or finally just seeing its folly, realized the problem and just prior to the completion of the Quebec election campaign the Minister of Industry, Trade and Commerce (Mr. Chrétien) announced quotas on imported textiles.

I am sure that was not motivated by political considerations any more than the announcement a week before provincial by-elections that the Department of Veterans Affairs was moving to Prince Edward Island, or any more than the announcement in Prince Albert last week that there would be a new transportation policy affecting that area. That announcement is prior to two by-elections taking place in Saskatchewan next Tuesday. I would not have thought the government would come out with these goodies in provinces where by-elections are taking place, just for political reasons; but I was very pleased to see that the government finally, for whatever reason, decided to put a quota on some textile imports. Hopefully, over the next few years we will be able to re-establish that industry, create more jobs, take some of the people who are presently unemployed off the unemployment rolls and put them back into useful, productive jobs.

The knowledge the federal government had that it was going to close down the textile industry goes back to the late sixties and early seventies, because in 1970 the federal government introduced legislation—actually, by order in council, the Appropriations Act No. 4 of 1970—and regulations to benefit clothing and textile workers. It was updated in 1974. This legislation provides a form of pension plan under the unemployment insurance scheme for people who are in the textile industry which the government was in the process of closing down across the country because of its do-gooder policy. There were jobs there which would have taken youthful Canadians off the unemployment rolls.

In the electronics industry the government is doing the very same thing, because in our negotiations at GATT Canada said it would abide by those GATT agreements and allow underprivileged and underdeveloped countries to export into Canada duty-free. Now it appears that because of diminishing trade in the television industry we have lost 20,000 jobs in the electronics industry since 1973. As a matter of fact I can give substance to that, Mr. Speaker. RCA had a plant in Renfrew, Ontario, which in 1972 provided 440 jobs. By 1974, that plant was down to 240 jobs as a result of the government's Bill C-170 in the twenty-ninth parliament which gave benefits to the so-called underdeveloped and underprivileged countries. That plant is now closed. There are no jobs whatsoever. That is an example of where 440 jobs in my constituency are a part of the 20,000 lost by the television industry in the last few years.

• (1430)

There are other areas which show the government is making a mistake and is not pursuing an intelligent policy of full employment. In my constituency there is the only magnesium mine in Canada. It has a capacity of over 10,000 metric tons per year, and in 1968 was producing at capacity. As a result of this government's policies it is now producing only 4,000 metric tons, or a little over 40 per cent of capacity, annually. But imports of magnesium have gone from 2,000 metric tons in 1968 to 8,000 metric tons today. This is not because it is a rotten, "no good" facility—it may be all of that, or none of that—but in 1968 Canada had a 17 percent tariff and in 1975 it had a 5 per cent tariff. The United States has a 20 cent tariff on magnesium imports. The European Economic Community, which does not have any mines, has a 9 per cent tariff; and the Japanese, who have perhaps the most sensible program, have a 15 per cent tariff on imported magnesium until all domestic magnesium is used up. The Boy Scouts of this government go out saying that we will have the lowest tariff nation in the world, and to hang with the jobs. Well, we have lowered ours to one of the lowest, weak groups—5 per cent, and we are now importing more than ever before.

Mr. Speaker, the saddest example of government bungling in the last few years concerns a plant which wanted to employ 80 people. It applied to Department of Industry, Trade and Commerce in 1974 to set up scissors manufacturing in Canada. Canada has never manufactured scissors. The department said it was a brillant idea and made a report showing how well it could be done. Based on that and other considerations, the company went ahead, and largely through an Ontario Development Corporation loan of almost $500,000 built a modern, efficient plant to produce hot, forged steel scissors in Canada. But then this government passed the infamous bill allowing imports from countries, so-called developing or underdeveloped, into Canada duty-free. Now scissors are flooding into this country from Brazil and this company cannot employ the 80 people it wanted to employ. They only employ 25 and are having to diversify—so we have lost 55 jobs there. At the same time, we certainly get equal treatment from Brazil; their tariff on imported scissors was 150 per cent, but it was changed a few months ago to total prohibition. If we are to provide business opportunities in this country, we must have a more constant approach—

Mr. O'Connell: Hear, hear!

Mr. Dick: —when dealing with tariffs and small business. The present situation is scandalous. We should provide the permanent jobs, the meaningful jobs, the career opportunities and advancement that young people want. They no longer want government hand-outs in 14-week programs. Those things are just a sop. They want something which is meaningful to the productivity and betterment of our country. I think it is time the government realized this and, instead of pouring money into wasteful programs, started to improve what we

have. The government could reduce the high rate of youth unemployment, over 50 per cent, if they took a more intelligent approach and helped this country generally.

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, the bill before us deals with changes to the Unemployment Insurance Act, but it is significant in not only what it does about the unemployed who seek benefits but also as a statement of the government's employment policy or lack thereof. I should like to spend a few minutes looking at the issue of unemployment and then relate that to the bill before us, making a few specific criticisms. I will then put forward what I hope are some constructive counterproposals on the question of getting Canadians back to work.

What worries me is the sense of complacency, almost, among the general public that unemployment is a natural state in Canada and that somehow we have to accept high unemployment as inevitable. It is shocking that today there are more people out of work than at the height of the great depression in the 1930s; yet we do not see mass marches of the unemployed and letters to the editor and the media taking up the cause of this great human crisis.

It is argued that is because the benefits we give to the unemployed are adequate to carry them through. That may or may not be correct, as the individual case would tell. Beyond that, however, is the fact that Canadians have come to accept the lack of solution by both the old line parties, Liberals and Conservatives, to solving the problem and have accepted the situation as just the state of the Canadian economy from which we will extricate ourselves. I reject that kind of complacency. I think that when we have over 800,000 Canadians out of work according to the official statistics, and when we take into account the hidden unemployed—those not measured by Statistics Canada because they have tried week after week to find work and have given up the search—the unemployment figure is closer to one million Canadians.

The cost, both in human and economic terms, is devastating. How demoralizing it must be for a young worker with a family to support to find that no matter how hard he tries he cannot find employment. Think of the emotional stress this must place on him and his young family and the kind of marital problems it could bring. It is something that those of us who have jobs all too easily forget.

From workers in the electrical industry who presented a brief to the New Democratic Party labour committee only yesterday we hear of lay-offs in General Electric and Westinghouse ranging from between 35 per cent to 50 per cent of the work force. You cannot tell me that those working people accept a situation like that calmly and will act as if nothing has happened. Those laid off, those unemployed for many months, have little chance of finding another job if the jobs are not there to be found.

● (1440)

At present in this country we have about 40,000 job vacancies and one million people unemployed. No matter how much you try to shift workers around, no matter how much you try to move the unemployed to areas in which there are jobs, you will still face an immense shortfall in the number of jobs available. Surely the government and we, as parliamentarians, should be concerned about the cost of unemployment in human terms, the erosion of self-dignity and the work ethic.

This government is not proposing massive solutions for curing unemployment—unemployment which is exacting a great toll from Canadian workers in human terms. Nor does the government really know what high unemployment year after year costs our economy. It seems to me that most Canadians do not realize that unemployment costs our economy billions of dollars worth of goods which are not produced. Unemployment costs the Canadian taxpayers hundreds of millions of dollars in extra taxes needed to supplement the unemployment insurance fund, the fund from which we pay benefits to hundreds of thousands of unemployed. When unemployment insurance benefits run out, the taxpayer is called on to pay for welfare in order to prevent the jobless from starving.

My party has calculated that last year unemployment cost each taxpayer an average of $264 extra. The calculation took into account revenue which would have been paid as income tax but was not—since the unemployed do not pay income tax—extra money paid into the unemployment insurance fund and the loss to the economy from lost production. In the face of this, the Minister of Finance (Mr. Macdonald) has the gall to stand in this House and say that we cannot afford to stimulate the economy, we cannot put Canadians back to work because that would create another inflationary cycle. So far as the Liberal government is concerned, inflation, not unemployment, is the number one problem. That is utter nonsense.

The Minister of Finance well knows that the Canadian economy is operating at only 85 per cent of capacity, that there is slack in the economy, and that if measures are taken to stimulate the economy, to stimulate consumer demand which will lead to increased employment for Canadians, the result will not be another round of inflation. At present we have a situation of massive unemployment which is being met, it seems to me, with massive indifference on the part of the government and to a large extent on the part of the Canadian population.

A thinking Canadian must ask himself, why has the government year after year tolerated such high unemployment? In a country as industrially advanced as Canada, possessing natural resources and abundant human resources in the form of talented working people, why should there be persistently high levels of unemployment? The answer in part to that question must lie within the capitalist system and how it operates. Our free enterprise or capitalist system has within it certain built-in biases which say that high unemployment is not only necessary but tolerable. I came across an article written by Professor Robert Lekachman of the Herbert Lehman College, City University, New York, which was published in this month's *Harper's* magazine. In it he wrestles with this very question: what, within our economic system, allows the existence year

after year of high unemployment? I will read part of his analysis. He said:

> The brutal fact is that unemployment at "moderate" rates confers a good many benefits upon the prosperous and the truly affluent. If everyone could be employed, extraordinarily high wages would have to be paid to toilers in restaurant kitchens, laundries, filling stations, and other humble positions. Whenever decent jobs at living wages are plentiful, it is exceedingly difficult to coax young men and women into our volunteer army. Without a volunteer army, how can the children of the middle and upper classes be spared the rigours of the draft?
>
> Unemployment calms the unions and moderates their wage demands. Business periodicals have been noting with unconcealed gratification that last year's contract settlements between major unions and large corporations were considerably less expensive for employers than those of 1975, even though union members were steadily losing ground to inflation. When people are scared about losing their jobs, they work harder and gripe less. In more dignified language, absenteeism declines and productivity ascends.
>
> Better still, factory and office workers, alert to potential layoffs and plant shutdowns, are unlikely to nag unions and employers to make work more interesting, and less menacing to health and personal safety. It cannot be mere coincidence that in Sweden, where job enrichment and plant democracy have had their greatest success, unemployment is practically zero and astute management of their economy protected Swedes even from the world-wide economic crisis of 1973-75. The new government, elected on the fortuitous issue of nuclear safety, has promised to extend even further the social benefits for which Sweden has become celebrated. American employers preserve themselves from Swedish experiments in good part by keeping the industrial reserve army plentifully manned.
>
> Nor is this quite the end of the tale. The hunger of communities and regions for jobs and tax revenues has allowed large corporations to extort an endless assortment of valuable concessions from local and state governments, either as blackmail to keep existing installations or bribes to lure new ones. Few major corporations pay their fair share of property taxes. Propaganda by oil, steel, chemical, and paper industries has noticeably slowed the pace of regulation to protect the environment.

I commend the reading of the article to all members of the House. The professor pointed out that in the capitalist system unemployment is a benefit. As long as there is massive unemployment, the demands of workers who, after all, produce the goods and make the profits for the company, will be moderate. They will keep down their demands for wages and good working conditions. Of course, corporations can pretty well state the conditions on which they will enter into an industry. The only way of narrowing the gap between rich and poor is for a full employment program. That, of course, is a threat to the status quo of those who have a privileged economic position in our society.

● (1450)

In a sense, this analysis of the contradictions in the capitalist system and why unemployment is at high levels explains why this Liberal government or any future Conservative government are limited in what they can do in coming to grips with the problem of unemployment. They will never restructure the capitalist system and the way it operates. That, of course, would challenge the status quo, the very powerful business elite in our country. The options open to them are reduced to tinkering with the system. We have ample evidence of that kind of tinkering.

The temporary job programs such as the Local Initiatives Program, Opportunities for Youth, and the new fancy ones, Canada Works and Young Canada Works, and the hand-outs of millions of dollars through the departments of Regional Economic Expansion, and Industry, Trade and Commerce to induce business to locate in an area or expand really never comes to grips with the fundamental contradiction in our present economic system, namely, that if you have full employment, you begin to threaten the status quo, those who have wealth and power. Until we have the option of a party such as the New Democratic Party, which is willing to challenge the powerful corporate elite in our economic system, we will never have more than temporary tinkering measures with regard to job-creation from either the Liberals or the Conservatives.

The second reason we have had perpetually high unemployment surely lies with the degree of foreign ownership in this country. For example, over 90 per cent of our oil industry and over 60 per cent of our manufacturing industry is foreign-owned. Therefore, decisions as to expansion of branch plants or location of subsidiaries lies beyond the control of the Canadian economy. It rests with the decision-makers of the parent company outside Canada. If there is a slowdown in the economy of the United States, obviously it is to the advantage of the parent company to lay off workers in Canadian branch plants before workers in the parent company in the United States. Unless we come to grips with what foreign ownership is doing to our economy in terms of downplaying the creation of the manufacturing industry, which of course is job-intensive, and enhance resource exploitation, we will continue to have high unemployment.

There are always more jobs created in processing raw materials than in taking the raw materials out of the ground, yet our economy has been locked into a continental structure whereby Canadians are still the hewers of wood and drawers of water. We are still the ones who take the minerals, oil and natural gas out of the ground and export them to the United States and elsewhere. In return, we import manufactured goods. We import more than 70 per cent of our manufactured goods from the United States, paying for them with Canadian dollars. The only way we can get back Canadian dollars to help solve our balance of payments problem is to export more and more raw material such as oil and natural gas to the United States. That, of course, is one of the reasons for the great pressure to build the Mackenzie Valley pipeline. If we want to create jobs, we have to regain control of the Canadian economy so that it will be receptive to direction from the Canadian government in terms of creating a national job-creation plan. Neither the Liberal party nor the Conservative party is in any way serious about regaining control of our economy for that purpose.

We will continue to have unemployment as long as we have Liberals and Conservatives managing, because of the existence of the capitalist system. They cannot challenge it or restructure it. Therefore, they are limited to job-tinkering programs and doing what we see before us today in Bill C-27. As the number of unemployed increases, because of the contradictions I have outlined the cost of paying unemployment insurance premiums increases. It has come to the point where it is so

embarrassing in terms of the billions of dollars being paid out in unemployment insurance funds that, quite naturally, this government takes up the only other option open to it. Rather than create jobs, they begin to tighten up on those who are receiving benefits from the unemployment insurance scheme. Therefore, we see in Bill C-27 a list of provisions designed to cut people off the unemployment insurance roll in order to reduce the cost of that program and be able to say to the Canadian taxpayer "what good boys are we."

Let us look at some of the implications of the legislation before us. This legislation flies in the face of the whole reason for an unemployment insurance program in the first place. The basic reason is to ensure workers against the day when they become unemployed. If a fundamental precept of the program is that a worker has the right to be insured against the calamity of unemployment, how does this government justify taking that right away from workers? We often hear people complain about the unemployment insurance scheme. However, they forget that putting money in the hands of the unemployed helps keep the economy going. These people have to buy food for their families from the corner grocery, the farmer and all down the line. It keeps other Canadians employed.

What are the arguments this government puts forward to say that we can afford to throw people off the unemployment insurance rolls? The evidence soon becomes apparent when we look at the clause of the bill which provides that they will have to redefine the entrance requirement or qualification period in order to become eligible for unemployment insurance benefits. Until now, if a worker works eight weeks within a 52-week period and becomes unemployed, he is eligible to receive benefits. This government, despite the record unemployment we have today, wants to raise the qualification period from eight to 12 weeks. This will remove some 330,000 people a year from the unemployment insurance rolls. It is really the old principle of robbing Peter to pay Paul. If people are taken off the unemployment insurance rolls and they cannot find work, they have to go on city on provincial welfare, and the taxpayers end up paying anyway. But this government does not look at the consequences; it is trying to protect its own political hide by this change in the qualifying period.

● (1500)

What is this going to mean to certain regions of the country? It seems to me that the requirement of 12 weeks employment instead of eight weeks to qualify for unemployment insurance is going to discriminate against people in poorer areas of the country which have been suffering severe economic hardship and high unemployment for years. I think particularly of Atlantic Canada, Quebec, and some northern regions, especially my own area of northern Ontario.

When we realize that in the province of Newfoundland, for example, 48 per cent of those who are receiving unemployment insurance benefits had less than 20 weeks' work, the implications of this change to the Unemployment Insurance Act have got to be severe. My leader and I, and a few others of our caucus, recently travelled to Atlantic Canada to witness first-hand the problems of the unemployed. We heard stories about how it was impossible for them to get work in a fish factory for 12 weeks or more; often all they could get was temporary work. Yet the government ignores this kind of economic reality and proposes to increase the qualifying period for unemployment insurance. The jobs are just not there on a long term basis, and until they are it seems to me that this kind of amendment does not make sense.

The Minister of Manpower likes to say, "Well, we are not really after those who are serious about looking for employment; we are making this change to discourage young people, housewives and others, who are not really dependent upon the extra income to keep the family going but who just want to supplement the family income to raise their standard of living. Really women and young people do not count; we can afford to take them out of the unemployment insurance scheme."

Let us examine the actuality of the situation. Is it true that women and young people who fall into this category are from upper and middle class families and do not really need to work, and so we can afford to take them off the unemployment insurance rolls? Do they just want to work for eight weeks, quit, and then collect their benefits? Let us see what the situation is according to figures issued by the minister's own department and Statistics Canada. Here are some facts on the disentitlement of those who work from eight to 11 weeks. What kind of people are they who are now going to be cut off? We find that in the first five months of 1976 those who worked from eight to 11 weeks, the eight to 11 weekers, made up only 15 per cent of all those in receipt of unemployment insurance benefits. The way the government talks, great numbers are abusing the system, but the government's own statistics reveal that only 15 per cent of the recipients are in this category.

In the first five months of 1976, 63.8 per cent of all eight to 11 weekers were in Quebec and the Atlantic provinces, areas which just do not have long-term work available. The minister keeps telling us, and the media have swallowed the bait, that by eliminating the eight weekers it will be mostly women who will be removed from the unemployment insurance rolls. What are the facts? The facts are that more men, some 214,000, compared with 115,000 women, will be affected by this change. The hardest hit sector will be construction, which is virtually a male preserve.

Those who work for only eight weeks basically come from very low income families that desperately need this extra income from part-time jobs, or more hopefully long-term jobs. When they are laid off and become unemployed, their unemployment insurance benefit is crucial to keeping the family above water in terms of paying bills and feeding themselves.

Again to disprove the suggestion that the great proportion of eight weekers are women who really do not need extra income, I would point out that in August StatsCan published a study of unemployment in the years 1973 and 1971, and it was discovered that in both those years unemployed wives tended to come from families of low income. For example, in 1973 the unemployment rate for all wives was 13.5 per cent. Of that

figure, 21.4 per cent came from families with incomes between $4,000 and $7,000, whereas only 8.6 per cent came from families with incomes over $15,000. The evidence is clear that unemployment among low income families and particularly among low income working women, was the real problem. The wage of these women in the low income groups was crucial to the family budget. A survey of women in the $4,000 to $7,000 group revealed that they contributed 22 per cent of the family income, whereas women in the $15,000 category contributed only about 17 per cent.

This legislation to change the qualifying period does not make sense. It will continue to discriminate against the poorer regions of the country and poorer families. I think it is disgraceful, in light of the economic calamity that is facing us, for the government to introduce legislation of this kind. There are other examples in the bill of qualifying periods being reduced and of attempts to use some of the unemployment insurance money saved for temporary job training programs, and so on. Some of my hon. friends have gone into this and criticized it. I do not want to do it at this time because my time is running out. I should like in the few minutes remaining to me to put forward some alternative suggestions.

• (1510)

Rather than go after the unemployed and punish them as we are doing under this legislation, why cannot the government prepare and bring forward job-creating programs to get the unemployment rate down to manageable levels? I know it will not come forward with serious programs to challenge and restructure the existing system, but within the framework of the present economic system it could bring forward short-term policies which would help to bring down at least by several hundred thousand this tremendous rate of unemployment.

We in the New Democratic Party have been calling upon the government to bring in personal income tax cuts immediately for low and middle income families to stimulate purchasing power, increase production, and get people back to work. As we have explained, such a move would not create another round of inflation. We have called on the government to reactivate all federal works projects and to encourage the provinces and municipalities to follow suit, at the same time lifting restraints on the shared funding of such projects. This positive approach would get people back to work. Why does the government not take it?

We could have a program, in consultation with the provinces, to expand capital budgets for low income and co-operative housing and land assembly. Today there is a housing crisis. People cannot afford houses. People need houses. The housing industry is one of the most job productive. If we had a massive program to create and build homes we would fulfil an important social need and get Canadians back to work at the same time. We could have a program to upgrade insulation in public buildings and private homes, which would not only conform with the government's stated purpose of conserving energy but also provide employment.

Most important of all, we have to come to grips with the long-term problem of unemployment, and that is the fact that private enterprise has failed to create the jobs needed to keep Canadians employed. It is time the government recognized its democratic responsibility to the electorate. Where private enterprise has failed it has the responsibility to decide, through use of a public investment fund, where private enterprise should expand and locate to get Canadians back to work. We can no longer leave this decision-making process in the hands of private industry most of which is controlled from outside the country.

Sweden has demonstrated most successfully a co-operative program between government and private industry through an investment fund which requires industry to allocate a certain percentage of profits in a central investment fund in return for certain tax advantages. Under such a scheme the investment could only be carried out when and where the government approved in order that we could really stimulate regional economic development, and when the economy went into a decline we would have investment funds to provide the necessary new capital to get Canadians back to work. However, as I said, I do not see the Liberals or the Conservatives tackling the long-range weaknesses of our economy.

I hope that the government at least will have the good sense to listen to some of the proposals I have put forward for the short-term, proposals it can live with and which will at the same time create jobs. Amending the Unemployment Insurance Act hits the unemployed but does nothing to create jobs.

[*Translation*]

Mr. Albert Béchard (Bonaventure-Îles-de-la-Madeleine): Mr. Speaker, the introduction of Bill C-27 in the House and the debate on second reading prompt me to make to the minister and the government some comments which are often drawn to my attention by my constituents.

Before doing so, Mr. Speaker, I wish to say to the Minister of Manpower and Immigration (Mr. Cullen) that I am satisfied with the federal decision which is consistent with the wishes of members as well as their constituents and also adjusted to the speedy development in the employment field, to make, through that bill, some important amendments to the Unemployment Insurance Act. I am especially pleased with that progressive and realistic step taken to amalgamate the Manpower Centre with the Unemployment Insurance Commission. Indeed we hope that such an amalgamation will remove any inconvenience for the workers who had to fall from Scylla into Charybdis as they had to seek a job and at the same time apply for unemployment insurance when temporarily out of work.

Hopefully, from now on the unemployed will at least find everything from the same person if not under the same roof. This is truly a realistic and consistent policy. My remarks will bear mostly on the following approaches to Bill C-27 and on the Unemployment Insurance Act in general, on the increased number of working weeks before seeking unemployment insurance benefits, on the eligibility for certain jobs, on the delay of the process taking place between application for and receipt of

benefits and, finally, on the abolition of discrimination against the handicapped.

Hon. members will recall that in 1971, after many months of cogitation, continuing the social policy innovated in Canada by the party now in power, the Liberal party—coming to grips with new social requirements and, one must add, inspired by an unfaltering minister—improved the condition of thousands of Canadians who were unemployed because of various factors over which they had no control and, in many instances, who were deprived of unemployment insurance benefits.

● (1520)

The Liberal government of the time decided it was high time to amend the Unemployed Insurance Act. The considerable difference between wages and benefits which existed at that time and which had not changed with the gradual increase in wages, was enough to justify the 1971 revision, aimed at creating a more realistic and fair balance. But the act went further.

In order to guarantee an income to those workers who could count on employment for only a part of the year, and several members have stressed this before me, as was and is still the case in Canada and particularly in my region where the fishery, forest and other industries like tourism are seasonal activities, it was imperative to amend the Unemployment Insurance Act. Unfortunately, as almost always happens, experience has shown us, since the enforcement of the act in 1971, that some intolerable abuses have taken place, which the present legislation seeks to correct. The good will have to pay once more for the improper conduct of those of their fellow citizens who, it is sad to say, would rather draw unemployment insurance than work.

On this subject, Mr. Speaker, I would like once again to point out to the minister and other members that available jobs do not have the same diversity and the same permanent aspect in every regions of this country. In the Magdalen Islands, for example, where fishery is the main industry, the islanders are inevitably fishermen or work somehow within this industry. Directly or not, people in the islands live of fishery. When the season is closed, the fishermen or fish processing plant workers cannot be all absorbed by the other sectors of the economy on the islands. What can they do then? Where will those people go to earn a living during the five, six or seven months before the next fishing season?

Those people are not exactly unskilled. Most of them if not nearly all of them can work at other things. Several of them, the luckier, accept to exile themselves and go to work elsewhere when they manage to find a job, but what about the others? They are left with only the unemployment insurance benefits, when they have been able through fishing to accumulate the required number of weeks, or with social welfare allowances. In this respect, Mr. Speaker, the manpower centers scattered thoughout our regions should demonstrate a little more initiative and imagination, and use employment pools other than the sole employment service for available or unemployed labour.

[Mr. Béchard.]

It remains—I am willing to admit this—that even with the best scheme, a number of unemployed could not find a job. In cases such as those which are found in the Magdalen Islands and elsewhere in my constituency, as well as in the Gaspé peninsula generally, including the Gaspé and Matane constituencies, and some neighbouring areas, the whole Restigouche area, the Gloucester area and New Brunswick as a whole, it should be possible, wherever the industrial base is very limited, to adopt special measures, as mentioned by previous speakers, until such a time at least when the government decides to organize the economy in a way which would guarantee a more permanent employment of our active population. Just as the duration of benefits varies and the number of weeks increases depending on the difference between the local or regional rate of unemployment and the national average, so, in my humble opinion, should the number of working weeks before obtaining benefits vary in the case of the Magdalen Islands and the Gaspe peninsula in general, as well as the New Brunswick and the Atlantic provinces ridings. Let us put an end to the ridiculous practice whereby an applicant must file evidence that he is looking for a job in a region such as ours where there are few openings, if any. Instead we should require all employers to report job openings to Canada manpower offices, including those they fill themselves without going through the manpower centres. This way manpower officials will always know what jobs are available.

Another serious problem, Mr. Speaker, particularly in our rural regions, is the plight of workers who earn their living by doing little jobs here and there for their neighbour which is not a contractor. For example, let us imagine a good citizen of the Bonaventure riding called Arthur who is a carpenter. His neighbour Alphonse asks for his help to build his house; he cannot afford to complete it all at once so he is building in stages. Alphonse or Gaston keeps Arthur busy for one month with this job. As required by the law, the employer, Alphonse, has deducted from Arthur's wages the federal and provincial income tax, the unemployment insurance and pension plan contributions. Two days after Arthur has finished working for Alphonse, Gaston asks him to work for him. Arthur is a good carpenter and Gaston has decided to have his basement finished. So Arthur works for Gaston one month and a half, until the month of December.

Both employers have deducted all the marginal benefits. But at the end of December, Arthur is unemployed. When you have no job, you are supposed to be unemployed. So Arthur applies for unemployment insurance at the nearest UIC office. His employer gave him the forms relating to the employment termination. And what is the result of his application? Well, the UIC refuses to pay the benefits. For what reason? It is most unfortunate, but the period during which Arthur worked for his neighbours Gaston, Alphonse or Romeo does not count for unemployment insurance purposes as far as the Department of National Revenue is concerned.

I now have to deal with a case the Minister of National Revenue (Miss Bégin) is looking into; I hope it will not take her too long to solve it—although it has already dragged on

quite some time—and solve it in favour of the party concerned, before he dies. The employer, in this case, as required by law in the province of Quebec, did obtain his contractor's permit, if you please, but did not get an unemployment insurance number allowing him to give stamps to his employee. He did, however, take the precaution of getting a contractor's permit from the provincial government before starting to build his house, because that is what he was building. And so, as provided by law, this employer, this individual, on the strength of a contractor's permit, deducted all the marginal benefits: unemployment insurance, taxes, etc, and they are many! Despite that, his employee has been refused unemployment benefits since December. I find that totally unfair and intolerable. In addition, what about the people who happen to be relatives of an employer? I confess that in this case there can be abuse, but it does seem to me, Mr. Speaker, that today accounting procedures are easy enough to check without having to go through all kinds of investigations and ridiculous annoyances.

● (1530)

That reminds me also, Mr. Speaker—and I do not know whether or not you have lived with that kind of situation in Ontario but we did and we are still living with it in Quebec—how ridiculous are those who insisted and still insist that persons seeking social assistance get rid of their cows or their garden before becoming entitled to social welfare, or those intelligent social workers who suggest that couples separate to get more financial help.

I say that such middle-ages machiavelism and tortures must come to an end. Such practices are immoral and unworthy of a civilized society like ours. I urge the minister, the cabinet and the government to take at once the necessary corrective measures. I do not want to generalize when I mention the unbending and distorted feelings which inspire certain officials either in Quebec, in the federal government or at all government levels, but some of them would feel more at home with Idi Amin Dada's cohorts.

I would also like to point out how long it takes, in some cases, to settle benefit claims. I admit that to err is human and that, as Jean-Jacques Rousseau said, "as long as they are human beings, there is human failure", but I refuse to think that everyone is dishonest and lazy. Yet, it is a computer which carries out most of these operations during this process. Is the electronic brain to be blamed? If I take as a basis the argument so often used to answer our recriminations and our unremitting demands, it is this computer which is responsible for most of these delays. Should we come back to manual processing? As strange as it may appear, there were fewer mistakes and less delay when the UIC did not use the computer. You would not have me believe, for example, that, concerning the general construction strike last summer in the province of Quebec, it was not possible to come to a decision before December.

I should say to conclude how pleased I am—not on these matters—but to see that the department is finally admitting that there is discrimination on the ground of physical handicap. Nothing is more stupefying than to see the contempt some employers show for people less endowed by nature or who have been incapacitated by illness or accident which, without preventing them from working, reduced their abilities and is considered as a handicap by these employers, when they come to ask for a job.

I have in mind an outrageous case in the riding of Bonaventure-Îles-de-la-Madeleine, the one of a man built like an athlete, a very hard worker able to squash the army of whipper-snappers who reject him with the back of the hand because he is a diabetic. This man is Mr. William Sawyer from New Carlisle. The Canadian National Railways deny him a job because of his diabetes. This man, who always was a construction worker, or something hard like that, wanted more security so he applied to the Canadian National Railways. Of course these days one might wonder just how much security there is working for the CNR. But in any event, he was required by the company doctor to pass the usual examinations, including the check-up. He was hired and went to work, doing his job without any trouble for about two weeks. His was operating a drilling machine. Without further ado coming back from work after 15 days he was dismissed because of his illness. Another doctor of the Canadian National Railways had considered him unfit for that work, unlike the first doctor, and on the report of the first doctor who had sent him to work.

That, Mr. Speaker, is revolting when the Canadian Diabetes Association has proven that a person suffering from that disease who follows his doctor's instructions on his particular case can normally go about his business without danger. Above all, let the CN not use passenger safety as the pretense for dismissing Mr. Sawyer. So I say bravo to the minister for taking that discrimination out of the legislation, and I hope that the Unemployment Insurance Commission and the government will do their duty and bring that Crown corporation to reason, and that it will correct that injustice against a Canadian by rehiring him immediately.

Mr. Speaker, those are the reflections I felt I had to make on this bill, as well as the Unemployment Insurance Act, and certain anomalies in its application, and particularly on many injustices and worries resulting therefrom. Let us give our future Canadian Employment and Immigration Commission offices the necessary staff and tools to function not like a body without soul working in the cold regions of pure civil service but with a soul filled with the desire to fulfill a humanitarian task, a soul and a heart vibrating in harmony with those of their fellow citizens in whose employ their work and the government have placed them.

[*English*]

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, so that we might be reminded of the scope of the measure we are currently debating, I would like to read once again its description. It is, and I quote:

> . . . to establish the Department of Employment and Immigration, the Canada Employment and Immigration Commission and the Canada Employment and Immigration Advisory Council, to amend the Unemployment Insurance Act, 1971 and to amend certain other statutes in consequence thereof.

I realize that the unemployment insurance aspect of this bill is one of the most important aspects contained in it. I believe that underlines once again one of the most persistent and, at this point in time, one of the most urgent problems confronting the nation, and that is, of course, the problem of unemployment.

Since returning to this House in 1972 after a period of rest and recuperation, I have noted that each budget address has included in its state of the nation résumé a statement to the effect that unemployment is one of the most pressing problems, that the government is dedicating its energies to its solution, and that it is going to take remedial action to overcome it.

However, I suggest that through the failure of the government to take effective action, principally because it is unable to understand the problem—let alone take remedial action—the prospects for the coming months are rather bleak indeed. Once again we are faced with a series of patchwork programs which, unless they break out of the circle of failures which befell their predecessors, will do little to inspire confidence or hope for the future of Canada.

When the government recessed parliament for Christmas on December 21, 1976, no doubt it hoped that the intervening 32 days would bring some improvement to the economic situation facing Canada. Throughout the fall session the government consistently evaded opposition questions about the economy. It stalled on taking any effective action to remedy the sickness which was afflicting our nation during that period, and which continues to afflict it today. Then in a hastily put-together package the government announced make-work programs such as Canada Works, which really seemed—and I think this is proving to be the case—to spend money, while giving only the appearance of remedial action as far as unemployment is concerned.

I would like to make it quite clear today that I am taking part in the Canada Works program by nominating persons to the minister for appointment to the ministerial advisory board. I do not, however, have very much confidence that the minister really knows what he is doing, other than spending a great amount of taxpayers' money. I hope I am wrong, but the program was thrown together too quickly, the deadline for applications came too quickly, and as my colleague, the hon. member for Hamilton West (Mr. Alexander), pointed out when speaking in this debate, some parts of the nation had the application forms while other parts did not.

It seems to me that this is very haphazard way of trying to implement a program which was designed specifically to meet the problem of chronic unemployment we are facing at the present time. When this matter was brought to the attention of the minister and it was suggested that the deadline be extended, he decline to extend it until after the expiry date, and then he pointed out that the government had agreed to let it go for another week. Of course this was completely useless because those who were not able to file by the deadline took it for granted that that was the end of the matter and they did not have time to process applications to meet the new deadline that had been established. It seems to me there must be some more consistent and deliberate attention given to programs if they are to serve their purposes to the ultimate degree.

● (1540)

Now we are faced with the very serious problem of unemployment in Canada. After the Christmas recess we expected the government to be ready to move ahead with a program of business. The first item on the government's list of priorities, however, was a resolution dealing with televising the proceedings of this House. Mr. Speaker, I do not think any substantial percentage of the people of this country worry whether the proceedings of this House are televised or not. Personally, and I know others have attested to the same thing, I believe there is absolutely no indication that the people are interested in it. But when we had a national unemployment rate approaching 8 per cent—or 12 per cent— the government wanted to debate televising the proceedings of this House.

The next resolution to come before us concerned metric conversion, something of minor importance in comparison to the other problems facing Canada. How the government can establish such a set of priorities and expect to maintain credibility with the people of Canada is beyond my comprehension.

To top it all, when my colleague, the hon. member for Hamilton West, led off the questioning on the first day back by asking the Prime Minister (Mr. Trudeau) if he would make a state of the nation type of address outlining the problems facing the country in the areas of unemployment and inflation, and announce the government's initiatives to improve the situation, he was met with what can only be termed a total abdication of leadership. The question was turned over to a parliamentary secretary for reply.

Later in that same question period the Prime Minister condescended to answer a supplementary question and stated that when and if such an announcement were made it would be in a budget speech by the Minister of Finance (Mr. Macdonald). While this country was facing the three most serious problems any country could face, the government was playing games and not facing up to the problems which required its leadership and direction.

It would have been reasonable to expect that during the Christmas recess of 32 days the government would have met with its economic advisers to formulate a plan to pull the country out of the recessionary trend with which we were faced. Instead, the government took the time of the House to debate issues of relatively minor importance.

One of the most reliable economic forecasting agencies, the Conference Board in Canada, predicted during the middle of January that economic growth in Canada's two most populous and heavily industrialized provinces, Ontario and Quebec, will slacken this year to "drag national production downward and significantly raise unemployment". The board went on to say that the nation's economic situation was considerably less optimistic looking than it had appeared in the fall, and predicted real growth in Canadian output would decline to 3 per cent

from last year's 5 per cent "unless the government took action to stimulate the economy".

The board went on to say:

> The outlooks for spending on capital goods, consumer goods and housing have all been revised downward since the fall and this is reflected in the projections of total output in manufacturing and construction industries in the year 1977.

Since these industries play a relatively greater role in the economies of Ontario and Quebec, one can readily see the outlook for growth in these provinces is considerably less favourable than it was in the fall.

As we think of the situation across the country, the growth rate in Saskatchewan is expected to be the nation's worst with a predicted production decline of 0.8 per cent. The unemployment rate in Newfoundland—and this has been vividly brought to our attention by my colleagues in this debate—is anything but bright; in fact it is catastrophic.

At the same time as the Conference Board in Canada was making its economic predictions, analysts reported to the Toronto Dominion Bank that "only additional stimulus will improve Canada's economic performance in 1977 but the trends are not good". In its winter issue of "Canada's Business Climate", the bank's economists suggest:

> Real growth in the economy will remain weak, advancing only 4 per cent. Prices should moderate slightly but unemployment will average 7½ per cent.

From every angle then, we can see that the nation is facing declining production and increasing unemployment. In fact among Canada's foremost economic forecasting organizations only one has predicted an economic improvement in the months ahead, and that is the Economic Council of Canada—an offspring of the federal government. All the rest, including the Conference Board in Canada, the chartered banks and the Organization for Economic Co-operation and Development, have warned of deteriorating conditions.

There is a desperate need in the country for some economic leadership. The government has passed the buck, has blamed everyone but itself for the situation that has evolved. We have stated many times in the past and we reiterate that the government's own spending habits have contributed more to the inflationary spiral than any other single factor. Its mismanagement in other economic areas has been documented and stated clearly in this House on many occasions. It is little wonder that, as far as the popularity of the government is concerned, it is at a very low level right across the nation.

For several months now the leader of my party has been advocating some of the measures he believed in and was advancing in order to meet the challenge of these days in which we live. He advocated an immediate tax cut in personal income tax as a stimulus to the economy. The government has consistently refused to agree that this measure would be desirable and effective. In the meantime investment capital is continuing to flow out of Canada because of social and political uncertainty, but most of all because of economic uncertainty created by the government. Economic experts claim that this uncertain climate for business means that Canadian money as well will continue to flow out of the country. This Canadian money should remain here and be available for Canadian entrepreneurial activity. We have a situation where Canadian money is being invested outside Canada while foreign investors are reducing or curtailing their direct investment here.

The Minister of Finance addressed the Canadian Club of Toronto some weeks ago. He said:

> There is no question that we need a progressive recovery in private investment if we are going to be able to provide adequately for job creation and rising productivity... The control of profit margins has been no tonic for investment... We recognize that fact.

I must say that the minister does not seem to believe what he was saying, nor do I believe that the government is really interested in fostering a positive climate for business.

I listened with a great deal of interest to our friend from the New Democratic Party extolling the philosophy that his party espouses. He talked about the failure of private enterprise to meet the challenge of these days. I should like to remind him that I live in the province of British Columbia, and when the New Democratic Party formed the government there they certainly did not introduce any Utopia. We would not look forward to a return of that government, although there is no possibility of it.

Mr. Symes: Nonsense.

• (1550)

Mr. Patterson: It seems to me that the hon. member's party has a tenuous hold on power in those other provinces presently governed by an NDP government, but after the next provincial elections they will be in the backwoods.

An hon. Member: In Manitoba, too.

Mr. Patterson: Yes, in Manitoba and in the other provinces where the hon. member's party forms a government. The hon. member need not think he is putting anything over; he is not fooling us. We are not naive enough to accept his kind of argument. We know what the NDP's philosophy is, and what happens when it is applied.

I alluded to the Canada Works program earlier. I think these make-work programs serve as a good illustration for what I was saying about the government's real attitude about private enterprise. The need for make-work programs is based on government policies that have failed to create the economic climate in which private enterprise could flourish, produce goods, and provide services, thereby providing the job opportunities required for our work force. Make-work programs like Canada Works or Young Canada Works become necessary when the government, rather than encouraging and assisting personal initiative and enterprise, strangles private enterprise and makes it incapable of fulfilling its economic and social role in society.

The throne speech which opened this second session of the Thirtieth Parliament made mention of "improving the efficiency of the labour market and actively hastening the return of unemployed workers to productive effort." That sounds great. It has a nice ring to it, just like "the just society" or "the land

is strong." This government has a way of coining beautiful phrases; unfortunately they are not reflected in any of the programs or policies the government brings forward.

The government, while talking about returning unemployed workers to productive effort, is led by a man who just a few short years ago told the people of Canada that his concept of the work ethic was that if anyone did not want to work, he should not have to work; the inference to be drawn was that it was the responsibility of society to make certain that those who do not want to work have sufficient cash on which to live, without making any constructive contribution to society.

When we compare the Prime Minister's attitude with that demonstrated by the Minister of Finance when the latter talked to the Canadian Club in Toronto, we find that there is a large credibility gap. The minister claimed in that speech that he knows the problem. What solutions did he propose? He failed to propose remedies. All he gave us was simply more government rhetoric. That was as far as he went. The theory of the government appears to be that if you talk enough about a problem, surround the discussion with enough statistics and wait long enough, the problem will go away. This bill deals with one of the problems created by unemployment. If we are to meet the problem envisaged in the bill and resolve it, the government will need to be more constructive and take greater initiatives.

A recent report of the Economic Council of Canada entitled "Jobs and People" found that the Prime Minister's attitude is reflected in the operation of the Unemployment Insurance Commission. The report documents that "the structure of the unemployment insurance benefits, coupled with the ease of entry into the program"—as a result of the government's lax attitude, I might add—"have combined to undermine the work ethic." As well, recipients are remaining on UIC rolls for increasingly longer periods of time. While the average coverage lasts approximately 15 weeks, the report reveals that 75 per cent of females, and over 65 per cent of males, remain on UIC benefits for over 20 weeks, that is, into the extended benefit period. That is an indictment of the operation of the unemployment insurance program.

According to the report, the disincentive factor built into the operation now accounts for approximately 10 per cent of additional unemployment. Some say that is not much, that we should not complain bitterly about a relatively small figure. But in real terms it means that the 1971 revisions have induced between 60,000 and 70,000 additional Canadians to become unemployed. They are Canadians who otherwise would have been contributing to this nation's productivity. If the government is really serious about improving the efficiency of the labour market and actively hastening the return of unemployed workers to productive effort, as the throne speech states, then this is one area in which it can start acting. As my colleague from Hamilton West said, unemployment insurance should be just that, insurance. It should not be operated as a welfare program.

Our party is committed to a policy of support for small and medium-sized businesses. I have said on other occasions in the House, and I repeat it, that small business in Canada guarantees more employment, more real growth, more tax revenue, and bears more of the cost burden of government than does so-called big business. Small businesses are the backbone of the Canadian business community. They create over 50 per cent of the taxes collected by the government, and employ close to 60 per cent of the people working in Canada.

In the last budget the government expanded its definition of small business by offering more tax reductions. This will help somewhat and we support even this small step because we believe that anything done to encourage the small business sector of the economy will have a positive effect on the employment situation.

I should like to mention a number of proposals which have been emphasized, indeed brought forward on a number of occasions, by members of my party. Our attitude to this serious matter now before the House is not destructive. The issue is too important to warrant the presentation of its darker or bleaker side only. Perhaps on another occasion I shall be given the opportunity to present some of our constructive proposals, Mr. Speaker.

An hon. Member: Four o'clock.

[*Translation*]

The Acting Speaker (Mr. Ethier): Order. It being four o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions, public bills, private bills.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

The Acting Speaker (Mr. Ethier): Does the House give unanimous consent that all orders preceding order No. 26 stand at the request of the government?

Some hon. Members: Agreed.

* * *

BANK ACT

MEASURE TO AMEND MONETARY QUALIFICATIONS REGARDING BANK DIRECTORS

Mr. R. Gordon L. Fairweather (Fundy-Royal) moved that Bill C-226, to amend the Bank Act (qualification of directors), be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, I hope the House is not inhibited by the black dispatch box before me. It is rather like the British system—a convenient place in which to keep one's notes.

Mr. MacFarlane: Is it Pandora's box?

Mr. Fairweather: No, it is not Pandora's box. It belongs to the House leader of the official opposition. I got hold of it and brought it here.

It occurred to me that the House might like to think for a little while about the somewhat restrictive provision now contained in the Bank Act with regard to directors. This matter came to my attention because of the extraordinarily insensitive statement, I think, made by the head of the Royal Bank of Canada, who said that during the last few months he had unsuccessfully scoured the country for an eligible woman to serve on the board of directors of that bank. Some people, when they come across inherently silly statements of that kind, write letters to the editor. However, members of parliament are given the privilege of suggesting to their colleagues a possible amendment to the Bank Act. I did not write to an editor, but I did decide to put forward a private member's public bill in order to get the whole matter of qualifications of directors discussed in this forum by my colleagues in all parties.

● (1600)

My first thought was to deal with the Bank Act by merely adding a section to try to deal with the matter of women as directors. Then I thought why should boards of directors of banks be so restrictive anyway? In other words, the matter of the status of women has advanced so far in our country that we really should not be in the quota game. We should not be in any game which involves a substantial stake in a bank in order to give the bank good advice. It occurred to me the simplest thing to do would be to repeal that part of the Bank Act which had a monetary directorial qualification. As a result directors would be drawn from the whole mass of the citizenship in this country.

I must give the head of the Royal Bank credit. I am sure that the stupidity of his statement so aroused the public of Canada that he retracted, searched again and, from information I have, was able to find from among the 11,500,000 women in this country one or two, in his opinion, who are eligible to give the bank wise advice on directing its affairs.

If hon. members do not mind, I would like to read into the record the explanatory note of this simple bill. All the bill does is repeal a subsection of the Bank Act. I would like the explanation to be on the record, particularly when the major revision of the Bank Act comes forward in the next few months. The explanatory note reads as follows:

> The section as it stands is discriminatory to all but a few who can meet the financial requirements and therefore restricts directorships to a small and unrepresentative segment of the population.
>
> Subsection 18(2) of the *Bank Act* at present reads as follows:
>
> "(2) A person is not eligible to be a director unless he holds stock of the bank as the absolute and sole owner thereof in his individual right and not as a trustee or in the right of another, on which not less than
>
> (a) three thousand dollars, or such greater amount as the by-laws require, have been paid up, when the paid-up capital stock of the bank is one million dollars or less;
>
> (b) four thousand dollars, or such greater amounts as the by-laws require, have been paid up, when the paid-up capital stock of the bank exceeds one million dollars and does not exceed three million dollars; or
>
> (c) five thousand dollars, or such greater amount as the by-laws require, have been paid up, when the paid-up capital stock of the bank exceeds three million dollars;
>
> except that in the case of not more than one-quarter of the directors the minimum requirements with respect to holdings of stock in paragraphs (a), (b) and (c) shall be reduced to fifteen hundred dollars, two thousand dollars and twenty-five hundred dollars, respectively."

In the particular case of the Royal Bank of Canada, it is my understanding from the publicity given at the time of the president's statement earlier this year that the qualification for becoming a director would be something in excess of $100,000 in stock in that bank. Other members will want to participate and will make their own comments about that qualification. I have not yet, since I have flown this kite in the way of an amendment to the Bank Act, seen any statement which appealed to me which could defend the reasonableness of anybody needing to have such a large amount of stock in a bank in order to be a director, hence the reason that I put forward this amendment.

The whole matter of representation of the general public on bank boards will, I am sure, be dealt with when the Minister of Finance (Mr. Macdonald) brings forward a draft act, which is due in 1977. Why should there be a monetary qualification at all? The same bank that was so insensitive to the need for having the good advice and sensible opinions of a woman on its board has been very progressive in having banks established in poorer parts of our large urban centres. The Royal Bank of Canada is conducting a very successful experiment in Montreal, Toronto, and Winnipeg. It has bank branches with different office hours. They make small loans, even in the amount of $20 I am told, so that people can avoid having to pay exorbitant interest rates. As a matter of fact I am told that half the business done by these experimental banks is with people who have never had any custom, if I can put it that way, with banks before the Royal Bank established this type of a branch. That progressive move should be welcomed.

I hope the banks can confront those people in society who make their business from loansharking. The way for what is now euphemistically called free enterprise or private enterprise—I prefer the mixed economy myself—to survive is for people to confront head on those factors in society that are going to destroy it. One thing which will surely destroy the mixed economy is exorbitant interest rates and an unsympathetic or unresponsive banking system.

I very much hope that some of the ideas that I have included in this short amendment to the Bank Act which, as I said earlier, had its origin in the failure of one Canadian bank to find anywhere in Canada a qualified woman to serve on its board, will commend themselves to the House.

I serve on a board—not of a bank because I have no way of qualifying in monetary terms—of a Canadian university. Of course there is no monetary qualification required. It is all the other way around. It is a matter of civic responsibility which I am very glad to undertake. That board, and other boards in

Canada, up until very recently found they were unable to have representation on them from students. It was thought to be pulling down the highest foundations if a student ever got to the stage where he or she could sit on such a board. Now, of course, universities have faced that issue, and I cannot imagine any university in this country without representation from the students, the faculty, and so forth, on its board of trustees. The universities have faced this issue without the whole democratic state crumbling into nothingness. If we can face it in universities, perhaps our formidable and efficient banking system can find it within its heart—perhaps that is not the right word; within its legal competence, to try a lawyer's term, might be better—to widen representation on the boards of directors of Canadian banks.

● (1610)

There are a couple of interesting books about what I might call the "closed shop" in our corporate system in Canada. Other hon. members would probably agree with me that one of the most important books ever written was John Porter's book "The Vertical Mosaic". Of not quite the same importance was Peter Newman's book "The Establishment". Both these books—one being an empirical study of our system; the other leaning toward more popular readership—showed there is a sort of network at work which finds within its system a way to exclude a good many people from participating in many of the senior directorate jobs in the banks and corporations of this country. I think this is to the detriment of these corporations. Basically speaking, corporate life would be much better served if boards were substantially broadened.

Parliament will have an opportunity to test this thesis of mine when the Bank Act comes up for revision later this year. Since parliament will be the leader in this field and will be telling the corporate world how we feel such boards should be constituted, I hope we will not be hesitant in substantially broadening the opportunity for a large segment of the Canadian population to serve on bank boards.

This is an hour that is given to private members and I could entertain the House with a polemic against the Canadian banking system, but I have no such polemic today. Personally, I have been well served over the years by various Canadian banks which somehow have been able to support my overdrafts and loans. There will be other opportunities for polemics about banks. I happen to believe that the Canadian banking system, with some exceptions, one of which I have mentioned here, has basically served us well. As one coming from one of the poorer parts of Canada, I would feel more comfortable with a little more sensitivity to those regions that would flow from a more flexible lending system, but there will be other opportunities for me to discuss this aspect of our banking system.

What I seek to do through this amendment is not to tear down the altars of Canadian banks or enter the vaults, or to do anything more than give the banks an opportunity to see how well they could be served if that half of the population who are women had a chance to serve on their boards. If the banks could get used to that idea, perhaps they would like also to

give an opportunity to the 22 or 23 million Canadians who will never have an opportunity to serve because they could never meet the test. And the test now is a substantial financial stake in the banks. This is why I propose this private member's bill, and I look forward to hearing what other members have to say about this issue.

Mr. Gilbert Parent (St. Catharines): Mr. Speaker, I look forward to speaking on this particular bill, especially since I have very high regard for the hon. member for Fundy-Royal (Mr. Fairweather). I know that in debate we are not supposed to say "me too!" along the way too often, but the fact of the matter is that I agree with many of the points he made.

Mr. Paproski: That sounds good coming from you. Why don't you join us?

Mr. Parent: I do not know if I have to join you because I agree with the hon. member. I could counter your proposal by saying perhaps you would like to join us, and of course you can do that virtually any time.

The hon. member referred to one book I am familiar with and said that there was a network of people who consistently make up directorships on many bank boards across Canada. I think he was being very kind. I do not know whether I am being as kind when I say that in one sense this breeds a kind of financial mafia which appears on many boards across the country.

The statement was made earlier that it was supposedly difficult to find a woman or women who were of sufficient calibre to sit on the boards of directors of banks. Having canvassed the possibility of having students sit on university boards, I wonder whether some consideration might be given by these boards to having people who represent workers serve on them. I know we are all workers, but I refer to unionized and non-unionized workers. Their input would be invaluable and they would have something to contribute. Perhaps here lies a great source not only of opinion but of knowledge as yet untapped.

This amendment will eliminate from the act any requirement on the part of directors to hold shares in a bank. This question some months ago received general attention, particularly in relation to the ability of women to meet the necessary requirements. The hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) asked the minister to tell the House whether he intended in this present session to introduce legislation to amend the Bank Act in order to facilitate the appointment of women as directors of our chartered banks, and in reply the Minister of Finance (Mr. Macdonald) had this to say, as reported at page 102 of *Hansard*:

> Mr. Speaker, I have noted the statements of a number of senior bank executives in this regard. I am sure the hon. member was as delighted as I was at this morning's announcement that the Bank of Nova Scotia has now appointed a woman director.

He went on to say that legislation would be introduced to bring about greater participation in such directorships not only by women but by others in the community. Here again, I would ask how many educators are there on the boards of

banks? How many union workers and students serve? I wonder how many housewives would be asked for their opinion. Some people might think that high finance is way beyond them, but surely they are blessed with as much common sense as the members of the House of Commons and many directors of banks.

● (1620)

The matter under discussion is not as easily defined as the proposal would suggest. This has been recognized in a number of ways. The minister has received letters urging that the requirement be wiped out altogether. The hon. member used the term "reasonableness". Would it be reasonable to appoint people as directors of these banks when they did not hold shares in them? Perhaps when they do hold shares it is likely they would take a greater interest in the investments and financial arrangements for which they are responsible. I am not fully prepared to argue all the pros and cons at this time. I am simply pointing out that there are arguments on both sides and that there might be solutions to this problem other than the one proposed in the bill before us.

The matter was not totally ignored in the white paper on Canadian banking which was issued by the Minister of Finance on August 23, 1976. The bill to revise the Bank Act which the minister will be bringing before parliament will attempt to bring the Bank Act, in so far as is appropriate, in line with the Canada Business Corporations Act. The hon. member alluded to this, I believe, a few minutes ago. This undertaking has generally been welcomed. It is, however, a big task and one which is adding considerably to the length and complexity of the process of preparing the new legislation.

It is perhaps worth while in the context of this discussion to review what the Canada Business Corporations Act has to say on the subject. The key section reads as follows:

100 (1) The following persons are disqualified from being a director of a corporation:

(a) anyone who is less than eighteen years of age;

(b) anyone who is of unsound mind and has been so found by a court in Canada or elsewhere;

(c) a person who is not an individual; or

(d) a person who has the status of bankrupt.

(2) Unless the articles otherwise provide, a director of a corporation is not required to hold shares issued by the corporation.

(3) A majority of the directors of a corporation must be resident Canadians.

The last paragraph is, to my mind, one of great importance. We do need Canadians on these boards so that decisions can be reached in the light of what is good for all Canadians. This, in itself, would be an important consideration.

Section 100 (2) is the key section for purposes of this debate. Under it, a director of a corporation is not required to hold shares unless the articles of that corporation otherwise provide.

An important royal commission has been meeting on questions related to corporate concentration. The Bryce Commission is expected to report shortly and may well have something to say on the subject of directors and requirements affecting directors. It would be useful for the House to have the advantage of this report before considering this kind of legislation.

Finally, Mr. Speaker, I wonder whether it is sensible to try to deal with such important legislation as the Bank Act in a piecemeal fashion. It would seem unwise to amend the legislation at this time without being able to consider the whole range of proposals that will be brought forward by the minister.

The minister has already indicated his intention to bring a short bill before parliament which will extend the powers of the banks to do business for a further period of time after July 1, 1977, when under the existing legislation these powers expire. This will provide him with an opportunity to explain the state of preparation of the decennial revision legislation and when it might appear. When the decennial legislation is brought forward, the House will undoubtedly want to hold public hearings and this is an obvious time to explore in greater thoroughness a whole range of questions, including the one which is before us today. Consequently, Mr. Speaker, while I am sympathetic to the general objective of the proposal before us today, I would urge members to be patient until this matter can be discussed thoroughly in the context of the banking legislation which the Minister of Finance will be bringing before the House.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to congratulate the hon. member for Fundy-Royal (Mr. Fairweather) on introducing this bill. I also wish to commend him for the excellent statement he made on it this afternoon.

When I saw that the hon. member was bringing in a bill to amend the Bank Act with respect to the qualifications of directors I took it for granted he was endeavouring to get at a restriction which denies women the right to be members of boards of directors of banks. Then I discovered, as he did, that there was no prohibition against women as such but that the limitations involved in the financial requirements did have that effect. I am delighted that he seized upon the notion that two things might be done at once, in other words, that we could change the Bank Act so that women would be the equal of men in qualifying as members of the boards of directors of banks, and also do away completely with the financial requirements.

I am interested to see that there appears to be general support for the idea, though it does become a little tiring to get the kind of support from the government side which says, "We like your idea, but be patient for a while; this could be carried out when the Bank Act comes up for review next year." Well, it could be next year, or ten years from now. As for the argument that we should not deal with the Bank Act piecemeal, it strikes me that this is such a simple measure and one so elementary in terms of justice that it would be a good idea to get it out of the way. We could deal with it right now by amending the Bank Act, making the present financial requirements unnecessary, and thus save the minister from having to deal with it later.

I am glad the last speaker indicated a desire to see the appointment to boards of directors of banks of persons other than those with financial interests. He seemed to put this proposition forward hesitantly, but at any rate he did put it forward.

The issue is simply this: do banks in this country exist for the purpose of making money? If so, you put millionaires on the board. Or do they exist for the purpose of serving the people of Canada? If that is the case, the boards of directors should be representative of the people. I support without hesitation the idea that workers, farmers, educators, students, housewives, and others who are representative of Canadians generally, should have a voice in the policy of our banks.

● (1630)

I suppose it is rather interesting, almost a coincidence, that the hon. member's bill about positions as bank directors is being discussed at the end of a day during which we have been discussing unemployment. I suppose the hon. member chose to have this bill debated today for that very reason. Here are jobs that could well be filled by some of the unemployed people about whom we have been concerned in our earlier debate on Bill C-27. All told, I think it is an excellent idea. I like the way the hon. member put it that we have made progress, and I hope this is true, with respect to women's rights. There are a number of instances in which we may still have to lay it down that positions are to be divided equally between men and women. Perhaps we will have to do it in this context. I hope the day will come when persons will be persons, but it is still true that women are so far behind in enjoying their rights in this country that we may have to do something pretty drastic about it.

I said the other day in another debate that there have been elected to the parliament of Canada in the last 110 years about 3,000 men. In that same period of time in 30 elections there have been elected only 28 women. Certainly since the early 1920's the status has been equal. It was true in the last election and it will be true in the next. Every woman in the country has an equal right to get here.

Mrs. Holt: Why do you not have any women in your party in the House?

Mr. Knowles (Winnipeg North Centre): We did our best. As a matter of fact, I believe we ran more women than other parties did in the last election. The public has not got around to realizing their value fully. But we have had them, from Agnes MacPhail to Grace MacInnis.

The point I am making is that until we reach the stage where there is equality, we may have to go in for a quota system. Perhaps this is not the place where it will be accepted, but certainly something should be done to ensure that there will be women on boards of directors of banks, and something also must be done to ensure that persons who represent the various strata of life in Canada are there. The hon. member's bill does that by removing the financial qualifications altogether.

[Mr. Knowles (Winnipeg North Centre).]

Again I wish to express my disappointment at the suggestion that comes from across the way that this is a good bill, a good idea, but let us leave it for later. It would be far better if we said in the House that there is nothing wrong with the idea at all and it would be a good idea to make this change in the Bank Act even before the major changes come. Therefore I strongly support the bill now before us.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I hope that the wish of the hon. member for Fundy-Royal (Mr. Fairweather), which has been expressed again by the hon. member for Winnipeg North Centre (Mr. Knowles), will be realized today and that this question, which obviously merits support both on its substance as well as on its succinctness in terms of being a relatively minor change and a single change to the banking legislation of this country, will be carried today.

I think it is particularly important that we not forget the context in which this bill is put forward. Although we are facing legislation with regard to the general revision of the Bank Act, and the Minister of Finance (Mr. Macdonald) has said there would be some changes in the qualifications of directors which would meet the matter raised in the House by the hon. member for Fundy-Royal as it affects women, the fact is that there is no likelihood that this revision will take place this year.

My understanding of the situation is that what we are likely to face in terms of general banking legislation this year is a one line bill which will merely extend the operation of the existing Bank Act. Therefore, if this House does not deal with this matter today, then the inequity which the bill is designed to attack is likely to carry on for a long time, and I do not think there is any member of the House who would want to see that happen. For those reasons I hope the House will approve the bill today.

Aside from that fact, I think there are many good ideas which come forward in private members' hour, a lot of sound ideas advanced by private members which are doomed to go to the foot of the list, and be brought back again and again. Sometimes persistence pays off and patience wears thin. Problems continue, and a whole host of things can happen as a result of the failure of our system in the House to deal with those good ideas, either by sending them as legislation to the appropriate committees or by sending the various subject matters, to committee for further study.

I share in general the view that the monetary investment by a director in a company or in an organization—particularly an organization which is institutionalized in the Canadian context—spells out his or her level of interest in that institution's affairs. The hon. member for Fundy-Royal has mentioned his involvement in universities, and many other members of the House are directors of organizations in which they have no other interest except sharing the interest of the individual organization in the community. That is the foundation stone for service on those boards. I am satisfied that banks could very well be one of those institutions.

The other aspect on which I wish to speak generally is that despite a large amount of lip service given to the status of women in this Chamber and elsewhere, whether with respect to representation in the House or with respect to involvement in the political process generally or advancement in the professions, in business, and in those areas which are important to the well-being of our community, there is a great underrepresentation of one section of our society.

I speak as one who many years ago employed a young student in my office, a woman who came to my law office under the cloud of being a woman and having to prove herself beyond the degree required by a male student of law. She had to adapt in a professional world which, to a greater extent than is the case today, was alien to the presence of women. That woman is now one of the partners in my law firm in which, unfortunately, I cannot take part at present. She has progressed by her own efforts which, I think I have to say, generally in my profession requires more effort by her than would have been required of a student who is not a woman.

Mr. Breau: Are lawyers chauvinists?

Mr. Baker (Grenville-Carleton): No, I do not think there are any more chauvinists among lawyers than in any other group. But the fact is that the traditions of our society have said to women—that view is changing now—that there are other roles for women. Women should be nurses, or secretaries, and they should not advance into management for which men are better qualified—that is what our society has said. I think that the statistics will show that although there have been improvements in the opportunities for women, those opportunities have not really kept pace with the abilities of women in Canada to participate in the professions. As each one advances in a profession or business, it gives the lie to old traditions. They are gradually being whittled away.

● (1640)

In the Public Service of Canada there are equal job opportunity directives issued with respect to women, but the fact is that as the number of public service positions increases, the proportion of women involved in those positions decreases. As the upper management of the Public Service of Canada increases in size—and it is still going to increase in size—the proportion of women who have been able to find their place in upper management positions has actually decreased. There have been some major advances in the middle-management areas of the public service, but the statistical facts are as I have given them. That is why the Public Service Alliance of Canada and the Professional Institute of the Public Service indicated their concern, and that is why it behoves this House to consider a bill directed to women on the one hand but directed as well to broadening the base of representation on bank boards.

I know there are other hon. members who want to speak, and I intend to sit down, but I want to commend the hon. member for Fundy-Royal for advancing this piece of legislation, and I am very proud to second it.

Bank Act

Mrs. Ursula Appolloni (York South): Mr. Speaker, there are times in this House when I feel I have been invited to the Mad Hatter's tea party. I have just had the pleasure of listening to four men, one after the other, talk about their willingness to give equality to women. It has taken hon. gentlemen exactly 45 minutes to let one female speak.

Some hon. Members: Hear, hear!

An hon. Member: You've made your point, Ursula.

Mrs. Appolloni: If I could paraphrase Shakespeare, I would say "that man doth protest far too much".

Some hon. Members: Hear, hear!

Mrs. Appolloni: I was invited to join this debate because it is "a women's issue". While I counted to ten and bit my tongue for the umpteenth time since I have come to this place, it occurred to me that such a thing should not even exist. We should by now have evolved to the stage where we do not have such things as women's issues. They should be people's issues, and that should be it.

Some hon. Members: Hear, hear!

Mrs. Appolloni: However, I am grateful to the hon. member for Fundy-Royal (Mr. Fairweather) for bringing this to our attention. I had no idea that in order to become a director of a bank a person had to go through a means test. That is the kind of thing we were discussing last night with regard to old age security. There is still a means test just to become a director of a bank, for goodness sake!

In a way I am sorry Mr. McLaughlin and the Royal Bank were singled out. I am sure he has lived to regret his statement. I notice that he has not been chastised except by a few. Some comments were cautiously printed in some newspapers, obviously written by men. I do not see one female named here. However, Charles Lynch, another male, in an article in the *Gazette* on September 20 said that a woman bank director who now holds important political office informs him that intellectual excellence is the last thing a banker is likely to consider when seeking a candidate for the board. Under those circumstances perhaps it is a good thing there are not very many woman directors.

Let us go back to the means test. Why on earth do we have to have money to become a director of a bank? We do not have to have any money to become directors of most of the other institutions which we, the women of Canada, keep going on a voluntary basis. Nobody pays us for our time. Sometimes we might get a pat on the back, but that is all. But in order to be a bank director we need money. Why? Presumably because the original idea was to ensure that the candidate had a stake in the institution. I object most to this. Like it or not, women in this country have a stake in every institution in Canada, be it financial, economic, social, political, educational, artistic, academic, technical, cultural, judicial, or any other kind of institution affecting the stability and progress of mankind.

We have been told that this subject is in the white paper on banking. With all due respect to the government, this is exactly the kind of thing which makes the women of Canada sick to their stomachs. We are sick of being surveyed, analyzed, and dissected in every paper, no matter what colour, which comes from the government benches and which just lies to rot and gather dust in the archives of parliament. Stop with these papers, stop with these motions—especially these pious ones—and let us get some action.

Mrs. Simma Holt (Vancouver-Kingsway): Mr. Speaker—

Some hon. Members: Hear, hear!

Mrs. Holt: Hon. members opposite would not do that if I were talking about a non-women's issue, but I appreciate their applause very much.

I am pleased to follow the hon. member for York South (Mrs. Appolloni), another woman. To use her words, these pious bills and these little condescensions to women are mere stalls. I only have to look at appointments—and I say this about my side and about the other side—government appointments of women to Crown agencies, committees and commissions to make my point. In one of the last reports on the status of women of Canada 1,162 positions were shown and of that group 120 were held by women. That is the kindness, love, devotion and tolerance of our male colleagues here. Hon. members keep mentioning their concern for women's rights. Many including the hon. member for Fundy-Royal (Mr. Fairweather) have been here long enough to clean up the act the law for directorships. I would like members of boards of directors of banks to be decided on the basis of the Canada Corporations Act. But when we look at that act we see the insidiousness of the discrimination there, the discrimination in the use of male pronouns through all the law and, of course in the Corporations Act, defining the right to the top jobs in the nation as though for males only.

I will read part of the Canada Corporation Manual, as follows; the underlining of the male pronoun in each case being my own:

> . . . *he* or any other company of which *he* is an officer or director, is a shareholder, and, if the by-laws so provide . . .

And they could change the by-laws to fit what we want, but all the gold-plated chauvinists, the Earle McLaughlins and his ilk, including some in this very House, will not appease the women of Canada with patchwork amendments to correct this subliminal discrimination.

Mr. MacFarlane: There are some women who are chauvinists.

Mrs. Holt: Well, they are not gold-plated. They will hold back their gold-plating from the Earle McLaughlins and the other people if this goes on, and so they should. However, hon. members should note the wording of this. None of them has ever moved to change these statutes, to say "he or she" with regard to employment. Nobody in this side or on the side opposite has done so, and many men have been here long enough to have cleaned this up. This manual also says the following:

> Except as mentioned below no person is to be elected as a director or appointed as a director to fill any vacancy . . .

This is under the Canada Corporations Act.

> . . . unless *he* or any other company of which *he* is an officer or director, is a shareholder, and, if the by-laws so provide, owning shares absolutely in *his* own right . . .

Note all the male pronouns. The *Hansard* reporter should underline "he". Then part of the ruling which I think is quite important is as follows:

> The amount of the share qualification of directors is regulated usually by the by-laws, which may provide for the number or class of shares which must be held by a person to qualify *him* for election as a director.

And hon. members will all give me that nice little Interpretation Act as their cover-up. It has been the ploy throughout the centuries to allow this subtle, vicious discrimination. They say it is subliminal advertising or subliminal propaganda that the Interpretation Act covers; wherever it says "he" it means "he or she or it", they tell me. Nonsense!

● (1650)

I am delighted to discuss the matter, and I am grateful to the hon. member for Fundy-Royal because I know he is sincerely concerned about matters affecting women. Maybe he did not realize that all these other inequities existed or could not do anything about them. I know he understands the injustices meted out to women and the discontent of these extremely competent people. I know too he is trying to find solutions. I do not think, however, that the measure of quality for bank directors should be monetary. If you measure the quality and intellect of women with their capacity and variety of background experience, wisdom and knowledge, the monetary aspect is irrelevant.

Much as I should like to see this one small change by this bill I cannot settle for little compromises, Mr. Speaker. I do not want little bits and pieces; and I do not think the women of Canada—half of our constituents—want that either.

The current approach to improving the quality of the fabric of our lives is slipshod. We do not reweave the whole fabric of our society as we should. That is true of law and of everything in this House. We do not reweave the fabric but just put a little patch here and a little patch there. We do not use women and men equally in a society that man created. It is a man's world—created by men for men to satisfy men and keep men in power.

Mr. Paproski: That is passé.

Mrs. Holt: It is not passé. Look at you all seated over there. Where are the women?

An hon. Member: There and there.

Mrs. Holt: Twenty-eight women have been elected to this House throughout its life. They could have been recruited but they are not wanted. We do not want your small solutions to

an incomplete social fabric—a little thread here and a little thread there. It is invisible mending of the fabric. I want the whole Bank Act changed; I do not want it patched. Mr. Speaker, I would point out that the meaning the underworld attaches to the word "patch" is appropriate here. A patch is a bribe—a sop to the squares; so it is very appropriate.

For me the "Ms." and the opening of a door is not bribe enough. I think most women would sacrifice being called Ms and open their own door in exchange for equal opportunity. When that gold-plated bank president, W. Earle McLaughlin, made his infamous statement he was not speaking in isolation. He was not unique. He was the voice of the thousands and thousands of men who run this country.

The pictures that appear of executives—and until recently of cabinets—are always of men. Where are the women? In the annual reports of banks or big companies the women are usually standing by the filing cabinet. Even now, when women are wearing long skirts and pant suits, these pictures still show the women in short skirts because it tittles—

Some hon. Members: Oh, oh!

Mrs. Holt: —it gives men pleasure. These big bank, big company annual reports are the cheap business man's *Playboy*. It is not even well done.

Mr. Paproski: Simma, you deserve more than to be a backbencher. You deserve to be a cabinet minister.

Some hon. Members: Hear, hear!

Mrs. Holt: I certainly know most of the women here have the intellect and capability to do that job very well. But I do not want to be there. I do not want to toe the male line. I want to change the rules of this House to be more sensible and practical—change from Robert's Rules of Order to Roberta's Rules of Order.

Women are allowed a peripheral place in society. I do not want to be "allowed" anything, and if I have to fight I am going to fight for what is the woman's right. Men like to say that women are the power behind the throne and how great they would be behind the throne of a bank manager. But the route to that throne has been precarious and devious. That wisdom has been short circuited. From the time the male executive first leaves home until he gets to that office on the top floor of the bank, he is indoctrinated by all the males en route and the wisdom of the competent woman behind that throne is lost. The whole of our nation goes that way—perhaps to male disaster.

Since there are other people who want to speak, I simply want to say that while I appreciate deeply the intent of this bill I would appreciate it more if it were part of the great whole. The hon. member for Fundy-Royal should clean up all the law—as a lawyer—and because it is so subliminally discriminatory by being written as though for men only in the corporations of this nation.

Mr. F. A. Philbrook (Halton): Mr. Speaker, I should like to keep my comments brief and assure my colleagues on the other side that I am not standing up in a partisan way or out of meanness to talk this bill out, but I should like to make a couple of comments that are important to me.

First of all, I should like to take the opportunity to congratulate the hon. member for Fundy-Royal (Mr. Fairweather). It is a privilege to speak on a bill sponsored by him because of his well-recognized humanity. Even as a relative newcomer to this House one can see that.

Some hon. Members: Hear, hear!

Mr. Philbrook: If he is embarrassed by that he should not be, I would say, because of his sheer consistent common sense in all matters in this House. It is a pleasure to talk on the bill as well because of what it attempts to do to eliminate one more area of discrimination in our way of life. I think it is proper and timely right now because we happen to have been debating human rights legislation. I spoke on this last night and it was a pleasure to speak then on the subject we were debating today, the place and province of women in our society. I was happy to mention at the same time the problem of handicapped people.

I have said I would like to see the bill go through, but I understand there is a catch in that the government is seriously considering this measure in its own Bank Act draft and considering it from the point of view—

The Acting Speaker (Mr. Ethier): Order, please. The hour appointed for the consideration of private members' business has now expired. It being five o'clock I do now leave the chair until Monday next at two o'clock p.m., pursuant to Standing Order 2(1).

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, February 28, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

THE BUDGET

SUGGESTED PRESENTATION WITHIN TEN DAYS WITH PROVISIONS FOR JOB CREATION—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, considering that according to figures released by Statistics Canada a few hours ago, real gross national product declined in the last quarter of 1976 by .6 per cent and considering that unemployment forecasts done by the Department of Finance indicate further economic deterioration for 1977 with an unemployment average of about 10 per cent in Quebec and 13 per cent in Atlantic Canada thus promoting disunity in the country, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House instructs the government to bring in a budget within ten days which will have as its purpose the expansion of the national economy and the provision of jobs, both of which are essential to the maintenance of national unity.

Mr. Speaker: The presentation of such a motion pursuant to Standing Order 43 can be made only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

* * *

[*Translation*]

CANADIAN NATIONAL RAILWAYS

PROPOSED SIX MONTHS' DELAY IN ENFORCEMENT OF NEW TIMETABLE—MOTION UNDER S.O. 43

Mr. C. A. Gauthier (Roberval): Mr. Speaker, pursuant to the terms of Standing Order 43, I request the unanimous consent of the House to present a motion dealing with a matter of utmost importance and urgency to the Saguenay-Lac-Saint-Jean area.

As according to the new CN passenger service schedule becoming effective in early April, the only passenger train will be arriving into Montreal at 23:30, as at that late hour all connections with other trains is impossible and as, according to that new schedule, three days and two nights will be needed to spend one business day in Montreal, that waste of time never having existed previously because the same trip is now made during the night, and as the implementation of that new schedule will cause serious prejudice to the travelling public in the area to the extent where the clientele will disappear, I move, seconded by the hon. member for Abitibi (Mr. Laprise):

That the Minister of Transport exert immediately the required pressures with the CN president and Mr. Jean-Marie Beaulieu, general superintendent, to delay the implementation of the new schedule for six months, with a view to allowing local organizations to present their suggestions in that regard.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the terms of Standing Order 43, the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: As there is not unanimous consent, the motion cannot be put.

* * *

● (1410)

[*English*]

INDUSTRY

PROPOSED PURCHASE OF RAILS FROM SYDNEY STEEL CORPORATION TO AVOID CLOSING OF PLANT—MOTION UNDER S.O. 43

Mr. Andy Hogan (Cape Breton-East Richmond): Mr. Speaker, I rise on a matter of urgent and pressing necessity. In view of the fact that the president of Sydney Steel Corporation said on Friday that unless minimum orders are received by Sysco it is possible that by this summer closure of the Cape Breton plant may take place for weeks or months, I move, seconded by the hon. member for Brant (Mr. Blackburn):

That this government guarantee that its Crown corporation, the CNR, buy the required rails and so ensure that there would be no closure at the Sydney plant.

Mr. Speaker: The motion can be presented to the House only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Oral Questions

ORAL QUESTION PERIOD

[*English*]

ANTI-INFLATION PROGRAM

POSSIBILITY OF PROGRAM ENDING ON OCTOBER 14 AND THAT RATE OF INFLATION REDUCED TO FOUR PER CENT BY JANUARY, 1978

Mr. James Gillies (Don Valley): Mr. Speaker, my question is directed to the Minister of Finance and it arises out of continuing uncertainty about the termination of wage and price controls in Canada. Specifically, I should like to ask the Minister of Finance for the validity or the nature of the documents that have been reported on this weekend that suggest that the control program is to end on October 14. What is the nature of those documents, are they official documents, and can we believe what they say?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, as I have indicated previously to the House and outside the House, we now have under way a process of discussion with the provincial governments and with other major economic decision makers on a possible date for the termination of the controls. I should say that, more than a possible date, it is a range of dates and an analysis lying behind each of them. The documents or statements referred to over the week end appear to have been taken from some of the working papers that have been under discussion with the provincial governments. As I said, those papers indicated a range of possible dates commencing next October 14 and running into the next year for the possible termination of controls. No decision on this point has been taken by the government as yet. We have not had a full and definitive response from the provincial governments as yet.

Mr. Gillies: Is the minister saying that the October 14 date is not a possible date for the termination of controls, and when will he get rid of the uncertainty which is dominating the economy? When will business and the people in this country learn from the government when these controls will be terminated or what the government's views on them are? I ask this question particularly in relation to the fact of the continuing decline in the confidence of business, which seems to be apparent in the figures for the last quarter of last year with respect to real growth.

Mr. Macdonald (Rosedale): The hon. gentleman asked whether this is a possible date. I indicated there was a range of dates set out for the provincial governments. The position we have taken in this regard is that in a program of this kind, which was brought into effect with the co-operation of the provincial governments, it is entirely reasonable for them to be fully consulted on the possible dates for the termination of the program. In that sense, we have gone to the provinces and put to them a series of solutions and sought their response. It seems clear from this that the government of Canada will have to make its choice among possible dates, but I think it makes sense to have full consultation. I hope we can have definitive responses from the provinces at a very early date, in which case I, too, would look forward to the possibility of making a statement on the projected termination date. However, until we have had the full consultation it would be difficult to make a final determination.

[Mr. Speaker.]

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I would like to address a supplementary question to the Minister of Finance. AIB vice-chairman June Menzies told the Winnipeg Society of Financial Analysts on February 18 this year that Canada must maintain wage and price controls until the annual rate of inflation reaches 4 per cent. She also stated that, and I quote, "the time to decontrol is not yet", since the objective of the program is to move to a 4 per cent inflation rate during a three-year period. Since the Minister of Finance implied at the financial ministers' conference in January that the controls program would end in January 1978, is it his contention that a rate of inflation of 4 per cent is possible before January, 1978?

Mr. Macdonald (Rosedale): Mr. Speaker, I have indicated that it is not the government's conclusion that such a rate would be attained during the current calendar year. Just to pick up a specific reference of the hon. gentleman, we indicated to the provincial ministers both at the conference and since that we are looking at a range of dates, but not specifically the January date.

Mr. Alexander: Will the minister confirm whether it is the intention of the government to retain controls until a 4 per cent rate of inflation is reached?

Mr. Macdonald (Rosedale): We will have to make a judgment in that regard and, in particular, if we can find some assurance from major economic decision-makers in the country of the same commitment to reducing inflation, it may be possible to get out before that time.

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THE CANADIAN ECONOMY

EFFECT OF OIL PRICE INCREASE—REQUEST FOR EARLY BUDGET TO STIMULATE JOB CREATION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Finance. Would the minister confirm that the price of oil going up as much as 4.6 cents on Wednesday of this week and a further increase of 4 cents by next September will cause the loss of an estimated 80,000 jobs? I assume his department has done some studies on this. Assuming that to be the case and considering that the existing levels of unemployment are felt disproportionately on a regional basis in the country and thus contribute to disunity, will the minister give us some assurance that he will bring forward a budget within a matter of five to 10 days which will have as its principle objective the creation of jobs in the Canadian economy?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would have to check as to the accuracy of the

calculation to which the hon. member referred in the first part of his question.

On the second part, I am not anticipating bringing forward a budget in the next five to 10 days.

* * *

ENERGY

SUGGESTED HOME INSULATION PROGRAM TO AVOID INCREASE IN HEATING COSTS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. Considering that the almost 10 cent increase in the price of oil which will come by next September will be felt by all Canadian homeowners as they purchase oil to heat their homes for the winter, will the government embark now on a national program of residential insulation similar to that established by the government for Prince Edward Island and Nova Scotia, both as a means of creating jobs now and of heading off energy cost increases in the fall?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I think the preamble of the hon. gentleman's question suggests that Canadians are already paying a very high price for home heating oil. There is no question that prices are going up, but I think we should also realize that because of the government's policy Canadians are paying less for their home heating oil than people in other countries.

Mr. Broadbent: Now answer the question.

Mr. Gillespie: The second part of the hon. gentleman's question dealt with the question of insulation. I agree with him that reinsulation programs are very much in the interests of individuals and in the interests of the country as a whole. The policy we introduced for P.E.I. and Nova Scotia was aimed at helping offset very heavy increases in electrical energy costs. I have suggested that there are other ways Canadians might be able to benefit from reinsulation. I hope that the public utilities across the country—oil companies, for example, and other companies, including banks—might introduce programs which would encourage Canadians to save.

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THE CANADIAN ECONOMY

REQUEST THAT CANADIAN NATIONAL PURCHASE RAILS FROM SYDNEY STEEL TO AVOID PLANT CLOSING

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, the minister took two minutes to say no. I will ask a final supplementary of the Minister of Finance.

Unemployment in the Cape Breton region in real terms is about 30 per cent. Mr. Tom Kent, president of SYSCO, said last Friday that work operations at the steel plant in Sydney will be suspended completely by this coming summer unless some orders for rails are received by the company. Given the continuing need for rails in the future by the CNR, will the government now make a commitment to SYSCO to purchase the rails in order to preserve those existing jobs?

● (1420)

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I am glad to take that as a suggestion which I will discuss with the Minister of Transport.

* * *

[*Translation*]

INDUSTRY

INQUIRY WHETHER INVENTORS HAVE FILED PATENTS FOR MOTORS USING LESS GASOLINE

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce.

Considering that the price of gas and other fuels is increasing and might continue to do so, and considering that this increase considerably affects freight transport which in turn raises the cost of living, can the minister tell the House whether inventors have filed patents regarding the manufacture or the invention of new engines which considerably reduce the fuel consumption of cars and trucks.

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I am not aware of this problem. I will make an inquiry and report to the hon. member.

* * *

[*English*]

ADMINISTRATION OF JUSTICE

USE OF WRITS OF ASSISTANCE—GOVERNMENT POSITION

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a question for the Minister of Justice relating to his answer of a few days ago concerning the curtailment of use of writs of assistance. I want to ask if it is a fact that although the minister proposes not to authorize the use of any more such writs, there are approximately 900 outstanding? I understand they will remain outstanding until they are specifically cancelled. What does the minister intend to do?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I indicated we were reviewing the law and practice relating to writs of assistance and that I had instructed my officers not to apply for any more. I thought I would not touch the existing writs until I decided what should be done in the future.

Oral Questions

AIRPORTS

PRINCE ALBERT—INQUIRY AS TO APPROVAL OF EXPENDITURES FOR IMPROVEMENTS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is for the President of the Treasury Board. On Friday last I put the following question to him:

It has to do with an agreement which has been entered into between the government of Canada in the right of the Department of Transport and the city of Prince Albert concerning the possibility of there being an expenditure of some millions of dollars being made to improve and bring up to date the airport at Prince Albert.

May I ask whether the minister agrees?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, Treasury Board has not yet received a formal submission with regard to this item.

Mr. Diefenbaker: Mr. Speaker, the minister is always very frank. I thank him for that negative answer. I suggest to him that this is a matter of great importance and that an agreement has been entered into. I want to know whether this agreement made between the Minister of Transport and the city of Prince Albert is simply designed to cover up something with an election in the constituency of Prince Albert set for Wednesday, March 2?

Mr. Andras: Mr. Speaker, I would certainly think that the right hon. member might better address his question to the Minister of Transport who I am told made his comments about it on the basis of the possibility—the right hon. member also used the word "possibility"—of this airport improvement being forthcoming.

Mr. Diefenbaker: A final supplementary, Mr. Speaker. I think this should be taken into consideration, the way things are today. The Minister of Transport cannot either land or depart from that northern city, the gateway to the north, because jets cannot land there. Does he realize how important it is for an improvement to be made so that the minister will not lose any time getting to that important city?

AIR SERVICE BETWEEN EASTERN SASKATCHEWAN AND WESTERN MANITOBA

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is related. With reference to air service to communities of eastern Saskatchewan and western Manitoba which the Minister of Transport announced would commence this year, may I ask the President of the Treasury Board if he will be providing funds for the upgrading of airport facilities in these communities in preparation for the service?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, general proposals concerning the Department of Transport or any other department come forward to Treasury Board in two forms, one of which concerns general proposals in the main estimates for main programs, which are under review now. I would have to check on the particular item to which the hon. member referred. I do not keep each one in my memory.

Mr. Dinsdale: A supplementary question to the Prime Minister, Mr. Speaker. In view of the long delay in implementing this air service which is so vitally important to the economy of the region, an air service first announced by the Prime Minister during the 1974 election campaign—

Mr. Hees: Ha! Another one of those.

Some hon. Members: Oh, oh!

Mr. Dinsdale: —will the right hon. gentleman urge the air transport committee to give early consideration to the designation of a carrier to provide this service?

Mr. Hees: It's only three years later, Pierre.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have not been following the exchange of questions and answers, but I will take note of the question and see if I can satisfy the hon. member.

Mr. Paproski: The promise was made only three years ago.

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EXTERNAL AFFAIRS

RESIGNATION OF CANADIAN AMBASSADOR TO U.S.A.

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, may I direct my question to the Prime Minister? Given the continued reports and speculation that the Canadian ambassador to Washington resigned as a result of continuing conflicts between officials in the PMO and Department of External Affairs officers, could the Prime Minister now confirm that the arrangements for his visit to the United States were handled by his special adviser, Ivan Head, and his staff, rather than by the established professionals in the Department of External Affairs?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. Hnatyshyn: A supplementary question, Mr. Speaker. Since widespread media comments and a number of officials in the External Affairs department do not reflect the Prime Minister's view, and given the possibility that the PMO's activities, which bypass normal diplomatic channels, threaten our established system of diplomacy, could the Prime Minister undertake to provide the House with a specific listing of Mr. Head's responsibilities and, in particular, his relationship to the Department of External Affairs?

An hon. Member: We want his "head".

Mr. Trudeau: Yes, Mr. Speaker; Mr. Head is my adviser on foreign matters.

Mr. Hees: What about the minister responsible for External Affairs? Where does that leave Don Jamieson?

Mr. Paproski: Yes, and what about Allan MacEachen?

Mr. Hnatyshyn: Mr. Speaker, the Prime Minister is apparently continuing his trek to having some sort of presidential system put into effect in this country.

Some hon. Members: Oh, oh!

Mr. Hnatyshyn: I ask whether or not he has, in his department, a group similar to the group of seven economic advisers which caused his former colleague, Mr. Turner, so much concern that he resigned from the cabinet.

Mr. Paproski: Answer that, your excellency.

Mr. Hees: Come on, your excellency. What do you say to that?

* * *

PENSIONS

BASIS OF ACTUARIAL ANALYSIS OF FUND—NAMES OF ACTUARIES

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question, addressed to the President of the Treasury Board, is related to the somewhat confusing announcement he made regarding an inquiry into pension funds. Can he specify if the independent actuarial analysis he was planning to commission will examine the general pension fund or the supplementary retirement benefits fund?

Hon. Robert K. Andras (President of Treasury Board): Mr. Speaker, the particular assignment is to verify or otherwise the actuarial assumptions underlying cost calculations, with particular regard to the indexation of public service pensions. But it will, in relation to that, be looking at the broader question, that of the existence of the fund and the basic pension fund as well.

Mr. Munro (Esquimalt-Saanich): A supplementary question, Mr. Speaker. Would the minister be prepared to table the terms of reference of the group inquiring into those areas and the names of the actuaries employed for that purpose?

Mr. Andras: Mr. Speaker, it is my intention to make these matters public on the first possible occasion.

PRIVATE PENSION INDEXATION

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my supplementary question is directed to the Minister of Finance who is also concerned about pensions. When he made statements outside the House having to do with the carrying over into the private sector of pension indexation, was he thinking that that ought to be handled by the Canada Pension Plan, or a separate fund? What did he have in mind in this regard?

Mr. Paproski: He doesn't know.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I must apologize to the hon. gentleman. I thought he was addressing his question to my colleague and I was not following him.

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, I repeat my question. The Minister of Finance has been making unclear statements outside the House about pensions. I am seeking clarification. He was talking about extending indexation to the private sector. Was he planning to have this handled through the Canada Pension Plan, or through a special fund? Or what did he have in mind when talking about this matter?

Mr. Macdonald (Rosedale): Mr. Speaker, the hon. gentleman is not reporting accurately what I said. We are conducting an intensive study on the question of retirement income, in conjunction with the Department of National Health and Welfare. It will include, among other things, the impact of inflation upon the private pension system.

* * *

• (1430)

MANPOWER

AGRICULTURE—OFFSHORE LABOUR PROGRAM

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, my question is to the Minister of Manpower and Immigration. With respect to the offshore labour program for agriculture, what conditions must the farmer fulfil in order to qualify to receive this type of labour to harvest his crops?

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, probably one of the more successful programs run by this department is the offshore assistance given to farmers. We are in close consultation with them, asking them to help us in setting some of the terms and conditions. We have indicated the housing conditions that must be met and the salaries or wages we feel should be paid. We have arranged for a liaison officer from the West Indies on occasion to be there as a liaison person for the workers. This is probably one of the better integrated and co-operative efforts we have with the farm community. We have received many kudos from them, as they have from us because of their continued co-operation.

Mr. Knowles (Norfolk-Haldimand): Can the minister give assurance that tobacco farmers will be given the same access to offshore labour as farmers producing other crops, and will the minister now announce the wage scale for offshore workers for the 1977 season?

Mr. Cullen: Mr. Speaker, I cannot announce the wage scale other than to say the figures I heard quoted at a recent

convention were somewhat in excess of what we anticipate establishing. We feel the wages should be put at a level that, hopefully, will attract some Canadians into that field as well.

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AGRICULTURE

REFRIGERATED RAIL CARS FOR CARRIAGE OF EASTERN CANADIAN POTATOES

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, my question is for the Minister of Agriculture. In view of the fact that the minister's colleague, the minister responsible for the Canadian Wheat Board, announced a few weeks ago the building of another 2,000 grain hoppers, which brings the total for western Canada to 8,000, could the minister use a bit of pressure and some arguments to bring his colleagues to realize the importance of building a sufficient number, somewhere between 500 and 1,000, refrigerated rail cars for the movement of potatoes in eastern Canada?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I just want to put the record straight. The 2,000 hopper cars referred to are to be used in all commercial grain growing areas of Canada. We had a meeting on reefer cars this morning. A lot depends on the producers themselves, the use that is to be made of these cars and whether they will make a commitment guaranteeing a certain use of them. If we are to build them in order to leave them idle on the tracks, it will not do anyone any good.

Mr. David MacDonald (Egmont): Mr. Speaker, some time before Christmas of last year the minister indicated on one or two occasions that he was preparing a memo with respect to the building of reefer cars. After Christmas he indicated that that memo was still in preparation. Is that still the case? With respect to his comments of a moment ago about the possible continued use of these cars, does the minister not have a very firm assurance from the Prince Edward Island Potato Marketing Board, as well as the New Brunswick potato growers, with respect to the absolute need of 1,000 of these cars in the foreseeable future, particularly because of the rapid deterioration of rented cars from the United States?

Mr. Whelan: Mr. Speaker, if they would give an absolute assurance that they will use these cars and guarantee a certain usage of them—and this does not only include the potato growers in the maritimes; the horticultural producers in western Canada are making representations about more, better and more modern cars. They are also considering whether they should use the refrigerated type of trailer that can ride piggyback on railway cars and be unloaded at the point of destination. This type of program is being considered. We have done a lot of work on this matter, trying to arrive at a unified approach to this kind of program for the construction of these cars. We realize that more people would be put to work in the construction of reefer cars; therefore, there are a lot of things in their favour.

[Mr. Cullen.]

Mr. MacDonald (Egmont): It is very important that the minister clarify this issue with the potato growers of eastern Canada as well as the potential apple growing market in western Canada. Has he determined from Canadian National Railways the actual condition of the present cars in usage? There is a very grave possibility of shortages. In fact, some shortages have been reported this year. There will be many difficulties in the next two or three years if we do not have adequate cars, and there will be a kind of mixed system for many years to come. Will the minister take action to clear up any difficulties because of the absolute need for placing the orders now, and not some months from now?

Mr. Whelan: Mr. Speaker, we definitely know that you should use rail cars to ship produce to Montreal, Toronto, and so on. They do a better job. However, if you are shipping produce to the port of Saint John you can probably do a better job by truck. I might also state that the railroads have failed miserably. I have visited the areas and have seen the horrible equipment they are using. There is no doubt about it. They are renting equipment that will not be used in the United States. They use it here, saying they are providing a service. As far as I am concerned, the railroads have an obligation which they are not fulfilling. It appears the government may have to do it for them.

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NORTHERN AFFAIRS

LOG HOUSING PROGRAM FOR NORTHERN CANADA

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I wish to direct a question to the Minister of Indian Affairs and Northern Development. It is with regard to an important matter that I have spoken about on many occasions both in the House and in committees; that is, the need for a good log housing program for the north, a program that will make use of local labour, local renewable resources, and will fill a local need. Is the minister doing anything to implement a log housing program at least in the Mackenzie district of the Northwest Territories?

Hon. Warren Allmand (Minister of Indian Affairs and Northern Development): Mr. Speaker, I will have to check with the territorial government and my officials on this matter. I do not know the status of that program.

DREE GRANTS FOR NORTHERN TERRITORIES

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I wish to direct a supplementary question to the Minister of Regional Economic Expansion. It is on the question of DREE grants for the Yukon and the Northwest Territories. I first raised this question in the House on March 17, 1974. I was assured at that time by the hon. member for Saint-Maurice that an announcement would soon be made. Can the acting minister advise the House of any progress that has been made since then?

Mr. Ed. Lumley (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I will take the question as notice and get back to the hon. member accordingly.

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INDUSTRY

PURCHASING AND STOCKPILING OF STEEL RAILS BY CNR—GOVERNMENT POSITION

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I raised the question of the purchasing of steel rails by Canadian National from SYSCO and stockpiling, if necessary, before the Christmas recess. In view of the fact that the Prime Minister did not look upon it with any great frowning—in fact, he seemed to be quite encouraging—I now wish to pose a question to the Minister of Industry, Trade and Commerce with particular emphasis on industry and trade. In light of the fact that, unfortunately, there was nothing definitive at all in last week's throne speech in the Nova Scotia legislature as to either modernizing the present steel plant at Sydney or bringing a new steel complex to Cape Breton, and in view of the situation whereby this minister and other ministers of the government have continually professed great interest and, indeed, commitment relating to the subject, namely, federal involvement, is this minister and the federal government in a position to bring the House up to date as to the progress being made on this very serious matter?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I am not in a position at this time to give a definite answer to the hon. member because I have not discussed this matter thoroughly in recent times. However, I do know that we are trying to promote the sale of equipment produced by this Cape Breton Island company in several government enterprises. We believe that some progress has been made in certain cases. As soon as we have detailed information on the sales prospects, we shall inform the public. As far as the modernization of this industry is concerned, I am not aware of any particular program on this. I shall inquire about this and inform the hon. member.

[*English*]

Mr. Muir: Mr. Speaker, I thank the minister for his reply. Is the minister aware that the Department of Regional Economic Expansion supposedly has a committee dealing with this specific problem, and is he also aware that the present work force at the SYSCO plant has been reduced in the last two years from 3,900 to 2,250? If so, in light of the extremely high unemployment rate in Nova Scotia what plans does the government have to assist these workers to resume their employment? If the minister does not have the information today, will he look into it and make a more comprehensive report tomorrow?

● (1440)

[*Translation*]

Mr. Chrétien: Mr. Speaker, I shall meet the hon. member's request.

* * *

[*English*]

FINANCE

REAL GROWTH IN ECONOMY COMPARED WITH LAST YEAR

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is directed to the Minister of Finance. Is the minister now in a position to tell us the real growth in the economy last year, and could he at the same time inform the House how this figure compares with the estimate of real growth made at the time of the budget last year?

Hon. Donald S. Macdonald (Minister of Finance): The government's estimate of real growth for the current year is now lower than it was at the time of the budget. The forthcoming publication of national accounts for the fourth quarter will confirm this, but the final figures will not be available until some months have elapsed, when full adjustment is made for the year as a whole. It is difficult to give a definitive figure.

Mr. Stevens: In light of the disappointing results for 1976, would the minister tell us whether a prediction of real growth as low as 3 per cent in the current year might also be his estimate, and would he at the same time let us know when he will be bringing down his budget which is urgently needed now to alleviate the present unsatisfactory situation?

Mr. Macdonald (Rosedale): I would not make an estimate at this point. As to the second question, I hope to announce the date within a matter of weeks.

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VETERANS AFFAIRS

TRANSFER OF JURISDICTION OF VETERANS' HOSPITALS—REQUEST FOR GOVERNMENT RECONSIDERATION BECAUSE OF WAITING TIME FOR BEDS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): My question is to the Minister of Veterans Affairs, Mr. Speaker. I know we all welcome him back to the House.

Some hon. Members: Hear, hear!

Mr. Marshall: In view of the fact that the schedule of availability of domiciliary and chronic care beds in hospitals already transferred and not yet transferred shows a waiting time of up to 18 months, would the minister now tell the House what his plans are with regard to the transfer of further hospitals? Would he consider putting a stop to all transfers of hospitals until this waiting period and the lack of treatment and care of veterans is reviewed?

Hon. Daniel MacDonald (Minister of Veterans Affairs): Mr. Speaker, in answer to the hon. member may I say that at this time there is no thought of stopping the transfer of hospitals to the provinces or the municipalities. The ones we have transferred so far have been quite successful and we are reasonably pleased with the treatment the veterans are receiving. We get this reaction from the veterans' organizations and we also get it from the veterans themselves. With regard to space in hospitals for domiciliary care treatment, etc., this is actually a medical decision. We have many people waiting for different treatment in various hospitals who can wait. This is the general practice, not just in veterans' hospitals but in all hospitals. The question was fairly long. What was the last part?

Mr. Marshall: I asked the minister whether he would put a stop to further transfers of hospitals until a complete review is made of the lack of domiciliary care beds.

Mr. MacDonald (Cardigan): Mr. Speaker, I think I answered that question. I thought there was another one.

Mr. Marshall: The minister is his usual succinct self. I am sure he is well. Would he look at the schedule prepared by his own treatment services branch and note, in particular, one comment they make, that in one hospital applicants are on a points system as well as having to wait for a vacancy? Applicants with the lowest points could in some cases wait forever. Would the hon. gentleman look at this seriously, review the situation and make a statement on motions after he has had a chance to look into this problem?

Mr. MacDonald (Cardigan): I will be more than glad to look into this matter. As far as that goes, we have followed the performance of various hospitals very diligently. I have just had some of my people with my chief medical doctor out in Western Canada, and my deputy minister, and this was the main function of the trip.

DEER LODGE HOSPITAL, MAN.—USE OF EMPTY SPACE FOR NURSING HOME CARE

Mr. Dan McKenzie (Winnipeg South Centre): I have a supplementary question, Mr. Speaker. As the liaison committee of the Manitoba Medical Association and the Manitoba Association of Registered Nurses has approached the government of Manitoba with regard to using the empty space in the Deer Lodge Hospital for nursing care, there being a list of 1,200 persons waiting for entry into nursing homes in Manitoba, has the minister had any correspondence or communication with the Manitoba government on this subject, and does he intend to allow the unused sections of Deer Lodge to be used for nursing home care?

Hon. Daniel MacDonald (Minister of Veterans Affairs): This comes within policy formation as to what we should do with veterans' hospitals. We are not really set up to serve the public generally. I will have to look at this. We had some correspondence some time ago, but I am not aware of any correspondence recently.

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[*Translation*]

INDUSTRY

REQUEST FOR REPORT ON SWEDISH INVESTMENT AT MAGOG, QUEBEC

Mr. Yvon Pinard (Drummond): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce.

According to some reports, the Quebec premier recently expressed his intention to appeal to the Foreign Investment Review Agency, which is under the authority of the minister, to support the request for an important Swedish investment at Magog, Quebec. Is the minister prepared to help the Quebec premier reach that goal and can he tell the House where that matter stands?

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, only Friday did we receive from the Quebec government approval of the request that was made to the Foreign Investment Review Agency before Mr. Lévesque became premier of Quebec. We sent the request from the Quebec government in late November and we got a final answer only Friday. We will now be able to proceed within cabinet and make our decision in a few weeks.

* * *

[*English*]

ENERGY

INCREASE IN PRICE OF GASOLINE AND HOME HEATING OIL ALLOWED BY ANTI-INFLATION BOARD

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources? It arises from the decision of the Anti-Inflation Board to permit the price of gasoline and home heating fuel to rise by up to 4.6 cents a gallon, and the statement by the minister in a speech in Toronto last Friday that we could expect an additional 4 cents per gallon increase after July 1 as a result of allowing the price of crude oil at the wellhead to rise by $1.25 per barrel. Has the government in mind, when it discusses this matter with the provinces, suggesting a price of $11 per barrel for crude oil and, if so, what is the justification for such an increase?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): I am sure the hon. member knows the answer to that question; I have stated it many times, and quite recently before the standing committee. If the hon. member would like to raise the question again before the standing committee, I will go over all the reasons why it is necessary and why the government has adopted a policy of moving oil prices toward world levels.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In view of the fact that the present minister and the previous minister have argued that the justification for raising the price was to give the oil industry more money for exploration and development, and in view of the fact that the present minister and his predecessor promised as far back as 3½ years ago that this increase in price and the consequent increase in revenue to the oil industry would be monitored to ensure that the money would be spent on exploration and development, I ask the minister two questions. First, would he tell the House the result of that monitoring over the past 3½ years? Second, would he tell us what mechanism he intends to put in place to monitor present and future increases, bearing in mind that his own departmental report entitled "An Energy Strategy for Canada" says that over the next five years the industry will retain, after paying taxes and royalties, $3 billion a year for the next five years? I ask the minister what he proposes to do, first with respect to the report of the past monitoring and, second, with respect to monitoring in present and future years.

● (1450)

Mr. Gillespie: Mr. Speaker, again, the transcript of the proceedings before the standing committee makes my answer quite clear and it is not necessary for me to repeat it to the hon. member. But I am pleased to do so for the benefit of the House. I indicated to him before the standing committee that I hoped within a matter of a few weeks to be able to present to the standing committee the results of the exploration and development activities related to the increased cash flow for the petroleum producing companies over the last five years. So the answer to the first question is, "within a few weeks' time". I would hope to do this before the standing committee which is now dealing with the question of an energy strategy for Canada. As to the monitoring mechanism in the future, again I have made it clear in the past, and I reaffirm right now, that it is my intention to bring a bill before the House of Commons dealing with the whole question of monitoring future cash flows.

Mr. Douglas (Nanaimo-Cowichan-The Islands): A short supplementary, Mr. Speaker. In view of the fact that we cannot get the results of the monitoring in 1977 regarding price increases which were granted in 1974, are we to assume that the monitoring for 1977 on the price increases that are going on this year will be received by the House in 1980?

Mr. Speaker: Order, please.

* * *

MANPOWER

GRANTS TO CONSTITUENCIES IN RESPECT OF MANPOWER MOBILITY

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. I gave him notice and he acted on one part of the question; I thank him for that. I confess that I am doing this so I can raise the matter at ten o'clock. Will the minister ask his officials to investigate the mix-up which resulted in a failure of his department to authorize a manpower mobility transfer grant resulting in extreme hardship to a constituent, Mr. Carl Champion, and his family.

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, given the individual situation as the hon. member has indicated, I did look into this particular case and found that where allegations were made against my department for being slow in acting, this particular individual moved to do something in 1971 and then proceeded to move across the country and did not come back until 1976. So it was a little difficult to move quickly on that particular matter. However, when the information did come to our attention we moved quickly and, naturally, used ministerial permission to give effect to what the hon. member was asking for. I am satisfied that, given the second problem, we can probably deal with that just as competently.

Mr. Fairweather: Ten o'clock.

* * *

NATIONAL REVENUE

ADVERTISING IN PERIODICALS—GOVERNMENT POSITION ON "NOT SUBSTANTIALLY THE SAME" PROVISIONS

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, my question is for the Minister of National Revenue. In view of the fact that the Minister of National Revenue's predecessor, in order to get Bill C-58 past the Senate last July, agreed that he would bring in legislation at an early date which would define the "not substantially the same" provisions in the law relating to advertising in periodicals, would the minister indicate whether or not the government intends to keep that promise and, if so, what sort of formula is going to be followed to define whether or not a periodical's contents are "substantially the same" as those of another periodical?

[*Translation*]

Hon. Monique Bégin (Minister of National Revenue): Mr. Speaker, I will do my best to keep my predecessor's promise concerning the bill on the Canadian content of periodicals but I cannot say more about this to the House because it would involve a bill related to the budget.

* * *

[*English*]

ADMINISTRATION OF JUSTICE

GUN CONTROL—RCMP INQUIRY INTO SALE OF FIREARMS AND AMMUNITION

Mr. Bob Brisco (Kootenay West): Mr. Speaker, my question is for either the Solicitor General or the Minister of Justice. In view of the fact that Bill C-83, the notorious gun control bill, died a merciful death in the last session of

parliament, will the minister please advise why, subsequent to that event, the firearms and ammunition control system of the RCMP was, and is, making inquiries of retail outlets concerning firearms and ammunition sales, and are these inquiries still being conducted?

Hon. Francis Fox (Solicitor General): Mr. Speaker, I will take notice of the hon. member's question and report further to him. I understand that in preparation for the possible passing of the legislation certain inquiries were made by the RCMP in order that they would be ready to implement the legislation had it been passed.

* * *

EXTERNAL AFFAIRS

PRIME MINISTER'S MEETING WITH PRESIDENT OF U.S.A.—DISCUSSIONS ON COMMUNICATIONS POLICY

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a question for the Prime Minister, who has been getting a little news. It concerns his trip to Washington, which was less than a week ago but undoubtedly seems much longer to the Prime Minister. Did the Prime Minister have any discussions with the President on communications policy matters between the two countries and, if so, were any commitments given or agreements made?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is so long ago that I am not quite sure I can remember.

Mr. Paproski: Oh, come on! This is Monday, not Friday.

Mr. Trudeau: We did cover a lot of subjects. I will have to check my memory and get in touch with the hon. member.

Mr. Nowlan: A supplementary question, Mr. Speaker. I appreciate the Prime Minister's dilemma, because I was trying to get to him a little earlier last week when the subject was a little more current, and many things have happened. But memory has been transcribed into print, and one of the Prime Minister's answers on February 24, as reported at page 3371 of *Hansard*, in reply to a question, was that there were many areas other than the constitution which could be settled, such as administrative arrangements affecting social matters, immigration, and communications. I wonder whether the Prime Minister can tell us in fact what administrative arrangements are being considered or have been considered by the government, so that the question of national unity can be enhanced in the field of communications?

Mr. Trudeau: Mr. Speaker, in this particular area there is the very recent arrangement which the government of Canada signed with the government of Manitoba, which is a perfectly good example of an administrative arrangement within the framework of the present constitution. It satisfies the government of the province and obviously is acceptable to us. This was the fruit of long negotiation, and I congratulate the minister of communications for having conducted it very successfully.

[Mr. Brisco.]

* * *

STATISTICS CANADA

METHOD OF FORECASTING PRODUCTION AND REQUIREMENTS OF DAIRY INDUSTRY

Mr. John Wise (Elgin): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. Last year the minister gave a very firm commitment to investigate the method used by StatCan, the thought and the purpose being to minimize or, hopefully, eliminate errors in forecasting our domestic needs, our current levels of production and future requirements in the dairy industry. I would like to ask the minister what progress he has made with reference to this investigation.

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): As far as I remember, Mr. Speaker, the difficulties concerning these data have been discussed and settled by Statistics Canada and the Canadian Dairy Commission. However, if there is anything to add, I will check and tell the House.

* * *

[*English*]

AGRICULTURE

REPORTED MOVE TO CLOSE CANADA-U.S.A. BORDER TO IMPORTATION OF HERBICIDES AND PESTICIDES

Mr. Jack Murta (Lisgar): Mr. Speaker, my question is directed to the Minister of Agriculture. Since there is growing concern in farming areas of Canada that the government may move to close the Canada-United States border to herbicides and insecticides passing from the United States to Canada, and since the Minister of Agriculture has consulted with, I believe, four farm groups on the matter, may I ask the minister the outcome of his consultation with those groups and what they were asking the government to do; and if the government has made any decision whether or not to restrict the flow of herbicides and insecticides into Canada?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, no decision has been taken. We have met all the farm groups, as I said we would, and I think we will be making a decision shortly. Let me say that herbicides, insecticides, pesticides—or whatever you call them—will still be allowed to move into Canada freely, regardless of the decision we make.

Mr. Murta: A supplementary question. Since the minister appears sympathetic to the chemical companies, I should like to say to the minister that there will be strong opposition from farmers and also from members of the opposition if he tries to move to close the United States border in this regard.

● (1500)

CANADIAN WHEAT BOARD—POSSIBILITY OF ESTABLISHING WHEAT CARTEL WITH U.S.A.

Mr. Jake Epp (Provencher): Mr. Speaker, I should like to direct my question to the Minister of Agriculture with regard to the Canadian Wheat Board. Possibly he could answer it, in view of the absence of his colleague. Reports indicate that discussions are taking place between the United States and Canada to explore the possibility of establishing a wheat cartel on a similar basis as the oil cartel established by the OPEC countries. Can the minister say how far the discussions have gone, and whether a decision in principle has been made by the Canadian government to participate in a wheat cartel?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I have not had the opportunity to discuss with the minister in charge of the Canadian Wheat Board what actually took place in Washington when he met the secretary of agriculture, Mr. Bergman. I look forward to discussing this matter with him at greater length. No decision has been taken at this time, but I would say that what I know of the new secretary of agriculture of the U.S.A. would lead me to say that he is making sure farmers will have the use of the programs that were announced in their election campaign, programs which are not very different from those of the Canadian Minister of Agriculture.

Mr. Epp: I have one supplementary question, Mr. Speaker. I would like to ask the Minister of Agriculture how it is that he does not know the government of Canada has brought forward this idea. I find it strange that as Minister of Agriculture he does not know that. If such a wheat cartel is in fact formed, would this cartel be only between the U.S. and Canada, or is Canada thinking of expanding it to other wheat producing countries such as Argentina and Australia?

Mr. Speaker: Order, please. The question is hypothetical.

Mr. Gillies: Mr. Speaker, I rise on a point of order. I should like to ask whether under Standing Order 41(2) the Minister of Finance might table the documentation between the government and the provinces with respect to the date of the termination of the incomes program, on the grounds that today in answering the question he referred to dates in that document. On the ground that such a document would be invaluable to all members of parliament in ascertaining the way in which these programs are advancing, I would use citation 159(2) of Beauchesne's as the ruling on it, and under 41(2) I would hope the minister can table it. I would think that Your Honour's ruling would depend upon whether or not the dates mentioned by the minister were a quotation.

Mr. Speaker: Order, please. I am not in a position, from memory, to refer to the exact language used by the Minister of Finance in answering the question during the question period today. In order to give effect to the argument raised by the hon. member for Don Valley on a point of order I would have to be satisfied that within the precedents and the language of the Standing Order the minister had cited the document, as the language has been used in the past. Therefore, I would have to reserve my judgment until I have examined the answer to see if that was the case.

As I indicated when this point was raised in the recent past, the spirit of the rule is that if the minister has used the document to his advantage during either debate or discussion in the House, in fairness that document should be tabled so that all hon. members can use it. That has never been extended to the point of a minister making reference to a document or simply to its existence in answer to a question. But in this case I will have to examine the specific answer to see whether or not there might be any compulsion, within our precedents, upon the minister.

Mr. Macdonald (Rosedale): Mr. Speaker, if it will assist you, may I point out that I do not have the documents with me this afternoon, so obviously I did not cite from them in answering the question.

ROUTINE PROCEEDINGS

[*English*]

HAZARDOUS PRODUCTS ACT

AMENDMENT TO RECOGNIZE DANGER OF USING ALUMINUM WIRING IN DWELLINGS

Mr. Arnold Peters (Timiskaming) moved the first reading of Bill C-402, to amend the Hazardous Products Act (aluminum wiring).

Some hon. Members: Explain.

Mr. Peters: The purpose of this bill is to recognize the danger of using aluminum wiring in the construction of homes, apartments, hotels and rooming houses. There is growing evidence that when connected in traditional electrical outlets, aluminum wiring causes fires from which death has ensued to sleeping persons. Human life is precious, and any doubt with respect to the hazard of aluminum wiring should be resolved in favour of protecting human life.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 1,088, 1,143, 1,163, 1,234, 1,263, 1,450, 1,467, 1,513, 1,514, 1,546, 1,640, 1,715 and 1,820.

Order Paper Questions

[*Text*]

PUBLIC SERVICE—WAGE INCREASES FOR PHYSIOTHERAPISTS

Question No. 1,088—**Mr. Howie:**

1. Since January 1, 1976, have any wage increases for physiotherapists in the Public Service been approved by the Anti-Inflation Board and, if so, what rate increase was approved?

2. During the same period, were rate increases for physiotherapists in the New Brunswick civil service disapproved by the Anti-Inflation Board and, if so, what are the annual wages being paid in 1976 to (a) federal physiotherapists (b) New Brunswick physiotherapists?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): 1. Yes. There are some 65 occupational and physical therapists in the Federal Public Service. A two-year agreement from January 1, 1976 to December 31, 1977 was subject to review by the AIB in June, 1976. A regional rate of pay structure was proposed with different rates of pay for the following regions: Maritimes, Quebec, Ontario, Yukon and Northwest Territories, Manitoba, Alberta and British Columbia. The group's compensation increases for both years were within the maximum permissible under the AIB regulations (i.e. 11.95 per cent in the first year and 8.55 per cent in the second year). In addition, however, the two parties to the agreement requested exclusion of payments made in both guideline years to react to both emphasized recruiting and retention difficulties. The parties argued the exclusion of these payments on the basis of Schedule C of the AIB Compensation regulations which deal, in part, with vacancy rates and recruiting plus retention difficulties. The AIB decision allowed the exclusion and approved the collective agreement as negotiated. In the Maritime Region the annual rate for the working level therapists is as follows: Effective December 29, 1975, $11,225 to $12,995; Effective June 28, 1976, $12,011 to $13,905; Effective December 27, 1976, $12,491 to $14,461; Effective June 27, 1977, $12,991 to $15,039.

2. During the same period an agreement for the New Brunswick Pharmacy, Mental and Physical Rehabilitation Group covering a period from March 1, 1975 to August 31, 1976 was received by the AIB. The agreement provided for a compensation increase of 29.91 per cent. This increase related to an arithmetic guideline of 14.09 per cent for the group's first guideline year. The parties could not support a historical relationship argument and did not present detailed information for exclusions on the same basis as the Federal Government therapists. The AIB decision was to allow the arithmetic guideline increase of 14.09 per cent for the first year. The parties have implemented a further 12 per cent increase for the second year from April 1, 1976 to March 31, 1977. The following rates of pay apply to the New Brunswick physiotherapists: April 1, 1976, $9,932 to $12,428.

FEDERAL MONEYS RECEIVED FROM AND TRANSFERRED TO THE PROVINCE OF QUEBEC

Question No. 1,143—**Mr. Lawrence:**

1. For the year (a) 1973 (b) 1974 (c) 1975, what was the total of government revenues emanating from the Province of Quebec?

[Mr. Goodale.]

2. For the same years, what was the total of government expenditures and transfer payments to the Province of Quebec and to residents of the Province?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): 1. At the present time the information requested is not available for the Province of Quebec or for any other province.

2. At the present time the information requested is not available for the Province of Quebec or for any other province. However, a considerable amount of information concerning federal expenditures by province is available in section 34 of Volume II of the Public Accounts of Canada for each year.

EQUALIZATION PAYMENTS

Question No. 1,163—**Mr. Lambert (Bellechasse):**

1. For the year (a) 1973-74 (b) 1974-75 (c) 1975-76 did the government make any equalization payments and, if so, in what amounts and to which provinces in each case?

2. For the same years, did the government make any payments to the provinces under its various programmes and, if so (a) in what amounts to each province (b) under which programmes and in what amounts in each case?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): 1. The federal government made equalization payments to seven provinces in respect of each of the fiscal years 1973-74, 1974-75 and 1975-76. The payments were as follows:

	Amount of Payment		
Province	1973-74 (final)*	1974-75 (final)*	1975-76 (subject to adjustments)
	$'000	$'000	$'000
Newfoundland	157,583	173,759	201,393
Prince Edward Island	33,745	43,513	49,025
Nova Scotia	184,890	230,760	258,762
New Brunswick	148,548	173,383	197,612
Quebec	728,170	908,188	1,000,310
Manitoba	111,964	124,166	145,415
Saskatchewan	117,097	53,921	69,412
Total	1,481,997	1,707,690	1,921,929

*Subject to adjustment in respect of population change following completion of 1976 census.

2. Complete information is not available. However, a comprehensive list of federal payments to provinces is set out in the Public Accounts of Canada for each fiscal year. See section 34 of Volume II of the Public Accounts of Canada for 1973-74, 1974-75 and 1975-76.

PAYMENTS UNDER THE MUNICIPAL GRANTS ACT

Question No. 1,234—**Mr. Herbert:**

1. By province, what amount has been paid under the Municipal Grants Act in each of the past five years?

2. Are any payments presently being contested and, if so (a) which ones (b) for what reasons?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): 1. See statement following:

Grants in Lieu of Taxes on Federal property Paid to Municipalities Pursuant to the Municipal Grants Act During the past Five Federal Fiscal Years, by Province

	1971-72	1972-73	1973-74	1974-75	1975-76
Newfoundland	$ 341,945	$ 304,479	$ 417,826	$ 746,941	$ 748,501
Prince Edward Island	186,742	101,880	155,688	78,056	18,060
Nova Scotia	3,813,014	4,106,690	5,144,564	4,318,940	5,179,436
New Brunswick	669,726	700,000	702,268	624,373	500,000
Quebec	11,703,222	10,588,392	14,446,826	14,359,035	14,757,607
Ontario	25,649,236	30,309,062	27,379,159	32,018,657	34,081,716
Manitoba	3,280,657	3,521,557	4,255,122	5,131,056	5,704,021
Saskatchewan	1,475,639	1,654,929	1,722,458	1,928,876	2,113,657
Alberta	3,030,797	2,986,405	3,523,334	3,532,507	4,684,289
British Columbia	4,810,415	5,047,691	5,000,503	5,489,427	8,188,534
Yukon Territory	71,061	82,050	250,752	213,781	292,896
Northwest Territories	194,482	273,863	286,910	264,954	428,917
Totals	$55,226,936	$59,676,998	$63,285,410	$68,706,603	$76,697,634

Grants in Lieu of Taxes on Federal Property Paid to Provinces Pursuant to the Real Property Grants Regulations During the Past Five Federal Fiscal Years

	1971-72	1972-73	1973-74	1974-75	1975-76
Prince Edward Island	$ —	$ —	$ 149,823	$ 84,457	$ 24,169
New Brunswick	1,432,745	1,750,000	1,400,000	1,350,000	1,400,000
British Columbia	528,741	728,720	549,363	1,155,964	815,977
Yukon Territory	—	—	—	488,687	167,221
Northwest Territories	—	—	—	147,549	289,649
Totals	$ 1,961,486	$ 2,478,720	$ 2,099,186	$ 3,226,657	$ 2,697,016

2. Within the context of the discretionary nature of payments under the Municipal Grants Act, discussions are held with those municipalities concerned with respect to issues of (a) eligibility and (b) amounts of grant.

CON-ACT PROGRAMMES

Question No. 1,263—**Mr. Stanfield:**

Has the Department of the Solicitor General received a community based residential centre application or request from the programme known as CON-ACT Programs and, if so, is the Department considering this application and, if not, for what reason?

Hon. Francis Fox (Solicitor General): By Canadian Penitentiary Service and the National Parole Service: Yes. However, after due consideration, this application was not approved for the following reasons: (a) The CON-ACT Program authorities did not have adequate facilities to accommodate the parolees. (b) The department has a contractual agreement with the Halifax YMCA for the provision of basic accommodation and meals for the members of the group who are granted day parole. (c) The original proposal did not meet the minimum standards for the establishment of a community residential centre as specified by the National Parole Service.

Order Paper Questions

NATIONAL DEFENCE—MANPOWER, STRENGTH OF SERVICES SINCE 1965

Question No. 1,450—**Mr. McKinnon:**

1. What was the strength of each of the three services on January 1, 1965?

2. What was the strength of each of the three elements (sea, land and air) in the Canadian Armed Forces on December 1, 1976?

3. What was the strength, military and civilian of National Defence Headquarters on (a) January 1, 1965 (b) December 1, 1975 (c) December 1, 1976?

Hon. Barney Danson (Minister of National Defence): 1. Navy, 19,613; Army, 46,579; Air Force, 48,173.

2. Only those personnel who were enrolled in the Forces prior to February 1, 1968 can be identified by their former services elements. Personnel who enrolled in the unified Canadian Forces after 1 Feb., 1968 are not assigned to a specific single service element, but are assigned classifications (officers) or trades (men). Some of these classifications/trades are readily identifiable i.e. artillery man, infantry man, etc., but the total of the 90 odd classifications/trades would not give meaningful data in terms of sea, land and air elements. The Canadian Forces are organized on the basis of functional commands and the effective strength by functional commands as of November 30, 1976 is presented below: Mobile Command, 17,907; Air Command, 22,856; Maritime Command, 10,210; National Defence HQ, Canadian Forces Communication Command, Canadian Forces Training System, Canadian Forces Europe, Elements such as workshops, supply depots, military colleges, staff colleges, recruiting units, medical centres, project teams, Liaison centres (London and Washington), military attachés, NORAD personnel, standardization groups, etc., which report to NDHQ, 27,127; Total, 78,100.

3. (a) Military, 3,232; Civilian, 4,402; (b) Military, 3,100; Civilian, 4,169; (c) Military, 3,032; Civilian, 3,892.

Order Paper Questions

POST OFFICE—FIRST-CLASS MAIL FROM THE UNITED KINGDOM

Question No. 1,467—**Mr. McKinnon:**

1. Is first-class mail from the United Kingdom, in particular, the blue letter forms, treated as second-class mail in the Vancouver Post Office?

2. Does such mail receive a lower priority than domestic first-class mail?

Hon. J.-J. Blais (Postmaster General): 1. No.

2. No.

NATIONAL DEFENCE—EQUIPMENT CONTRACT FOR GASMASKS

Question No. 1,513—**Mr. McKinnon:**

1. Were masks and mask carriers contracted for by the Department of National Defence in December 1976 at a price of $238,654 and, if so, what kind?

2. On what date will the masks be delivered?

3. How many masks are to be produced?

Hon. Barney Danson (Minister of National Defence): 1. A contract for a quantity of 29 components used in the assembly of C-3 Chemical Biological Masks was let in December, 1976, at a cost of $243,523.20.

2. Delivery is to commence in February, 1977 and be completed by March 31, 1977.

3. Seventeen thousand eight hundred.

NATIONAL DEFENCE—MANPOWER STRENGTH FROM MILITIA AND NUMBER FROM NEW BRUNSWICK

Question No. 1,514—**Mr. Howie:**

As of January 1 (a) 1976 (b) 1975 (c) 1974, how many persons were members of the Canadian Militia and how many were from New Brunswick?

Hon. Barney Danson (Minister of National Defence):

	Canadian Militia Strength	New Brunswick Militia Strength
(a)	15,225	903
(b)	14,166	953
(c)	13,200	881

NATIONAL DEFENCE—EMPLOYEES OBTAINED FROM PRIVATE EMPLOYMENT AGENCIES, 1975-1976

Question No. 1,546—**Mr. McKenzie:**

1. Has the Department of National Defence obtained (a) part-time (b) full-time employees from private employment agencies in (i) British Columbia (ii) Alberta (iii) Saskatchewan (iv) Manitoba (v) Ontario (vi) Quebec (vii) New Brunswick (viii) Nova Scotia (ix) Prince Edward Island (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies (b) average hourly rate paid to employees (c) total amount paid by the Department in (i) 1975 (ii) 1976?

[Mr. Danson.]

Hon. Barney Danson (Minister of National Defence): 1. No.

2 and 3. Not applicable.

COLLECTION OF SALES TAX BY ROYAL CANADIAN MINT

Question No. 1,640—**Mr. Jones:**

1. Does the Royal Canadian Mint charge and collect sales tax for those provinces which have such a tax and, if so, by what authority?

2. Are the Provinces of Quebec and Prince Edward Island exempt and, if so, for what reason?

3. Does this provision apply to the purchase of coins and other items commemorating the 25th anniversary of the accession to the Throne of Queen Elizabeth II?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): 1. The collection and remittance of provincial retail sales taxes are governed by the respective Provincial Retail Sales Tax Acts. The Royal Canadian Mint numismatic products, when sold for an amount in excess of face value, are subject to a provincial retail sales tax in the following provinces at the rates prescribed in the respective Provincial Retail Sales Tax Acts: British Columbia, 7 per cent of selling price; Manitoba, 5 per cent of selling price; Saskatchewan, 5 per cent of selling price; New Brunswick, 8 per cent of selling price; Nova Scotia, 8 per cent of selling price; Newfoundland, 10 per cent of selling price; Ontario, 7 per cent of selling price. Alberta, Yukon and Northwest Territories do not impose a retail sales tax. It follows, therefore, that the Royal Canadian Mint collects and remits provincial retail sales taxes in accordance with the above.

2. The Provinces of Quebec and Prince Edward Island have advised at the time of registration that Royal Canadian Mint numismatic products are exempt from provincial sales tax in these provinces. No specific reason was mentioned.

3. This provision applies to all coins (when sold for an amount in excess of face value) and other items commemorating the 25th anniversary of the accession to the Throne of Queen Elizabeth II. In so far as the Royal Canadian Mint products are concerned, yes.

NATIONAL DEFENCE—STUDENT SUMMER EMPLOYMENT IN CANADA AND NEW BRUNSWICK, 1976

Question No. 1,715—**Mr. Howie:**

For the year 1976, did the Department of National Defence have any student summer employment programmes in (a) Canada (b) New Brunswick and, if so, in each case (i) what were they (ii) how many persons were given direct summer employment and what were the wages (iii) what was the cost?

Hon. Barney Danson (Minister of National Defence): (a) and (b) Yes. The program, the number of persons who were given direct summer employment, the payroll and the overhead costs are given below:

	Canada			New Brunswick		
	Number Employed	Payroll	Operations Costs[1]	Number Employed	Payroll	Operations Costs
Cadet Training	973	$ 812,968	$887,032	70	$ 61,740	Not Available
Reserve Training	4,233	4,239,927	660,073	298	324,149	Not Available
Community Assistance	922	920,566	31,434	69	65,011	Not Available

NOTE: [1] Overhead costs consist of transportation, rations and clothing and equipment.

ESTABLISHMENT OF BRANCH IN MONCTON, N.B.

Question No. 1,820—**Mr. Jones:**

Is consideration being given to establishing a branch of the Royal Canadian Mint in Moncton, New Brunswick and, if so, on what date?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): No.

* * *

QUESTION PASSED AS ORDER FOR RETURN

[*English*]

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 215 could be made an order for return, this return would be tabled immediately. Once again, the reason for answering in this way is the lengthy and detailed nature of the answer.

[*Text*]

AIB—PERSONNEL

Question No. 215—**Mr. Orlikow:**

1. Since January 1, 1976, how many persons, by public service classification, were employed by the Anti-Inflation Board and in what capacity?

2. Since March 1, 1976, by public service classification, how many persons were employed by the Anti-Inflation Board and in what cities?

3. Does the Anti-Inflation Board have regional offices and, if so (a) in what locations (b) on what date was each opened?

4. Does the Anti-Inflation Board rent premises and, if so, in each case (a) in what location (b) who is the lessor (c) what is the monthly rent (d) what rent was paid by the previous tenant?

Return tabled.

[*English*]

Mr. Goodale: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

Mr. Dinsdale: Mr. Speaker, I rise on a point of order. I should like to inquire about question No. 1,304. It is a starred question which has been on the order paper since December 10 last, and it is a very important one. Starred questions are supposed to receive prompt attention. The parliamentary secretary gave a partial verbal reply to the hon. member for Vancouver Quadra the other day, so obviously the information is available. The question seeks information on the loss of revenue from depreciated stamp sales in the United States.

Mr. Goodale: Mr. Speaker, the hon. member indicates that starred questions should receive particular attention. I can assure him that all questions on the order paper receive close and careful attention. I took particular note of that question and will try to secure an answer as quickly as possible. But it bears repeating that the rate of return of answers in this session has been very high indeed.

Mr. McKinnon: Mr. Speaker, I have the same type of point of order. It is with regard to question No. 1,040 which has been on the order paper since November 10 last in my name and has not yet been answered. It is very similar to a question I put in December which has been answered. These questions are on a series of payments being made to Lockheed on the LRPA contract. I am puzzled why the one in December could have been answered but not the one in November. I fear there has been an oversight, and I would like to have this question answered as soon as possible.

Mr. Speaker: Shall the remaining questions be allowed to stand?

Mr. Peters: Mr. Speaker, I rise on a point of order relating to the question put just now when it was asked whether the questions would be allowed to stand. Does that require my consent? I think the question is archaic and we should change its form. I assume it does not need unanimous consent to stand them. If it does, then I am prepared to withhold it and go on with questions. In raising this point of order I suggest that we change the procedure which is being followed, because I do not think it means anything.

Mr. Speaker: The hon. member for Timiskaming has raised an interesting point of order. There are two or three aspects of the routine proceedings that I have raised with representatives of the parties in respect of the manner in which we call routine proceedings each day. For example, we call government notices of motions and we call first reading of Senate public bills every day, yet we do not take advantage of the two items in routine proceedings more than two or three times a year. I wonder about the necessity of continuing to call them.

In fact, in respect of the business of standing questions, the Standing Order is phrased in such a way as to indicate that with the consent of the government the remaining questions can be allowed to stand. It would appear to be something that the government is consenting to. In fact, the consent to the standing of the remaining questions is for the benefit of hon. members who put the questions on the order paper, because if we do not stand them every day presumably they will disappear from the order paper if not answered and will have to be refiled. To a certain extent this is for the convenience of those

who have questions outstanding. However, I will take the remarks of the hon. member under advisement to see if there is not some better way.

● (1510)

Mr. McKenzie: Mr. Speaker, I rise on a point of order. I was waiting to see if any starred questions would be answered today. But they were not. I placed a starred question on the order paper on January 24. It was a very simple question; I asked whether the government has purchased a Gulfstream-2 executive jet. The answer to that question could be obtained in one hour, and I would appreciate having an answer as soon as possible.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT AND IMMIGRATION REORGANIZATION ACT

MEASURE TO ESTABLISH DEPARTMENT OF EMPLOYMENT AND IMMIGRATION, ETC.

The House resumed, from Friday, February 25, consideration of the motion of Mr. Cullen that Bill C-27, to establish the department of employment and immigration, the Canada employment and immigration commission and the Canada employment and immigration advisory council, to amend the Unemployment Insurance Act, 1971, and to amend certain other statutes in consequence thereof, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, although the government has not indicated any real interest in or concern about solving the problems of unemployment in Canada, I think we have to say that everyone in this House is concerned. It is impossible to think of many thousands and possibly close to a million people of out of work who are unable to provide for their own needs or the needs of their families without feeling some concern and sympathy for them. However, I believe that as we look at this matter of unemployment today—and we are dealing with this within the context of the Unemployment Insurance Act—everyone should have an opportunity to voice his or her views and opinions. Then the government should really get down to the business of analysing the problem and analysing programs which are suggested to meet this problem and bring some remedial action to bear upon it.

As four o'clock came last Friday afternoon and brought to a close my remarks, I indicated that I was going to propose several simple measures which we believe will assist in solving this problem. I do not believe there is any instant solution but I believe there are some steps which can be taken to assist us in finding some solutions to the problem. I believe it is necessary to consider productivity in our country. It seems as if the government has accepted as a fact of economic life a growth target of zero in our gross national product. This question has been raised on a number of occasions but the government has failed to respond to it adequately. It has failed to indicate its concern and it has not indicated in any way how it intends to deal with this matter. In a speech made in the Yukon territory back on July 9, 1976, my leader made this statement:

> We have had virtually no economic growth for two years in this country. That's because the Trudeau government believes the premise—and it's a false premise—that economic growth will feed inflation. I believe, rather, that sound economic growth is the only long-term solution to runaway inflation.

Over the weekend I read some articles with regard to this matter. I found one of them in the Ottawa *Journal* of February 22 under the heading "Life gets harder for Canadian entrepreneurs". The article has to do with the provision of employment opportunities through the expansion of business enterprises. It is datelined Calgary, and it reads:

> The day of the entrepreneur is fading rapidly, particularly in Canada, says the president of a recently-formed venture capital investment company.
>
> Dwindling funds and a lack of tax concessions make it tough to be an entrepreneur, Gerald Knowlton, founder of Congress Resources Ltd., said in an interview.

Further on the article reads:

> He said the amount of capital available for entrepreneurial activities in Canada is growing smaller and that medium-sized ventures are the first to feel the pinch.
>
> "The very large operations can go to world money markets for funding and the very small operations can approach relatives and friends to get started. The medium-sized projects just don't fit into any category."

This illustrates the problem business is encountering in endeavours to expand operations and provide job opportunities for the Canadian people. If the government cannot see its way clear to doing something in this respect, we will continue to face this serious problem. Along the same vein, another article, dated Saturday, February 26, is found in the Ottawa *Journal*. In that article, Mr. Jay G. Scott made this statement:

> A solid and expanding Canadian economy is required if meaningful employment is to be provided for a rapidly growing and better educated work force.

I could give other quotations but I think these are sufficient to show that we cannot accept the zero growth concept. As outlined by my leader, we in the Conservative party believe that the target should be in the range of 5 per cent. Our national economy simply cannot survive if the government accepts anything less.

My second suggestion is that there be a gradual reduction in the government's share of our total national income and a reduction of its percentage share of the gross national product. The fact that this government's spending has been excessive in the last ten years has been placed on the record. Federal government spending has quadrupled. It took 100 years for the federal government to reach a budget level of approximately $10 billion in 1967. That figure doubled in the following three years, and doubled again in the next four years to a total of some $42 billion last year. When governments take that much out of the economy, they certainly do not leave very much for the other sectors of the economy to find solutions to the

problems which are facing us at the present time. I could cite other figures but I think the figures I have cited sufficiently indicate that we are in serious trouble with regard to unemployment because of the action, or lack of action, of the federal government.

We believe, as well, that our educational and retraining system must reflect more closely the manpower needs of the country. This relates directly to the issue before us. In this respect I would like to point out that the Senate committee report on Canada Manpower, published some five months ago, said that employers see the Manpower centres, and I quote—

● (1520)

Chiefly as a source of unskilled labour—very few regard the Manpower service as place to recruit highly skilled, managerial or professional employees.

The Department of Manpower and Immigration is expected to spend a total of about $833 million this fiscal year. The money is there and it is being spent. However, because of confused government priorities much of it is being misused and, indeed, wasted. Even in the peak years of Manpower spending in 1972-73 only 32 per cent of the Manpower budget went into direct job creation. Most of the rest went, and even today goes, into training and into Manpower centres even though the Canada Manpower centres are known to have an extremely poor placement record and the training all too often equips people for jobs that do not even exist on the labour market. The government has more than adequate staff, I believe, and more than adequate resource personnel to forecast what will happen in the economy and to take corrective action. There are at the present time three or four quite prestigious forecasting institutions that are actually doing that job. I believe the government would do well to avail themselves of this material in order to lay out a program that will provide a solution and reduce the unemployment rate we face today.

Bill C-27 proposes to implement the integration of the Unemployment Insurance Commission and the Department of Manpower and Immigration to become the Canada employment and immigration commission. This is something we have been looking forward to. In fact, we never agreed with the department being split up when that was done some years ago. It did not make sense to separate a department concerned with finding jobs from the agency concerned with paying unemployment benefits—unless, of course, the Unemployment Insurance Commission were to become mainly an agency for the redistribution of income. I suspect this is the reason the government made the change some years ago.

We have felt for some time that too easy entrance into the program has had an unfortunate effect on the work ethic in Canada. We have felt, and have been advocating, that the qualifying period for unemployment insurance benefits should be increased from eight weeks to 12 weeks, recognizing, however, the regional inequalities of job opportunities. We are advocating, as well, that the governor in council maintain the right to make special provisions in areas of extremely high and chronic unemployment such as, for instance, Newfoundland and the maritimes. My colleague, the hon. member for Hamilton West (Mr. Alexander), gave notice of the amendment he intends to move on behalf of our party covering this situation.

An overhaul and simplification of the benefit structure is good news as well. Presently the regulations are, to my mind, unnecessarily complicated, as evidence by the number of people who contact their member of parliament about unemployment insurance claims. Many are completely baffled by the system, and even after their claim has been processed they are not sure why they are receiving benefits other than knowing that they paid into the plan for so many years. If that is the way it is looked upon by those receiving benefits, how much more difficult is it to explain to those who do not qualify for benefits why they are in that situation?

We all know that just because a person pays into the unemployment insurance scheme for ten or 20 years that does not ensure he can claim benefits for that length of time. The plain fact is that many people look upon unemployment insurance as a pension or retirement plan of some sort. I hope the new benefit structure and new procedures will emphasize the fact that this is an insurance plan and not welfare, pension or some other form of redistribution of income. On a number of occasions I have raised the point, as have others, that in many instances it seems to be too easy to receive benefits under the unemployment insurance program. But the other day I came across an article in a newspaper that pointed out that department was going to continue searching the records to make sure those who are receiving benefits under the plan are justified in doing so. I believe that is as it should be.

A great many people are bothered, however, that some people receive unemployment insurance benefits for a long period of time after perhaps working only a short while, yet others who have been working for many years and paying into the scheme are cut off after receiving three or four months of benefits. That situation should be looked into, Mr. Speaker. I can give one instance right on point. I received a communication from a lady who had worked in the same place for about 13 years, paying unemployment insurance premiums. The shopping centre where she was working was destroyed by fire. She was given about three weeks to find alternate employment. This lady was possibly over 50 years of age. Although she had been working for many years, she did not own a car and walked to work. She had to try to find alternate employment at least until the shopping centre was rebuilt. After three weeks she was told that was long enough to find alternate employment and she was cut off benefits even though she had tried in other areas as well to find work. In fact, she went to a major community about 30 miles away and made inquiries. Everywhere she went she was told there was a list of people ahead of her and there did not seem to be any possibility of work.

It seems as though these people are forced to journey back and forth considerable distances to try to find employment in other communities, yet the stores in those communities have lists of local people also seeking employment. If they were to hire the one from out of town it would leave someone in their own community unemployed. It seems to me, Mr. Speaker,

that in some of these instances more careful consideration ought to be given at least to those in the upper age bracket so that they can bridge the gap between the cessation of employment and re-employment perhaps in the same situation in the same locality—perhaps even with the same company that had to lay them off because of unfortunate circumstances. We are in favour of removing from the rolls those who are not qualified and should not receive assistance, but I believe attention should be given to people facing impossible obstacles.

Mr. Speaker, I appreciate the opportunity to make these comments. Enough has been said to point out that I am in favour of the action being taken, but there are some areas where the government ought to make adjustments and take remedial action.

Mr. Derek Blackburn (Brant): Mr. Speaker, I approach this debate with a rather jaundiced eye and with mixed feelings.

An hon. Member: And with mixed metaphors.

Mr. Blackburn: It seems to me that in this country unemployment insurance has been terribly misinterpreted by those who have never experienced the process. Our greatest critics inside and outside the House—mainly outside—have been those who had job security and never had to enter an unemployment insurance office. As a practising politician—

● (1530)

Mr. Munro (Esquimalt-Saanich): Are you still practising?

Mr. Blackburn: Yes, still practising. To repeat, when I go home on weekends and sit in my office between nine o'clock and three p.m., I find that half the people coming to me have unemployment insurance problems. One must endure the emotional spectacle of watching a man in his fifties crying because his unemployment insurance has run out and he must fall back on welfare. People like that, through no fault of their own, are unemployed. They do not control the economy; they do not have the economic input of the Minister of Finance (Mr. Macdonald), other cabinet ministers, or our captains of industry. Some of these people remain unemployed for several months, sometimes for as long as one or two years. Such unemployment leads to tremendous family conflict and personal depression—depression which needs medical treatment.

The government's proposals as embodied in this bill puzzle me. Why, when more people are out of work in this country than at any time since the great depression, does the government want to tighten up unemployment insurance? Why is it changing the qualifying period? There is no logic to it. As far as I am concerned, it is immoral. Neither the government nor industry can move the economy forward. Approximately one million people are out of work, and the government chooses this very time to tighten unemployment insurance. Why? I suggest that the government is bending to the wish of a minority of rednecks, is bending the wishes of people who don't know the first thing about unemployment. They have picked out one or two examples in their communities to show that somebody has been caught ripping off the UIC fund. They therefore think that a great minority of recipients, or even the majority, are cheating on UIC. Once and for all, let us put that myth to rest.

On February 1, 1977, the Minister of Manpower and Immigration (Mr. Cullen) tried to convey desperately to this House and the country that Canada has the most advanced employment and job insurance programs in the world. Although official figures show 889,000 people as being unemployed, the minister was able to say with a straight face and serious-minded mien that Manpower services generally, as well as the newer job-creation programs, have been greatly strengthened and matured in the past ten years. After hearing this, someone was led to comment that if we have much more of this kind of strength and maturity we shall most likely be doomed.

I want to concentrate on two main aspects of the bill, the integration of the Department of Manpower and Immigration and the Unemployment Insurance Commission, and the charges in entrance requirements which must be met if one is to obtain benefits under the unemployment insurance scheme. I touched on the latter point briefly in my opening remarks. I wish to review these changes within the context of our present economic situation and then assess the effect of the proposals on those presently unemployed and on others who will no doubt be uprooted from their jobs in the months to come.

As various spokesmen have said, our number one economic problem in Canada is unemployment. My party has been stressing this point for the past two years. Finally, in the past few months the government has begun to recognize that employment is our number one problem. Official figures published by Statistics Canada show that more than 889,000 men and women in this country are now unemployed. I stress "official" figures because, as my leader showed, those figures do not take into account the hidden unemployed, those who have simply given up looking for non-existent jobs. They are the hidden unemployed. I submit that there are at least 450,000 people among the hidden unemployed, and if you add their numbers to the official figure the real unemployment rate rises to approximately 11 per cent. That is a disgustingly large figure for this country.

In my riding, Brant, Canada Manpower officials recently listed 4,261 people as unemployed. That was the last figure available, in January. At the same time there were 106 job vacancies listed in my constituency which has a population of over 100,000. In all the country there are only 42,000 job vacancies at present. This means that if every job vacancy were filled, 889,000 people would still remain out of work. If you add to that number the number of the hidden unemployed, you can see that more than one million people altogether would be out of work in this country. At present more than one million individuals in this country have no recourse except apply for unemployment insurance. Their livelihood depends on it. Canadians have every right to ask why, in this rich country, this is allowed to happen. The answer is straightforward: the government does not care any more. If it did, the Minister of Finance would not wait until April before introducing a new budget.

Mr. Benjamin: It's Herbert Hoover's policies all over again.

Mr. Blackburn: The magnitude of our unemployment, aside from the misery it is inflicting on our people, is costing Canadians millions of dollars in lost productivity and extra money spent on social assistance programs. The social services office in the city of Brantford, Ontario, is currently handling between 25 and 30 requests for assistance a day. I am often accused of coming from the "golden horse shoe" area where everybody is a millionaire or worth at least half a million dollars. I am cataloguing the situation in Brantford because it is one of the relatively wealthy parts of Canada. I am informed that the number of out-of-province requests is increasing as well. The administrator of the social services office in my constituency stated that last year $33,000 was spent assisting people who had moved to Brant county from other provinces looking for work. Those people had come from provinces where unemployment exceeded 15 per cent. They do not want hand-outs. They move into the area in the hope of finding employment. They do not want make-work programs which last for three months or even six months. They want jobs on which they can depend. Unfortunately, the job situation is disastrous not only in my constituency, but right across the country.

Further, forecasts for the months to come are gloomy. The consensus among economists is that the unemployment situation will worsen before it gets better. Referring again to my own constituency, local businessmen do not expect any improvement in the unemployment situation for the coming year, this at a time when it is being rumoured that there might be an election within the next few months. This is rather interesting.

● (1540)

An hon. Member: Are you ready?

Mr. Blackburn: We are, but you sure as heck aren't. It is against this background that we should examine this bill. The minister, in his preamble during debate on this bill, would have us believe that everything is coming up roses. Like his predecessor, he is very conversant with the services his department renders. The minister and his colleagues take great pride in the unemployment insurance scheme we have in this country. Like his predecessor, the minister is of the opinion that unemployment is not really a serious problem because our unemployment insurance scheme relieves the unemployed of the worst financial hardships that used to go with the loss of a job.

Possibly that is the reason this government has totally neglected the underlying problem that job opportunities were not, and are not, developing fast enough to keep pace with the growth of the labour force. The minister is shaking his head. Why, then, do we have nearly a million people out of work? Answer that. Instead of spending its time developing policies which would create more jobs and get people off unemployment insurance, this government is preoccupied with possible abuses of the insurance scheme. Dealing with those very few people who abuse the unemployment insurance system during this period of high unemployment shows that the government has a somewhat warped sense of priorities. This is an affront to all those who are legitimately receiving payments as a result of something totally beyond their control.

As W. A. Wilson stated in an article in the Montreal *Star*:

> For all the fears that the insurance system has been exploited, human beings are by nature active, and for most men and women, this means that they work and indeed want to work.

Mr. Wilson added something else which I want to stress especially to some members to my right. He said:

> The maximum benefits from UIC are generous enough in terms of keeping the wolf from the door, but they must seem small to a wage earner who becomes unemployed and finds the payments on his automobile or television set do not fit in to his reduced income.

This reduced income comes about overnight. We talk about an average pay-out of $94 a week. What about the emotional effect on the breadwinner, the head of the family, going from $200 a week down to $94 a week? We still hear people say that that person would rather get $94 a week and do nothing than the $200 he was getting while gainfully employed. That is a psychological jam which some people in this country—indeed, a few in this House—have that I do not understand. According to recent statistics, and I am repeating myself here, the average pay-out is $94.56. That was as of November, 1976—just a few months ago.

This leads me to discuss the main purpose of Bill C-27, which is to change the entrance requirements for unemployment insurance benefits. The minister said in the House that the main reasons for changing the entrance requirements were that the present system provides too many people with a disincentive to work, that eight to 11-weekers are mainly individuals without dependants, young, or secondary earners and for that reason, following the minister's logic, they really do not require financial assitance. Furthermore, the current entrance requirements reinforce unstable work patterns. I believe that is a quote from the minister's speech. I want to deal with each of these arguments in turn.

The view that the present unemployment system is a disincentive to work is not novel. The only problem with this view is that it is not supported by facts. Even the eight weeks of steady work needed to qualify for unemployment insurance benefits can be hard to come by when job seekers outnumber jobs by almost 20 to one. The minister does not understand or, even worse, does not know that in many parts of this country it is extremely difficult, if not impossible, to get even eight weeks of work. At least the former minister, despite his shortcomings, with respect to this aspect of unemployment insurance acknowledged that increasing the qualifying period was not the way to tighten up the unemployment insurance system. In May, 1975—and that is not a generation ago—the former minister had this to say about the qualifying period, and I quote from his statement in the House:

> —if you examine where those short term attachment people are, you will find that they coincide with areas of this country that have the more chronic conditions of high unemployment—

He went on to say, as was pointed out by those members of my party who were on a fact-finding trip to Atlantic Canada:

—they occur in Quebec and the Atlantic provinces to a higher degree because the conditions of disparity there are such that people get marginal jobs which are almost coincidental with short term attachment jobs—

The minister mentioned the young as those who would probably lose out as a result of this change. I suppose he is suggesting young people in this country have no incentive to work. If he cared to examine the present situation, he would realize that the young do want to work. Many university graduates are accepting menial jobs and are accepting positions which underemploy them. But the basic fact remains: There are about 387,000 unemployed between the ages of 15 and 24 and they, along with the over-25 group are currently scrambling for the some 41,000 jobs that are available in Canada. Instead of creating satisfying, fulfilling jobs for these people, the minister simply eliminates many from unemployment insurance rolls. That is what will happen if this bill passes.

The other group affected by this change is secondary earners, many of whom are housewives. We are led to believe that these individuals do not really need financial assistance; they do not need to work. This is sheer nonsense, and the minister knows it. The Minister of Finance, during debate on the income tax bill, stated that the average income in Canada in 1975 was $16,232. That average income was derived in most cases as a result of two or more people working in the family. It has become an economic necessity over the past ten years for both spouses to earn an income in order to make ends meet. Finally, it was suggested that the current entrance requirements reinforce unstable work patterns.

I would ask, Mr. Speaker, what are the effects of prolonged joblessness? Does this government even consider the frustration, the deteriorating morale caused by lengthy idleness? What, for that matter, are the effects of temporary jobs? I refer here to the type of jobs created by the minister's employment strategy. Make-work programs may have short-term social benefits, but as the Economic Council of Canada pointed out last year they can also have a debilitating long-run effect. Make-work programs such as LIP and Canada Works, Young Canada Works, and so on, do not and were never intended to provide permanent employment. As many of us know, having been involved with the LIP program, the main dissatisfaction among LIP workers is the lack of job security. This is the very thing we should be trying to eliminate in this country. We should be providing job security, not insecurity.

We know, from studies carried out, that programs such as LIP do not contribute a significant stepping-stone to regular employment for unemployed, marginal or poor workers. Rather, for a substantial majority of participants in make-work projects the job constitutes a temporary source of employment income, to be followed by unemployment, labour force withdrawal, another make-work project, social assistance or a combination thereof. They get themselves into a vicious circle. They go on a LIP project. They are there for six months. The project terminates and they are thrown back on the labour market. They go through the process of seeking employment. They draw unemployment insurance benefits. They carry out an active job search. Before they know it, they are called upon by some person who was lucky enough to get a grant for a LIP program. "How would you like to come back?" The man answers, "Well, I have just got on unemployment insurance, so why should I get off unemployment insurance and go back to LIP?" He is talked into it, and he goes back to LIP. He works another three or four months and the same thing happens again under that program.

● (1550)

Hon. members opposite know what happens in practice as opposed to what happens in law. These people get into a cycle and they find themselves asking, at the age of 20, 40 or 50, "I do not have a permanent livelihood ahead of me; I am going from one job-creation program to another; there is no permanent aspect about what I am doing." I wonder how many of us around this place would feel if we knew we had no future at all. I am not talking about being defeated, but suppose we knew there was nothing there of substance for us should we be defeated in politics, or should we decide to resign, except the unemployment insurance fund, even though we are not entitled to it? I wonder how such a situation would affect us. I am not saying we are a special group in this country. We are citizens in the same way as everyone else. But would it affect the way we legislate? At times we tend to forget there are a lot of people outside the House who depend upon us for a reasonably happy and secure future. I fear that these make-work projects are becoming a permanent fixture under this government. No longer is permanent employment a goal. I strongly urge the minister to determine what kind of work patterns are being reinforced by this binge of make-work projects.

To conclude my remarks on the proposed changes in the entrance requirements I should, again, like to quote the former minister of manpower and immigration. Speaking on the qualifying period, he said:

I think it is a bit of a red herring. I think there are other areas in the act which have to be tidied up, areas which are far more significant than the favourite whipping boy of the short work claimant.

That is what the former minister said about a year ago. Now everything has changed drastically. These are my sentiments. I do not support these changes which would penalize individuals for something which is entirely out of their control. If a person does not want to work, don't give him anything. That is his choice, as I said at the beginning of my remarks. The vast majority of those who are unemployed today are people who have no control over the economy or over the business decisions of the various factories or institutions in which they work. They have no control over politics, either, except when there is an election.

At the same time, I cannot support the amendment introduced by the Conservatives which would allow for selective reduction in the qualifying period from 12 to eight weeks. It is obvious that the party to my right introduced this amendment not on the basis of known fact but, rather, on the basis of the number of votes to be gained. They do not care about the

welfare of the citizens of this country. This was shown by the way they voted on the tax bill on February 14, only a few days ago. It has also been shown in the course of the debate on the bill we are presently considering. On February 2, the hon. member for Provencher (Mr. Epp) commended the government for bringing in the 12-week qualifying period. As far as he is concerned, unemployment insurance is a means of getting something for nothing. His colleague from St. John's East (Mr. McGrath) said on the same day that this was not the time to tamper with the provisions of the act in such a way as to increase the qualifying period from eight to 12 weeks. In typical Conservative fashion, members to my right have straddled the fence and opted for selective reductions in the qualifying period.

Obviously, this was a device for gaining support in those areas of the maritimes where unemployment is so high and where it is difficult to get a job for five or six weeks, let alone for eight or 12 weeks. That is the kind of politicking I do not like. We are all Canadians, and we should all be treated equally and do everything possible to hold the country together in a positive way. When you start making changes to suit various areas of the country, you are just putting another nail into the coffin of the country and dividing it more than it is now.

When I came here in 1971, this country was not too badly divided. When the present Prime Minister (Mr. Trudeau) was elected in 1968 there was not one Parti Québécois member elected to the legislative assembly in Quebec. Look at the situation today. After nine or ten years during which the present government has been in office we have a bitterly divided country. It is not just Quebec. We have western alienation—Alberta, British Columbia and the prairies. Yes, and Ontario too; northern Ontario. I am not blaming the Prime Minister entirely for this, but I hope he does not go on one more of those emotional binges he went on in 1968 and try to tell the people of Canada that he is the only federal leader who can keep the country together, when the country today is more divided than when he was elected nine years ago.

An hon. Member: Disgraceful.

Mr. MacFarlane: What have you guys been doing?

Mr. Blackburn: We have not been trying to divide the country.

Mrs. Campagnolo: You are doing it right now.

Mr. Blackburn: I see I am getting a little rise out of members opposite. They are being a little sensitive.

Mr. MacFarlane: Sensible, you mean.

Mr. Blackburn: They are hustling to get to the ballot boxes because they have to send their leader out of the country to make a half decent speech.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Turner): Order. I would ask the hon. member to get back to the bill.

Mr. Blackburn: I appreciate your advice, Mr. Speaker, and will do so. If the Conservative amendment were to be passed we would have a situation whereby an individual unemployed in Steinbach, Manitoba, would not be entitled to benefits, whereas someone in St. John's East would be. I have come to accept this kind of thinking from the government benches, but it now appears as though the Conservatives are competing with the government to see who can waffle the most on any issue.

● (1600)

I should now like to turn to the subject of integration. In a period of our economic history where close to 8 per cent or more of our population is out of work, it is ironic that the minister is now going to establish a new department of employment and immigration. I have to agree that that is the power of positive thinking, but I think it is a lot of nonsense. The minister took it as a sign of great efficiency that, as a result of the co-operation between Canada Manpower Centres and the UIC, half the claimants for unemployment insurance benefits now register with Canada Manpower Centres and such claimants constitute 70 per cent of the total clientele of the manpower service.

According to the minister, in order to improve these superior services—I underline "superior" services—integration is a must. I suggest that, before the minister proceeds with this move, he takes a look at the shortcomings of the present system, and indeed there are many of them. I think we would have to admit that Canada Manpower Centres and the Unemployment Insurance Commission have not really worked in harmony. In many instances they have worked against each other. I know for a fact, having talked to one or two employees of Canada Manpower, they sure as heck do not want to be loaded with unemployment insurance problems.

Manpower services at the present time are woefully inadequate. That is the consensus in any given neighbourhood or community. This has been pointed out both by the Senate committee that investigated this matter and also by the Economic Council of Canada in its report entitled "People and Jobs".

Both these reports said that employers see Manpower Centres chiefly as a source of unskilled labour. Canada Manpower Centres are used for only 25 to 35 per cent of the total number of hirings that occur during the year. Many of those, I might add, are in the category of which I spoke earlier, namely, of very temporary nature. Furthermore, a considerable number of the jobs listed by many Manpower Centres are in the primary sectors where turnover is high and employers simply put in standing orders.

Another legitimate complaint about Manpower services was brought to my attention by the United Steel Workers of America. We have witnessed, over the years, situations where companies which are in dispute with their employees list vacancies with local manpower offices. This happened again

recently in Scarborough, where workers at Wyandotte Chemicals have been on legal strike seeking a first contract since November. During the strike area manpower offices have posted employment openings for the company. Although these notices indicate that a labour dispute is in progress, nevertheless they encourage people to interfere in a legal dispute between a company and its employees. As a staff representative of the United Steelworkers of America said in a recent letter, Manpower seems prepared to help companies make a profit even when they face a legal strike; why do they not provide the same kind of help to workers when they are locked out? That is a good question. Someone should ask the Minister of Manpower in the question period how he would answer that. There is no provision in this bill to deal with this situation. The government is quite content to continue this policy of what I call legal scabbing.

Generally speaking then, Mr. Speaker, most of the jobs registered at Canada Manpower Centres are unattractive, frequently of relatively temporary nature, low paying, and non-unionized or not organized in any way. As the Economic Council of Canada was forced to conclude, these factors limit the over-all effectiveness of Canada Manpower Centres and adversely affect their public image.

I am not addressing my criticisms directly to the counsellors who work in Canada Manpower Centres; I am simply saying that the way the centres are structured they are not doing their job efficiently. They are not doing the job for which they were originally set up. This is not really the fault of the employees. It is the fault of our economic system; it is the fault of employers in many cases who look upon Manpower Centres as a source of cheap labour, not expert, skilled or even semi-skilled.

The minister is quite content, ignoring these facts, to proceed to rationalize and to harmonize the present services to provide a one stop service to clients. It matters not that the present services are virtually useless. The minister hopes that integration will eliminate whatever defects exist. Most important, how does the minister hope to overcome the problem of matching—and this is a very conservative figure—the 750,000 job searchers with the 41,000 available jobs? No flow charts or diagrams will accomplish this, regardless of what the minister says.

This bill also promises financing for on the job retraining, administration of labour market programs and the policies underlying these programs. Pumping more money into training programs and into make-work programs will not alleviate unemployment. The only way to deal with unemployment is to create a job for each and every Canadian who wants one.

I conclude on this note, Mr. Speaker. I do not care if Manpower and UIC reach 100 per cent efficiency. I do not care if LIP, Canada Works and Young Canada Works achieve 100 per cent efficiency within their terms of reference. I do not care how efficient any government department is in the country today. Unless we can get the economy moving and provide jobs for the 750,000 or 800,000 people—we might even say the one million people—who are looking for work, then it does not matter how much money we spend on make work programs, temporary jobs and all the rest; there will still be ill-feeling and restlessness in the country which will increase over the years. If we cannot solve reasonably well the economic problems of the country and create more jobs, then what is the point of spending all this money and energy on make work projects? What is the point of even taking a serious look at Bill C-27 when it is not going to alleviate the basic problem of providing meaningful work for people who want it?

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, while Bill C-27 deals with various matters, I wish to make only a few comments on certain amendments to the Unemployment Insurance Act. As I understand it, there are three major changes to be made to the act. In his speech on second reading the minister listed, first of all, the increase in the number of weeks a person must work before being entitled to draw benefits which, as the House knows, is from eight weeks to 12; the second change is in the benefits structure, which is the framework used to determine the duration of a claimant's entitlement; the third change is the outlining of more productive and developmental uses of unemployment insurance funds, such as income maintenance for persons taking approved training courses, job creation projects, and work-sharing programs. It is not my intention to comment on all of the changes, even though I realize their importance. Some contain pitfalls, some are improvements.

Job training is a subject on which I could spend 40 or 50 minutes. The minister and I have discussed it both in the House and outside the House, and it is difficult to know what the minister of labour in the province of Nova Scotia is looking for so far as training is concerned. He has made some loud statements about all the training that is going to take place, but in the meantime at the Point Edward training school in Cape Breton instructors are being laid off. However, I will deal with that on another occasion.

● (1610)

I should like to discuss first the increase from eight to 12 weeks of employment before entitlement to unemployment insurance benefits is achieved by those who are no longer employed. I believe, as other speakers have said, that this amendment is a backward step. It discriminates against that area of the country where the rate of unemployment is very high. As is the case in most regions of Quebec, the Atlantic provinces and the constituency which I represent suffer from a very high rate of unemployment.

I am glad to see here the hon. member for Bonaventure-Îles-de-la-Madeleine (Mr. Béchard) who last Friday told the whole story. His words are worth quoting. He made a very commendable speech, as he always does. Those comments which I wish to quote are to be found on page 3446 of *Hansard*. I trust the minister will listen very carefully to this. The hon. member said:

> It remains—I am willing to admit this—that even with the best scheme, a number of unemployed could not find a job. In cases such as those which are found in the Magdalen Islands and elsewhere in my constituency, as well as in

the Gaspe Peninsula generally, including the Gaspe and Matane constituencies, and some neighbouring areas, the whole Restigouche area, the Gloucester area and New Brunswick as a whole, it should be possible, wherever the industrial base is very limited, to adopt special measures, as mentioned by previous speakers, until such a time at least when the government decides to organize the economy in a way which would guarantee a more permanent employment of our active population.

I certainly commend the hon. gentleman for that statement because it spells out the problems with which we are confronted in the Atlantic region and in most areas of the province of Quebec. He went on to say:

Just as the duration of benefits varies and the number of weeks increases depending on the difference between the local or regional rate of unemployment and the national average, so, in my humble opinion should the number of working weeks before obtaining benefits vary in the case of the Magdalen Islands and the Gaspe peninsula in general, as well as the New Brunswick and the Atlantic provinces ridings. Let us put an end to the ridiculous practice whereby an applicant must file evidence that he is looking for a job in a region such as ours where there are few openings, if any. Instead we should require all employers to report job openings to Canada Manpower offices, including those they fill themselves without going to the Manpower Centres. This way Manpower officials will always know what jobs are available.

This is good advice from the hon. member for Bonaventure-Îles-de-la-Madeleine. As he said, we are faced with a situation where people get tired going to Manpower offices and hearing the same story over and over again that no work is available. They are told they must make a job search. They go to see five or six employers who tell them that there is nothing available. This is ridiculous. We know there is no employment in the first place. The Manpower officials know that. It is no reflection on them. They do the best they can to place people.

For example, in the Sydney office the latest report for January, 1977, showed that the number of those seeking employment was 13,134 and there were only 210 job vacancies, so you can see what they are faced with. As was mentioned by the hon. member for St. John's East (Mr. McGrath) on Friday, this is the situation. In his riding the official unemployment figure was 29,000, but when he investigated it thoroughly at the Manpower offices he discovered that the actual figure was 60,000.

I do not understand why the government is bringing in this bill now. I recall very vividly that when it was first introduced it was supposed to be the greatest thing since Bryce Mackasey, not since sliced bread. Here we are with our unemployment rate higher than it has ever been. We are making it more difficult for people who are truly serious and honest in trying to find work to receive a few dollars. I am not trying to protect those who abuse the fund. I condemn the judges and the magistrates who tap them over the fingers, people who are guilty of defrauding the system and of defrauding the government. All they are told is, "Don't you boys do any more of this, and everything will be all right". We should condemn them and give them the severest of penalties. Remember the postal strike when we discovered the ski bums who were not there to collect their cheques? There were none from the Atlantic provinces or the eastern regions of Quebec among them, because in most of those areas people cannot afford to buy ski equipment, let alone go skiing and collect unemployment insurance.

It is great for members of boards of directors sitting in back rooms to say that, "So and so does not want to work anyhow, so cut him off." That is absolutely incorrect. I think the frequency of abuses is minimal, particularly in the regions about which we are talking.

As I said, in my constituency in industrial Cape Breton where the rate of unemployment is very high it is very difficult to obtain an accurate figure. It is estimated to be somewhere between 25 per cent and 30 per cent. I hope it is less than that, but I am afraid the rate is even higher. I know the sources of employment in that area and I know they are shrinking, while the labour force is growing. It is difficult to justify the change, and I can tell you that those arguments have no validity whatsoever in the region that I represent.

The minister and others have tried to justify this amendment by stating that it is an incentive, especially for young people, to work longer. All I can say is that this argument does not apply to either the younger or the older workers in my area, in the Atlantic region or in eastern Quebec. The young people there do not need incentives to stay in the work force. Their big problem is more to get into the labour force and obtain employment in the first place, than to keep it. Those who may be in and out of the active work force are the victims of an economically depressed area. I can tell you this, Mr. Speaker, because I know these young people.

As many other hon. members do, I discussed this with the young people and also with my older constituents. I know they are anxious to be part of the active work force, and it is a sad state of affairs when they do get a job that it only lasts for a few weeks. Certainly they would rather work than be on unemployment insurance. They would love to have a permanent job. They would love to have job security so they could plan their future with confidence, free from the worry and anxiety of loss of work.

To say there is a 25 per cent or 30 per cent rate of unemployment is startling. Of course other people talk about a rate of 14 per cent or 15 per cent, but 25 per cent to 30 per cent is terrible.

These statistics are called hard figures. Personally, I think of those men and women who make up these percentages, and when I hear the word "claimant" or "bodies"—bureaucratic lingo—in reference to the unemployed, I think it is shocking. I think of the man or woman seeking employment or seeking unemployment insurance as human beings. In so far as industrial Cape Breton is concerned, I deny most vigorously that the number of people in and out of employment has increased and that these people are doing so of their own free will. They are doing so from necessity, not from choice. I agree that if there are abuses under the UIC Act then those abuses should be corrected, but not by increasing the period of employment from eight to 12 weeks. An abuse will not be corrected and a real hardship will be inflicted.

I noticed that in his speech on second reading the minister also mentioned that unemployment insurance will continue to provide a measure of income protection to unemployed workers while they conduct an active search for jobs to locate the

most suitable and satisfying employment available to them. This puts the pressure on the individuals, and that is only right because he or she should go and look for jobs. But surely if a Canada Manpower Centre, which is the official government employment agency of the federal government, does not know where there are jobs, where will the people find jobs? They will have to go through this phony deal of going to a series of businessmen and being told there are no jobs available. They know that from the beginning.

I only wish there were no necessity for this active search for jobs in my area. The time is past when they have to conduct this solitary, ineffectual search for work. If employment is not available—and the officers should know whether or not it is available—then the insurance should continue to be paid under the legislation. For whom will this create a hardship? It will create a hardship for fishermen, lumbermen, fish plant workers, construction workers, and all those who work part time. I commend the minister for changing what is commonly known as the four-week rule. It is proposed that it be done away with. At the present time it results in a claim being terminated if benefits are not paid for four consecutive weeks in an extended benefit period.

● (1620)

This rule is considered a serious disincentive to individuals who might otherwise take short-term jobs. There are many hundreds of people caught in that trap. There people are anxious and willing to work, particularly construction workers, fish plant workers and so forth. They go back for a day, two days, or three days, and they think they re-qualify. However, they are told that they are out, that they do not have any chance to collect benefits or to continue collecting benefits. This will continue, as others have said, to put more people on welfare, but the municipalities cannot stand it. At the moment it is difficult for municipalities in the regions I have mentioned to get by. They just cannot afford to pay more welfare, and people will just be hungry.

I am not being dramatic or anything else when I say that there are people on Cape Breton Island who are losing their homes. They cannot pay the cost of electric heating. They cannot pay their mortgages. They formerly worked at the steel plant. Their benefits are running out quickly, and some have already run out. There is no way for them to carry on. If we adopt this measure, we will make it much more serious than it ever was before. It will take millions of dollars out of the economy in those areas of the country where it is needed most.

Some ask—the previous speaker included—why we should pass a law to suit certain regions of the country? This government and previous governments have done that to suit certain regions of the country. We cannot pass a blanket law which will treat everybody equitably across this vast country. I spoke to a Liberal member from Saskatchewan the other day. I asked him what is the employment rate out there and he said it is 2.8 per cent. Well, now, that is rather nice.

Mr. Leggatt: That is NDP country.

[Mr. Muir.]

Mr. Muir: I expected that, but I wonder why it was higher before. Incidentally, hon. members to my left always preach the great philosophy of socialism and that kind of thing. If socialism is such a millennium, why in hell are Callaghan and Britain in such a mess? Why have socialist governments been turned out in other countries? I wish the hon. member would not try to divert me. I am really after the Liberal government. I am asking the ministers to try to change the rules and regulations, but often I hear some misplaced clergyman and others to the physical left of me in this House attacking the Conservatives as if they formed the government. It is strange that they attack the people to their right but not the government. There seems to be a bit of a liaison.

Mr. Hamilton (Qu'Appelle-Moose Mountain): An incestuous relationship.

Mr. Muir: What did you say?

Mr. Leggatt: Celestial.

Mr. Muir: I doubt that. At any rate, I would be less than frank with the government and this House if I did not reaffirm that I cannot under any circumstances but oppose in every way available to me the proposals contained in this package of amendments to the Unemployment Insurance Act.

I wonder if in this package there is anything to deal with a case whereby a group of whizz-kids came to a regional office and to local offices to conduct so-called investigations as to the possibility of alleged padding of placements. I do not know if that is quite correct. It is supposed to have happened. I trust the minister is listening very carefully. In the interim three senior people who have 30, 40 or 50 combined years' service in the public service were suspended immediately for a week with pay. No charges were laid. There was no money they could have stolen.

There is an investigation going on. These people still receive their salaries, but they have been warned not to talk to anyone in that office nor to be seen around that office. When that kind of thing is allowed I wonder what we are coming to. I do not at all blame the minister for that, but I hope and trust he will look into situations like that. In a small area if John Brown or Joe Blow is suspended, people immediately get suspicious and wonder what is going on. They think that where there is smoke there is fire, and that something has to be going on. The character of the people involved can be grievously injured because to this point nothing has been proved against these people or any of the staff in that office. I hope the minister will take this into consideration either in his legislation or investigations.

It has been mentioned by others that there are roughly 39,000 or 40,000 job vacancies across this country at the present time but that there are over one million who are unemployed. The hon. member for Oshawa-Whitby (Mr. Broadbent) has been making great noises about that, and rightly so, but if hon. members would look up the comments I made here two or three years ago they would find that I said the same thing. I said that we do not get true statistical figures

because many people get tired of going to Canada Manpower Centre offices, they head out on their own and just keep chasing around anywhere they can trying to find a job on their own, therefore they are not considered as being unemployed as far as the C.M.C. is concerned. Hon. members know that. These people come to their member's offices every day and, if they do not, some hon. members must live in a wonderful part of the country. I know that places like that exist because people have come to me telling me that in Toronto there is difficulty getting employees. My goodness, I wish we had that problem on the east coast.

Coming from an area which suffers unemployment to the extent that one would have to conclude that Cape Breton in many ways is akin to the developing countries of the world, without the interest-free loans which are available to the developing countries, I probably have one of the most honest methods of describing the terrible plight of our area. If we want an example of why this nation is in a state of almost complete chaos, we need only examine the multitude of proposals which have been made in an effort to combat the problems of the Atlantic region and then to witness nothing more than lip service—and that can be lip service or LIP service—as the end result. Every question I pose and every suggestion I make in this House is taken by the various ministers of the government as if they are deeply and truly concerned about our problems, but as soon as they disappear from the House the gravity of the situation seems to disappear with them. The only result is a continuation and worsening of the problem.

In my own area I look back on the loss of General Instruments Corporation. That corporation assembled radio tuners. I look back on the loss of Canadian Motor Industries which assembled Toyota automobiles. I look back on the loss of Kaiser Strontium. Two years ago, as I said earlier in the House today, 3,900 employees worked at the Sydney steel plant, but that number is now down to 2,250, and there is no assurance that that figure will be maintained. I look at the drastic cut-backs by Canadian National in the Atlantic region and at the Canadian National marine services on the docks at North Sydney where in peak periods in the summer there once were 1,000 people employed. In the winter the number was about 500, 600 or 700. Now we have only about 200 working there every day. There were 1,000 people working at General Instruments, this in an area of chronic unemployment. Such industries with that kind of employment opportunity were allowed to leave. This happened under the Trudeau and Regan administrations. What would have been required to keep General Instruments or Canadian Motor Industries in operation there would probably have been far less than the amount which has already been expended on unemployment benefits and welfare.

All this is not to mention the human degradation associated with any form of assistance as compared with gainful employment. No one knows better than I and other hon. members from the Atlantic region about the operation of UIC and Manpower offices, particularly in my area. Probably three quarters of our work is associated with the problems of constituents in securing employment or securing unemployment insurance benefits. The time which is not involved with those two operations is associated with welfare, with schemes of the Department of National Health and Welfare, the provincial department of social services and those of the Department of Veterans Affairs. People in Cape Breton need hope, and hope comes in the form of jobs. It is not a matter of taking people off the unemployment insurance rolls because they will not take the jobs available; there just are no jobs.

● (1630)

My efforts are geared to trying to get people enough work to get them on the unemployment rolls, and it is difficult to get that much work. It means two months work out of 12 months if this bill goes through. A number of people in Cape Breton would not qualify if this were in effect now because they have not been able to get very much work in the last 12 months. They do not even figure in the statistics. When I ask them if they have gone to the Manpower Centre they tell me they have, but there is nothing for them. They are the forgotten Canadians. Because they are not included in the unemployment statistics they do not get a passing thought from the government. Do not talk to Cape Bretoners about the break-up of Canada because the government shows more concern for the underprivileged in other parts of the world than it does for the human misery that has become their way of life.

Some will say that is a terrible thing to say when some people in the world are starving. I do not think there is anything wrong with foreign aid, but I do think we should try to help people in this country who are truly having problems. A week ago the Minister of Industry, Trade and Commerce (Mr. Chrétien) said that he did not think anyone in this country was starving. I can tell him people are starving in this country, Mr. Speaker.

Now we are being told that the qualifying period for benefits should be increased from two months to three months—this at a time when over a million Canadians are without work. We are telling people we will legislate them off the unemployment insurance rolls and onto the welfare rolls. Mr. Speaker, I will not condone that nor will I co-operate in order to have this type of ordeal perpetrated on the people of Cape Breton Island, of the Atlantic region or of anywhere else in Canada that is having unemployment problems. This government can tell me it wants a longer qualification period for unemployment insurance benefits when it can also tell me there are jobs so that people can obtain employment long enough to qualify for benefits, or indeed work permanently so that they do not have to apply for benefits. When that happens I will be pleased to support this proposal, but not until then. I see no sign of that happening, so I was pleased that the hon. member for Hamilton West (Mr. Alexander) moved an amendment that would maintain the present program in areas of higher unemployment than the national average. I will support that amendment, but there is no way I can support any lengthening of the present qualifying period.

This government said a few years ago that this bill was a great thing, but there were not so many unemployed then. There are thousands more people unemployed now. If the government can live with itself after proposing such callous and unfeeling legislation let it, but I will have no part of the decision.

The terrible financial mess the government has put the country in will not be loaded on the shoulders of the working men and women of Cape Breton Island so long as I represent that area. For too long the working people of this nation have been the scapegoats of the horrendous ineptitude of the government. There has been one example after another of alleged scandal, corruption and mismanagement. The poor people are singled out as the culprits in government waste and extravagance. The Prime Minister (Mr. Trudeau) and others tell the people to stop spending, but they do not have money to spend. Government spokesmen blame them for their spending and extravagance as the cause of inflation. They are much like the Romans who found themselves in the arenas facing the lions because they were the entertainment of the nobility and the mobs alike. This government tries to trample on the rights of the poor and the defenceless but, Mr. Speaker, it will do it against the strongest opposition I can muster.

It is easy to say that people will not work, but in areas of New Brunswick, Prince Edward Island, Newfoundland, Nova Scotia, and almost all of Quebec, most people try very hard to find work. They just cannot find it, Mr. Speaker.

We cannot afford the luxury of this government and its unrealistic and uncaring schemes. If we are to have a country in the future we had better meet the challenge of the people of this nation to be able to reside and work where they want to themselves. Government spokesman may say that people in Newfoundland, Nova Scotia, and Prince Edward Island who cannot find work should move and they will be paid a mobility grant.

Mr. Peters: Move where?

Mr. Muir: Indeed, where? If they could move what are they faced with? They have worked hard all their lives to get their homes. Maybe they have a couple of children in school—even university if that is possible. If they move to Ontario or the west it is going to cost them so much to buy a home that they just cannot do it. The work has to be provided where they live and that is why I have been pressing continuously the government to do something about steel in Cape Breton which is the backbone of the economy of Nova Scotia. I think possibly the government might be trying to do something.

People in this country should be able to reside and work where they wish. That is not possible and will not be possible so long as proposals are brought forward that are so out of touch with reality. I am surprised that the minister would go along with this. I have the highest regard for him. I know that he has been out of work in his time and has had to pound the roads looking for work. He has worked in the mines as I have as a miner, and knows what that is all about. Surely he will listen to his backbenchers and not only to his bureaucratic advisers, and think seriously about the amendment our party proposed.

I mentioned the steel situation, Mr. Speaker. Many people have been laid off. On November 25 last I posed a question to the Prime Minister regarding the possibility of the government purchasing steel rails for stockpiling. It has been done with coal, uranium, and wheat, so it could be done with steel and it would get people back to work until there is an improvement in the market. The Prime Minister gave the following reply as reported at page 1360 of *Hansard*:

> The hon. member raises a question which the Minister of Transport has been discussing with me and some other colleagues. It is a suggestion that has considerable merit, but as the hon. member would recognize, it requires considerable expenditures and at a time of restraint...

The Prime Minister did not completely frown upon my suggestion, so I hope he will give it consideration and people will not have to depend on unemployment insurance.

Before I resume my seat, Mr. Speaker, I should like to read from an editorial in the Halifax *Chronicle-Herald* of February 10 written by the editor-in-chief and prominent newspaper man, Harold Shea, a former member of the Press Gallery here. Under the heading "Unemployment Taken Calmly" he writes:

> One of the most puzzling aspects of the country's current unemployment situation is that so many people are seemingly unmoved by the extend of the problem.

● (1640)

Those words apply to the government, but the government is unmoved. Government ministers figure that they are giving the workers many benefits; I say they are doing little to help our people find work.

I do not have time to read all of the editorial. I commend its reading to hon. members. It is available in the reading room. Perhaps I can quote one or two more sentences. The author goes on to say:

> Thank Heavens there are no riots, name-calling incidents, or something worse. But neither is there much concern—even quiet concern—about the idleness, which is disgraceful and demoralizing...
>
> Nowhere is the situation more difficult than in our own Atlantic provinces. Statistics show that in some parts of the area, unemployment is running 50 per cent above the national average.

I point out that the unemployment rate in Cape Breton Island alone is between 25 per cent and 30 per cent. I continue quoting:

> The report that unemployment is rising in Ontario, Alberta and British Columbia, too, is just as worrisome, because it is these rich provinces—the Big Three—that contribute in such large measure to the equalization of wealth and services across the country.
>
> We can't afford to yawn much longer. The government should speed up the production of the budget and get on with the job of stimulating the economy. The lethargy must end, and the sooner the better.

In conclusion, I say that no way, in no way, can I support the concept of this bill. I will not support it, despite what some hon. members, including some members of my party, say about it. They do not live in the real world or know what is happening. Some hon. members who live in or near Toronto say that they cannot find employees for their factories. Mr.

Speaker, we do not even have the factories in my area. They are moving out all the time. I raised this question with the ministers responsible, but little has been done. I have raised those questions I mentioned earlier with industrial planners, provincial organizations, and with DREE, but little has been done.

I hope the minister will give every consideration to my remarks. If he does not wish to accept the amendment proposed by the hon. member for Hamilton West let him bring in his own amendment, or let another member of the government party propose an amendment that would give the government the credit for acting. If the unemployment rate were 4 per cent, right across the country, perhaps the government's proposal would be acceptable. But that is not the case. Therefore I plead with the minister to give every consideration to my suggestion, for the reasons I mentioned and for a heck of a lot more I did not have time to mention.

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, in rising to speak on Bill C-27 I will attempt to keep my comments brief. All concerned are anxious to have the bill proceed to committee where the merits of the proposals are going to receive the deliberation they deserve.

The recently disclosed monthly labour force survey shows 889,000 Canadians as officially unemployed; two-fifths of these were heads of families or single people living alone. It is enough to provoke another round of hand-wringing and gnashing of teeth, but because there are commendable suggestions in the bill, which we have for years been advocating, I will try to restrict my comments to a general appraisal of the government's approach to unemployment and job creation.

Not since 1953, when the Dominion Bureau of Statistics began compiling such data, has the monthly rate of unemployment been so high. Added to these official figures are the controversial hidden unemployment statistics which range from 108,000 to 573,000. Depending on whether we consider those who looked for work in the last six months but not in the last four weeks, those who have thrown up their hands in despair, or those temporarily laid off or intending to start a new job within a month, we can conceivably get quite different interpretations of the unemployment picture.

If we continue to concentrate on figures, statistics, the attempts to define the typical unemployed Canadian, we tend to lose our perspective and turn our backs on the real issues. The situation has been labelled a human crisis. We ought to concentrate on the debilitating loss in productivity, the human degradation, the frustrations and cynicism that are fostered by having 889,000 Canadians, who are ready and willing to work, resort to transfer payments to subsist. We hear accusations that, according to the figures, secondary wage earners, wives and youths, not the principal sources of income for the family, are collecting the majority of insurance benefits. Every member has, I am sure, a thick file of correspondence from constituents complaining of lack of employment opportunities or injustices at the hands of manpower and unemployment insurance administrators.

Some of us represent ridings that suffer proportionately greater hardships than others, either due to the lack of natural resources or the failure to accrue the full benefits of exploiting the nation's wealth. These inequities have long been recognized and programs set up to mitigate the harsher effects. Recently we saw the doubling of LIP allocations to $200 million, the addition of $50 million for labour-intensive projects in high unemployment areas and the cut in unemployment insurance premium rates for employers and workers. A $40 million program for occupational training was added, supplemented by an expansion of the Canada Manpower Mobility Program to $13.7 million.

In the final three quarters of 1976, about 39 per cent of corporation profits was paid out in corporation taxes. This helped meet the cost of a wide range of public services. Another 40 per cent was used to expand and improve productive capacity, creating and maintaining jobs for the future. But the increase in production was not sufficient to reduce unused industrial capacity appreciably. Nor, do we discover, did it reduce the unemployment rate. Although total employment rose by 2.4 per cent last year, the unemployment rate climbed marginally from 7 per cent in 1975, through 7.2 per cent in 1976, to 7.5 per cent in December of 1976. Moreover, the additional employment was not uniformly distributed among the various industrial sectors. For instance, employment declined in the export-oriented industries, reflecting the cyclical downturn of world markets. We cannot place the blame totally on world market situations, though. It is obvious that the economy as a whole should grow faster to reduce unemployment. We need a new budget, and we need it soon. Personal tax cuts, business tax concessions to promote expansion and reduced government expenditures, are requisite.

I notice that the government has abandoned its publicity campaign to convince the public that it is serious about austerity. With an increase in spending of 14 per cent, I do not blame the government. How long could you keep that type of spending spree under wraps? The effects will filter down through the economy, causing more inflation and doing nothing to create more jobs, because the spending priorities are all wrong.

Unfortunately, the expectations for the rate of recovery in the industrial world have been revised downward since the middle of 1976. We can expect Canadian exports to be adversely affected, which will reduce the external stimulus to the Canadian economy, this in turn being translated into continued high levels of unused industrial capacity and high unemployment. One is struck with the realization that conventional wisdom and traditional policies are not at all adequate to tackle the problems. In fact one wonders if the government has even selected the most popular priorities.

While a recent Gallup poll showed 48 per cent of the respondents thinking that the government should give greater attention to unemployment, only 42 per cent agreed with the Liberals that inflation was of greater concern.

There has been no dearth, either, of public sentiment on the functioning of the UIC system. It is in the context of these

factors—Canada's labour market, the nature of our unemployment, and the history of the acceptance of the UIC scheme—that we must address the proposals included in Bill C-27.

● (1650)

Prior to 1966, the Unemployment Insurance Commission and the National Employment Service worked closely together, sharing the same facilities, and by close association and co-operation were readily able to discern whether or not claimants were eligible for unemployment insurance benefits. Once again the merging of these services, provided the process is properly administered and how large a bureaucracy is created, is hard to find fault with. Indeed, we have witnessed the disturbing phenomenon of job vacancies rising hand-in-hand with the unemployment rate, except in some severely depressed areas. This is an indication that joblessness today has become the outgrowth of an increasingly high turnover in the labour market as more and more people abandon old jobs in search of new, more rewarding and fulfilling ones.

In British Columbia this January, for instance, there was an unemployment rate of 8.8 per cent. When broken down to sex and age we find that 6.8 per cent were men out of work, 12.2 per cent were women, and 17.6 per cent were in the 15 to 24 age bracket. The figures are slightly higher than the Canadian average but the proportions are roughly the same.

Unemployment insurance benefits have generally been touted as good for frictional unemployment, moving from job to job or re-entering the labour force after raising a family. They are also found to be beneficial for sufferers of cyclical unemployment, victims of the vagaries of the business cycles.

Although insurance benefits are not as appropriate for structural unemployment, the mismatching of skills and labour requirements, or seasonal unemployment, it could still be said that our jobless were being maintained by one of the most generous and comprehensive social security systems in the industrialized countries.

The inappropriateness and the abuses have given rise to scrutiny and study of the scheme which corroborated, to a certain degree, intuitive doubts and misgivings about the system. While induced unemployment in British Columbia. was low as compared to the ratio of induced total unemployment in Canada, residents are still inimical to tales of rip-offs. In 1976, 274 British Columbia residents were convicted of defrauding the Unemployment Insurance Commission, almost double the number in 1975.

It can be argued cogently on both sides that the change from eight weeks' work to 12 weeks' work for qualification will discourage those who flit in and out of the labour force, simply in order to qualify for benefits, or on the other hand that individuals will be deprived of the occasion to search for appropriate positions leading to satisfying employment.

Our work force suffers from under-employed, over-qualified people unhappy in their unsuitable positions. In fact, the study which revealed the inducement effect of insurance benefits also indicated that the greater inducement was not to quit but to remain unemployed for a longer period of time. There was an average of 32,000 college graduates out of work in Canada last year. How many more were under-employed? Or, what may be the level of hidden unemployment, those so discouraged with the system that they are not looking for work? We have only estimates.

Will the joining of the two services accommodate those cases where the individual legitimately takes the time to seek the employment he or she is trained for, and who won't receive compensation because he or she is classed as a new entrant to the labour force or as inexperienced, as so many housewives are labelled when they enter the labour force after raising children?

What is needed is an improved job search program, increased training funds, and job creation funds in areas of high unemployment.

Training succeeds in improving skills. It increases the productive capacity of the Canadian labour force, which in turn reduces the risk of inflationary pressures. Skill shortages are less likely to occur during periods of strong economic growth. The complaint is often heard that there is too little on-the-job training or that federally sponsored industrial training takes place primarily in small firms. These have little training capacity, or teach only skills which lead to dead-end low wage jobs.

It has to be assumed, for a program's success, that training will provide the trainee with skills to match demand and that there is some creation of skilled jobs as a spin-off from the training program. Such a program can be much more effective in stimulating employment than other fiscal measures involving the same amount of money.

Hand-in-hand with the notion of training programs goes mobility grants. It has been argued that they lack efficiency as well as equity. This does not mean mobility grants should not be given to the poor and disadvantaged; it can be learned from data that people with low incomes and with unemployment experience are more mobile than others. In fact further orientation of the Manpower Mobility Grants Program in this direction would probably have a beneficial effect in terms of income distribution.

The phenomenon of the mobile unemployed individual is probably largely misunderstood. Persons experiencing short periods of unemployment have high mobility rates. But as the duration of unemployment lengthens the mobility rate falls, and mobility rates vary inversely with the number of weeks worked. The workings of the adjustment process appear to be influenced by general economic conditions in the country as a whole. May I call it five o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Norfolk-Haldimand (Mr. Knowles)—Citizenship—Delay in providing forms to Simcoe, Ontario—Possibility subcourts phased out; the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn)—Indian Affairs—Legal authority of department to remove children from custody of parents—Suggested compliance with provincial law; the hon. member for Winnipeg South Centre (Mr. McKenzie)—National Defence—Proposed research centre at Winnipeg—Delay in completing land purchase agreement—Government position.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions, public bills.

PRIVATE MEMBERS' MOTIONS

[*English*]

The Acting Speaker (Mr. Turner): Notice of motion No. 4, in the name of the hon. member for Ottawa-Vanier (Mr. Gauthier).

Some hon. Members: Stand.

The Acting Speaker (Mr. Turner): The motion stands at the request of the government.

Notice of motion No. 7, in the name of the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall).

Mr. Kaplan: Mr. Speaker, I think you will find there is general agreement to consider motion No. 25 standing in the name of the hon. member for Don Valley (Mr. Gillies).

Mr. Ellis: We agree to that, Mr. Speaker.

* * *

PERPETUAL BONDS, 1936

SUGGESTED REDEMPTION BY GOVERNMENT

Mr. James Gillies (Don Valley) moved:

That, in the opinion of this House, the government should reconsider its decision not to redeem the 3 per cent perpetual bonds, issued in 1936, through a scheme whereby (a) original purchasers would receive full face value for their bonds (b) all other holders would receive payment for each bond according to the market price for the year in which the bond was purchased (c) that an immediate freeze be placed on the market value of the bonds to prevent speculation.

He said: Mr. Speaker, this is the third time that this motion, or a variation of it, has been brought to the House for consideration at private members' time as a private members' bill. The motion should be changed slightly because the government agreed last March to redeem the bonds in 1996. The motion should now read:

That, in the opinion of this House, the government should reconsider its decision not to redeem the 3 per cent perpetual bonds, issued in 1936, on September 15, 1996, and redeem them instead through a scheme whereby (a) original purchasers would receive full face value for their bonds immediately—

Parts (b) and (c) remain as printed.

The story of perpetual bonds in this House of Commons has been, I might say, perpetual. For a long time we have tried to get the government to remove these bonds from its portfolio altogether.

● (1700)

Perpetual bonds carry an interest rate of 3 per cent. They were bought, for the most part, in the depths of the depression by people who believed they were acquiring a security which would help them in their retirement. The government supported this idea by advertising that no one had ever lost a cent by investing in the government of Canada, so these people, who were willing to invest during the worst period of our history, economically, came forward. What happened was this: as interest rates rose during periods of inflation the value of the bonds fell. It has fallen to such a point that they are now worth around $45 or $46. In terms of real purchasing power, the people who were ready to lend the government money in the depth of the depression now hold something worth around $10. This is surely an iniquitous situation and one which ought to be remedied.

Various ministers of finance have wrestled with this problem and sought to devise means to remedy it. I believe it is recognized that it is patently unfair to those Canadians who now hold these bonds, senior citizens, most of them, that they should have no hope of getting their money back.

When the former minister of finance announced a retirement date of 1996, it did have the effect of increasing the yield on the bonds as anticipated. The difficulty is that '96 is not a realistic date because most of the people who bought the bonds back in 1936 will be dead by then. It is important that these people should be able to get their money back, money which they lent to the government in good faith. This is why it is essential that members on all sides should support my proposal.

The bonds themselves are a very small thing in the total portfolio of the government's debt but they represent a big consideration for those few thousand people who still hold them, perhaps the difference between a reasonable lifestyle and none whatsoever. It is not a matter of much consequence for the government to get rid of this $55 million in perpetual bonds. There are no others of the kind in the portfolio. They were put out only once. They are not an integral part of the

Canadian debt structure. To ask the purchasers to wait until '96 is an unconscionable thing to do because at that time many of them will not be around.

There is no question but that there has been some trading in this issue. There is no question but that there may have been some speculation. There is no question but that some people might have taken advantage of the government's action to reap some sort of windfall gain—those who bought the bonds in the last years of depressed prices from people who were forced by circumstances to sell them. But this is inconsequential when measured against the benefits which could be gained by redeeming these bonds at face value for the benefit of the people who have kept them and whose badly needed resources went into their purchase.

I think this is the third time I have spoken on this subject. There is not a single party in the House which at one time or another, through one of its members, has not addressed this question seeking an improvement in the present position. It would seem to me to be a matter of showing humanity on the part of the government in a day and age when government generally is remote from the concerns of the population. It would be an indication that governments, no matter how large, can still be concerned about the individual.

Redeeming these bonds at face value would make little difference to the government's investment picture. It would get this type of security out of the portfolio and, once and for all, we could get this issue settled to the advantage of those who bought these bonds in good faith in the thirties.

Mr. Kaplan: I should like to get an understanding of what the hon. member means by item (c) in the resolution which asks that an immediate freeze be placed on the market value of the bonds to prevent speculation. Would the hon. member accept a question?

Mr. Gillies: No, Mr. Speaker.

The Acting Speaker (Mr. Turner): The hon. member for Don Valley (Mr. Gillies) did not accept the question, so the parliamentary secretary, if he speaks, is on his own time.

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, I want to commend the mover of this motion. If anyone deserves a reward for effort, it is he. He is not the first to raise this matter. I remember that in a previous parliament Mr. Steve Otto showed an interest in this subject. He was a supporter of the government and he explored in debates during the private members' hour, as we are doing today, various measures which he thought the government should undertake.

I, too, find some difficulty in understanding exactly what the hon. member wishes to do, though I wish to make it quite clear that I am in total agreement with his assertion that something should be done. However, I think the cause would be best served if we knew exactly what the hon. member had in mind. Like the hon. member for York Centre (Mr. Kaplan), who attempted to put a question a few moments ago, I have some difficulty with regard to the third part of the motion. It asks that a freeze be placed on the value of the bonds. How could this be done in a free society? The hon. member is well skilled in financial matters. He is by no means an amateur. I think it is clear what the government should do.

I have in my constituency a lady who inherited some of these perpetual bonds from her father's estate—I hope the hon. member will listen, because I am trying to make a point. In this case they had been held in the family since 1936. According to the strict terms of the hon. member's motion, she would not be eligible because she inherited the bonds from her father. I suggest that is not the criterion which should be used. I do not know how much of the original $55 million issue would be in the hands of the original purchasers, but I doubt it would be more than $5 million to $10 million. I think this bill is based on too narrow a concept. Having inherited from one's father's estate and kept oneself during the years should qualify just as much as being an original purchaser.

● (1710)

I think there are other situations closely akin to this. I am going to get a telephone call tomorrow from this lady, I am sure, when she reads today's *Hansard* because she has called my attention to this inequitable situation persistently over a long period of time. I can only say to her that I am willing to do everything I can as a member of this place to try to correct something which I believe is wrong.

What is the solution that should be adopted, Mr. Speaker? I do not know how a government can freeze prices in a free market. Either the government redeems or it does not redeem. It seems to me that the government should redeem at face value the debentures of those who have demonstrated that they have held them for a certain period of time—I suggest ten years would be sufficient. If purchasers could demonstrate they had owned this security in their own personal title for a period in excess of ten years, I would say that would be good and sufficient grounds for redeeming the debenture.

The question of speculation is a very serious one. In every previous debate on this subject in the House, those who spoke on behalf of the government have said, "Think of all the speculative gains that are going to be made; think of all the banks, those terrible creatures, that will gain; think of the insurance companies that bought on speculation; think of the professional speculators, how terrible it would be if they were to make a dollar out of this sort of thing".

I agree that the speculators should be taken out of the game, but surely the most reasonable way of dealing with the speculator is to establish for those who have not held the securities for the required minimum period a date at which the government would be prepared to go on to the open market and purchase. There is nothing wrong with the concept each year of having something equivalent to a sinking fund for purchasing a certain proportion of the issue that is outstanding. The price at which the government would take the issue off the market would be raised a little to reflect interest, and at a certain date all of it would be retired. I think the date of

1996 is ridiculous; I think it should be something like 1986, or at least ten years sooner than 1996.

If the government were to accept the suggestion that I am making today—I am sure I can convince the hon. member who moved this motion that this makes sense—first to redeem at face value in the case of anyone who could prove continuous ownership in excess of ten years; second, to establish a price at which the government would go on to the open market and purchase offerings, which purchase would be the discounted value of, say, face value in 1986 or some date like that, retiring the issue in an orderly way between now and then, it seems to me that this would meet all of the criteria the hon. member has in mind. First, there would be some equity to the long-term holders who purchased in good faith; secondly, there would be protection against those who purchased for speculative purposes. I agree no one should make a windfall gain out of this, but I think people are entitled to get their money back on some kind of equitable basis.

The incredible thing about this, Mr. Speaker, is the government's reluctance to move. I do not believe it is the government but rather a few senior civil servants who are giving this advice. It is such a picayune item in the total handling of the government's debt. This issue could be retired, I suspect, over a period of years for something like $30 million to $40 million, and the handling of this part of the government's debt is absolutely nothing in terms of debt management. What is at stake here is surely a question of good faith. What is at stake is the assurance to those who purchased government securities that the government is not going to be a hard-nosed private bargainer. The government is in a position of being more than a private bargainer; the government sets the rules of the whole game—the financial market, management of the currency, and the whole question of the degree to which the currency retains its value. The government can influence all of this.

As was argued very ably by the hon. member who proposed the motion, it seems to me that the government has the responsibility of saying to those men and women who bought its securities that while there is no perfect equity in the business market—there are good deals, bad deals; *caveat emptor,* you take your choice—beyond a certain point the government is going to play fair. Beyond a certain point the government is going to recognize that what has been done was a very serious inequity to those small numbers of people who tried to do the fair, the right, and the honourable thing, as they saw it, and let the government have the use of their funds as part of the government debt.

I think it would be a little easier for the government to be credible if it did this, because in the period ahead it is highly likely that we will have to call upon Canadians for levels of savings and investment in different types of securities. Canada Savings Bonds have, of course, been made extremely attractive, and do not deserve to be mentioned in the same breath as perpetuals. If the government is to maintain its credibility to its citizens and encourage a positive program of savings and investment in government securities, it is an article of faith with me that the government must do something a little better for that group of citizens who bought 3 per cent perpetuals, especially for those who have held on to them during difficult times.

Mr. Lambert (Edmonton West): Would the hon. member permit a question?

The Acting Speaker (Mr. Turner): Would the hon. member for Ottawa West permit a question?

Mr. Francis: I would be delighted to, Mr. Speaker.

Mr. Lambert (Edmonton West): What would the hon. member have in mind to compensate these long time holders against the ravages of inflation over the last 15 years, where those who might have acquired them through devolution or by some other means are now going to be paid 50 cents on the dollar face value?

Mr. Francis: Well, Mr. Speaker, there is no perfect equity in this land. There is no perfect fairness. I do not have an answer to that. What I am suggesting, which I think is a logical flow from the motion before us, would give such people something more than they have now, and the old maxim of half a loaf being better than none is the best answer I can offer to the hon. member's question.

Mr. F. A. Philbrook (Halton): Mr. Speaker, I appreciate the opportunity of speaking to this motion and I will keep my remarks brief.

Mr. Gillies: Good.

Mr. Philbrook: A popular move. A great deal has been said on this subject and I am happy to say a few words, partly to learn a few things about the subject that I did not know before, in the hope that it will be resolved once and for all and we will not have concerned elderly people worrying about what is going to happen.

In my short experience with perpetual bonds I have discovered that most of our predecessors who have spoken on the subject have regarded them with some amusement, saying "Oh, that old thing again, the good old perpetual bonds". At the same time, I think it is a fair impression that these bonds have been of real benefit to Canadians over the years. However, their day seems to have come. The history going back to 1936 was well covered by the previous speakers. As well as the original provision for calling these bonds, such as 60 days' notice, some provision to call them by lot is necessary if only some of the bonds were called, and also some measure to try to protect the bond holders.

• (1720)

As we know, in September of 1966 new bond certificates were issued for 30 years. To go back in history, these bonds have had their ups and downs in market value, but mostly down. Apparently the bonds did go up a little after the war, but that was for a very brief time. Within recent years, interest rates in Canada and elsewhere have risen to higher levels. This

has made them rather unpopular in terms of the lower interest rates which originally applied.

With regard to the motion moved by the hon. member for Don Valley (Mr. Gillies), it seems to me that one important aspect is the problem of the distribution of bond holders. That seems to be a very complicated proposition at the moment. However, if we can say one brief thing about that, there seems to have been a substantial change in ownership of the registered bonds since 1966. Since 1936 that change in ownership has been almost complete, so perhaps this mitigates a little the concern for the older bond holders not making it to the final date of 1996.

I understand also that there is some concern about there being a difficulty for the taxpayer in the proposal before us. The government has had a great deal of advantage from having these funds over the years, but it is considered somewhat difficult to ask the taxpayers—many of whom do not have investments of any kind, such as bonds and others—to bear additional interest costs in order to benefit those investors who bought bonds on their own initiative way back in 1936 and since then. It is even more difficult to justify the fortuitous benefit that would be derived by the vast majority of present holders with regard to the change in ownership that I just mentioned.

From the government side, how practical is the motion put forward by the hon. member for Don Valley? There are a number of concerns on the government side. First, there is the problem of trying to identify the original purchasers. Second, there is some problem with discrimination in the proof of purchase. There are problems concerning those bond holders who are deceased and the role of the successors in holding the bonds. There is a problem with selling recently at a loss, which would occur with some people. There is the problem with the proof of ownership once it has been discarded. It would discriminate against those people and would be in favour of those who maintain their ownership. There are various problems with redeeming prices below par.

Apparently various governments have looked at this possibility from time to time. The hon. member for Don Valley mentioned that the United Kingdom has gone very heavily into this type of investment as part of its debt structure, and there are others. The conclusion that has been reached by most of them has been that it would not be in the nation's best interest to fix the maturity date on these obligations.

There is also a concern about setting a rather difficult precedent, an implication that once we take some action to protect the investors from the vagaries of the market there is some discrimination against all other investors. Contrary to what some would propose, this does not apply to the issue of Canada Savings Bonds.

Therefore we have come down to the present solution proposed by the government, which is this. Having regard to all the circumstances, and although not necessarily to the current advantage of taxpayers, the Minister of Finance (Mr. Macdonald) announced on March 18, 1975, that the 1936 issue of perpetual bonds would be redeemed at par on September 15, 1996. The legal process will be completed by June 7, at which time the Government of Canada will be irrevocably committed by law to redeem the bonds in 1996. Prior to the announcement the bonds were quoted at $37.25 per $100 for a yield of 8 per cent in perpetuity. At the present time the bonds are trading at a price of about $50.75 for a yield of 8.02 per cent to maturity. This yield is now comparable with other long term Government of Canada marketable issues.

Mr. Francis: Mr. Speaker, may I ask the hon. member a question?

The Acting Speaker (Mr. Turner): Would the hon. member for Halton (Mr. Philbrook) permit a question?

Mr. Philbrook: I am just about to finish, Mr. Speaker.

Mr. Francis: Mr. Speaker, I would like to get this correctly. What is the present price, and the present yield? Could the hon. member just go back to that? What is the quoted price and yield?

Mr. Philbrook: As I said, at present the bonds are trading at a price of about $50.75 for a yield of 8.02 per cent to maturity.

However the motion is resolved, I think it is obvious that the time has come for these very valuable historical bonds, and I simply hope that the people involved, although they might not have the ideal solution, will be able to accept the government's proposal as a reasonably fair one under the circumstances.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on previous occasions when this matter has been debated we have spoken about it from this corner of the House as well. As a matter of fact my colleague, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), has taken a leading part in trying to get the government to do something about these perpetual bonds.

It still strikes me that it was one of the silliest things ever to write into a statute that a bond was to last in perpetuity. The other place where I know that word appears in a statute has to do with the Canadian Pacific Railway which promised to provide certain rail services in this country—passenger and freight—in perpetuity. If the word is not being lived up to by the CPR, I suggest that the holders of these bonds should not have to hold them forever, into all eternity, and then on to perpetuity.

I think all of us who have spoken up to this point support the principle or the spirit of the motion that is before us in the name of the hon. member for Don Valley (Mr. Gillies). There has been some criticism of one or two of his suggestions, such as that of putting an immediate freeze on the market value of the bonds. But even those who have said that, have come down very strongly for settling this issue. It is cliche to stand in the House and say, "Let us settle something once and for all," but when the hon. member for Halton (Mr. Philbrook) said it, I wanted to say "hear, hear" because I think he has already indicated that the change which was made a couple of years ago has not resolved it, and trying to shift the ownership of

these bonds has opened up room for speculation. That is my quarrel with the suggestion of the hon. member for Ottawa West (Mr. Francis) that there be a 1986 date. Any more dates down the road, I think, will produce further shifts in the ownership of the bonds and create a further opportunity for speculation. I think the time to settle it is right now.

The Minister of Finance (Mr. Macdonald) should take his responsibility and admit that the Liberal government in 1936 did not quite know what it was doing—that is par for the course with Liberal governments anyway—and redeem these bonds, working out a formula that pays the full value to those who have held them all the time and a lesser amount to those who have held them for a shorter period of time. I do not think we should try to resolve all the details here in this private members' hour.

● (1730)

I suppose it is too much to hope that the motion might pass just because the spirit of it is right, but I hope that all the voices which speak will be in favour of what is in the motion and that the government will pay some heed to that.

As I say, I welcome the strong stand which the hon. member for Ottawa West took on the matter. I forgive him for finding fault with one or two phrases in the motion, but he said one thing I wish he had not said, and that was that it probably is not the government which is doing it; that it is some civil servants. That surprises me, particularly coming from an Ottawa member. I hope civil servants do give advice to the government. That is what they are there for, but the final responsibility is that of the government. The final responsibility rests with the Minister of Finance, and I hope that in this case the minister will take his responsibility and, in the words of the hon. member for Don Valley, settle this issue, and in the words of the hon. member for Halton (Mr. Philbrook), settle it once and for all.

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, we have before us a motion proposed by the hon. member for Don Valley (Mr. Gillies). It looks like a very reasonable proposition. The hon. member made a short speech appealing to the sense of humanity of the government and of this House. He called on the government to do something. Then when he sat down the Parliamentary Secretary to the Minister of Finance (Mr. Kaplan) got up to ask him a few questions about the motion, questions which evidently have to do with technicalities and the major effects of this motion if it were passed, and at that point I could not believe my ears and my eyes when the hon. member for Don Valley refused to answer questions.

Some hon. Members: Shame!

Mr. Caccia: The hon. member is a frontbencher of the official opposition. The official opposition criticizes the government daily in its questions, and it feels it does not receive adequate answers. There is quite a difference between a private member's motion which is prepared carefully in due time and what goes on in the question period when the frontbenchers of the official opposition shoot questions at ministers without any warning.

A motion in private members' hour allows its proponent to prepare himself to answer questions. That is much easier than the task of ministers in the question period. In question period hon. members opposite expect adequate answers. However, here is an aspirant to the ministry in case his party might—God forbid, of course—be elected to govern, who refuses to answer questions about his own motion.

Mr. MacFarlane: Secrecy!

Mr. Caccia: This is really a very sad moment.

Mr. Knowles (Winnipeg North Centre): He didn't want to talk it out.

Mr. Caccia: Perhaps the only conclusion we can come to is that it is expecting too much of members of the official opposition to answer questions about their own proposals. Perhaps I am in error in attributing to them standards of performance which we on this side of the House apply every day as a matter of course when it comes to question period. Once in a blue moon an opportunity for us to ask questions of the official opposition arises, and today the most unbelievable thing has happened: our questions have been turned down or not accepted.

I wonder whether at this point there would be unanimous consent in this House to allow the hon. member for York Centre, the Parliamentary Secretary to the Minister of Finance, a second try. The parliamentary secretary is obviously a person who would have to justify the passage of a motion of this kind. He would have to have facts, and I presume those facts would have to be on the record. Perhaps he could be provided a second opportunity to ask the hon. member for Don Valley the questions he has in mind, and perhaps the answer could be put on the record so that we will know more about the effect and the result of a proposal of this nature.

Without wanting to stretch the point too far, it seems to me that this is the minimum required in any parliamentary exchange of thoughts. The proposal sounds reasonable, but when someone asks questions those questions should be answered so that a reasonably intelligent decision can be made on the basis of certain facts. I am sure there would be unanimous consent to permit a second try for the parliamentary secretary to ask questions of the hon. member for Don Valley about, I suppose, technical points with regard to the motion. I submit this request to you, Mr. Speaker.

The Acting Speaker (Mr. Turner): Order, please. The time of the hon. member for Don Valley (Mr. Gillies) has expired, but if he will accept the questions I will ask the House if there is unanimous consent to allow the hon. member for Don Valley to answer the questions of the hon. member for York Centre (Mr. Kaplan). Is that agreed?

Mr. Gillies: Mr. Speaker, the reason I am not answering questions is that we only have an hour to discuss this matter. I

do not want to have the matter talked out. I presume there is a willingness on the part of hon. members in this House to do something for the people of Canada, and I do not want to waste time answering questions.

Mr. Kaplan: Mr. Speaker, on the same point of order, it is very well to want all debate on the motion to be heard so that we can proceed to a vote, but is it not reasonable for the hon. member for Don Valley (Mr. Gillies) to tell some hon. members who do not understand some of the provisions of this motion what he means by them? It is one thing to talk a bill or resolution out, but we have an hour. That gives us a lot of time to consider the matter, and I think the hon. member ought to be prepared to devote four or five minutes to clarifying and explaining his motion to us, rather than giving us such a flimsy excuse.

Mr. Hnatyshyn: Mr. Speaker, I must say that to hear the Parliamentary Secretary to the Minister of Finance (Mr. Kaplan) admit bold-facedly to this House that he does not understand the motion is really an affront to this House. When he tells us that with all the resources, expertise and bureaucrats available in the Department of Finance he and the minister do not understand the implications of this motion, that is an affront not only to parliament but to the sense of decorum of this House, and I suggest hypocrisy has no place in the House of Commons.

Some hon. Members: Oh, oh!

Mr. Kaplan: Mr. Speaker, at this point I am rising to participate in the debate.

Mr. Ellis: Mr. Speaker, I rise on a point of order—

The Acting Speaker (Mr. Turner): Order, please. I would like to indicate to the hon. member for Hastings (Mr. Ellis) that the parliamentary secretary asked the hon. member for Don Valley (Mr. Gillies) if he would accept a question. The hon. member for Don Valley said no. Therefore the Parliamentary Secretary to the Minister of Finance (Mr. Kaplan) should proceed with his speech.

Mr. Knowles (Winnipeg North Centre): Obliged?

Mr. Ellis: Mr. Speaker, I do not intend to challenge your ruling, but when the question was put to the hon. member for Don Valley (Mr. Gillies), he very clearly said he would not answer it. With all due respect, Mr. Speaker, you clearly told the parliamentary secretary that that was on his own time, and I suggest he has started to speak twice on the same matter.

● (1740)

The Acting Speaker (Mr. Turner): Order, please. The hon. member for Hastings' (Mr. Ellis) question was refused by the parliamentary secretary; therefore the parliamentary secretary has his 20 minutes. The hon. Parliamentary Secretary to the Minister of Finance (Mr. Kaplan).

[Mr. Gillies.]

Mr. Knowles (Winnipeg North Centre): It is now 19 minutes to six and the hon. member has 20 minutes.

M. Bob Kaplan (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) began by being rather critical of the minister and myself because I asked for some clarification of the wording of the resolution. He made the assumption, I suppose that if there was something in this resolution that we could not understand, that was our fault. I would like to suggest that there are some problems with the resolution that make it difficult for anyone to understand who wants to look at it objectively and see what the hon. member for Don Valley (Mr. Gillies) wants to do.

The hon. member for Winnipeg North Centre (Mr. Knowles) pointed out that one should see the spirit of the resolution. Certainly I can see the spirit of it; I know what he is getting at but I cannot understand one part of it. I should like to read the resolution and indicate the part I do not understand. I should then like to make comments about the equity of it, the spirit of it, and why the government introduced the policy of redeeming the perpetuals in 1996 and not immediately.

As the hon. member indicated, redemption would not cost a large amount of money, certainly not something which would show in the estimates of the government. The point is that to redeem the bonds might do justice to a small number of people who are involved but it would do injustice to a number of other people who have been involved in the story of these perpetual bonds. I want to come to the story of the other people who have been affected by the perpetual bonds. The hon. member for Don Valley offers nothing to the people who have disposed of their bonds. It is a small amount of money, and if small amounts of money can buy perfect justice—and in a lot of cases they can—I think it ought to be done.

Mr. Ellis: Put forward a better idea then.

Mr. Kaplan: It would not be hard to put forward a better idea.

Mr. Ellis: We will accept a better idea.

Mr. Kaplan: The resolution reads as follows:

That, in the opinion of this House, the government should reconsider its decision not to redeem the 3 per cent perpetual bonds, issued in 1936,—

Then the hon. member introduced an updating of his own because since the time his resolution was formulated and submitted to him the government acted in a way which has affected the value of the bonds somewhat in favour of the people who hold them. The resolution continues:

—through a scheme whereby (a) original purchasers would receive full face value for their bonds (b) all other holders would receive payment for each bond according to the market price for the year in which the bond was purchased (c) that an immediate freeze be placed on the market value of the bonds to prevent speculation.

I have some trouble understanding what the point of (c) is. If, after all, the bonds are to be purchased by the government

at differential values depending on whether they have been held since they were first bought or have been purchased subsequently, then what is the purpose of the freeze? Presumably the bonds would cease to exist if they were to be redeemed and if they are redeemed they do not have any continuing market value. The holders and subsequent purchasers receive payment for them. When I read (a) and (b) I understand, but I am puzzled by (c) which reads:

(c) that an immediate freeze be placed on the market value of the bonds to prevent speculation

What further speculation is there to be in these bonds once the government announces it is going to buy them?

Mr. Ellis: Even the hon. member for Davenport (Mr. Caccia) can understand that difference.

Mr. Kaplan: I do not understand it. I asked for some assistance from officials in the Department of Finance. I take it from the hon. member's unwillingness to give an explanation that there is none. Why would we want to freeze the market value of bonds that are going to be redeemed if this resolution is adopted?

I indicated that to understand the equities of perpetual bonds one has to go back over the whole story which began in 1936 when the government of Canada issued $55 million of 3 per cent perpetual bonds at a price of $96.50 to produce a yield to first purchasers of 3.11 per cent in perpetuity. The issue was offered for cash as well as in exchange at par value to holders of a certain series of four year bonds maturing in 1936. A total of $11.3 million in bonds of a total issue of $55 million were issued in exchange for maturing bonds, and the balance was presumably purchased for cash.

The original certificates for the $55 million of bonds bore coupons providing for semi-annual interest. There were 30 years of coupon forms attached to the original bonds so that the last of the coupons would be payable on September 15, 1966. In 1936 the 3 per cent yield was considered relatively attractive because it provided a perpetual annuity on reasonable terms, so as a result it was broadly distributed. That was the first occasion and, I believe, the only occasion on which the government of Canada issued perpetual bonds. But there was a pattern of perpetual bonds, Mr. Speaker. They were an understandable security throughout the world of bonds. Similar bonds have long been an important part of the debt structure of the United Kingdom, and the hon. member for Don Valley aknowledged this. It was not some novel security never heard of before, but was well known in many countries. In 1935 about 60 per cent of the marketable outstanding debt of Great Britain was in the form of perpetual or undated bonds called consols.

The 1936 issue included a provision that the bonds could be called in whole or in part on 60 days' notice by the government at par any time after September 15, 1966, the date of the last coupon. If less than all the bonds were called by the government then the bonds to be redeemed would be determined by lot. Again, this call provision in a government perpetual security was a common feature of long maturity bonds issued by enterprises in the private sector. On the one hand, such a feature is intended to protect the bondholders from having their bonds called prior to the call date. This prevents the issuer from calling the bonds during periods of lower interest rates and refinancing them with bonds offering a lower yield.

In the case of the 1936 issue, the 30-year period did provide protection to the holders on those occasions when the bonds traded at prices exceeding the issue price. There were periods when they did trade at values in excess of the issue price. On the other hand, the right of the issuer to call provides protection to the country's taxpayers by permitting the bonds to be called subsequent to the call date should lower interest rate levels permit them to be refunded and replaced by lower cost debt. The 30-year call provision is therefore a trade-off between the interests of the lender and the borrower and, together with yield, constitute the basic determinants of the market value of a security of any given term. In September, 1966, new bond certificates were issued, with an additional supply of coupons attached sufficient for an additional 30 years. They replaced the 30-year-old bond certificates.

● (1750)

The perpetual bonds are marketable and their price is therefore determined by the play of market forces. Since they were issued, their market price has generally reflected changing levels of interest rates in Canada. For several years after the war the market price exceeded the issue price and, consequently, sellers of the bonds at that time could have and did obtain a capital gain. Within recent years interest rates in Canada and elsewhere have risen to much higher levels and the market prices of perpetual bonds, as for the vast majority of fixed interest obligations everywhere—I include government fixed rate obligations and fixed interest obligations issued by private sector enterprises—have, as a consequence, declined substantially below their issue prices.

At the end of 1976 about 45 per cent of perpetual bonds were held in bearer form. It is impossible to determine with any degree of precision which of these holders bought the bonds at the original purchase price, or at prices higher than the current market price. However, the balance of $30 million worth of bonds were held, at first issue, in registered form.

At my request the Department of Finance tracked down about half the number of bonds issued, namely, the registered bonds. They were held by 3,575 investors. Today, 1.3 per cent are held by investors who purchased the bonds at the time of issue in 1936. Those untransferred bonds are held by 109 investors, three of whom hold 60 per cent of the $379,000. Therefore part (a) of the motion, which calls for original purchasers to receive the full face value for their bonds, will apply to only 1.3 per cent of the total value of the issue. We are considering only the original bonds issued in registered form. Clearly, we are talking about a small amount of money. The hon. member is right. And we are talking about 109 people, a relatively small group.

Let us assume that the unregistered bonds have been held more or less in the same ratio. That would mean that we are

talking about, say, 200 people who have retained their bonds from 1936. Their bond issues would now be valued at, say, about $750,000. The hon. member wants to call our attention to the injustices suffered by those who have had to hold their bonds for such a long time. Naturally, bonds not held by the original issuees have been sold to others. Some of those buyers bought at prices higher than face value, and others may have bought at below face value. The motion goes on to call on the government to repay the difference to bond holders.

The trouble with the motion is that it only calls for justice for those who presently hold those bonds. If you are putting the case on equitable grounds you must ask, are the equities greater for those who still hold those bonds, that is, for those who bought them on the date of issue or bought them subsequently, or for those who sold the bonds? The question arises, should one feel more sorry for those who have held the bonds all this time, or bought them within ten or 15 years of issue, when the price was not the same as the present price, or should one feel more sorry for those who took big losses?

The hon. member for Don Valley in referring to those people acknowledged that they had probably taken big losses. But he spoke of people who still have those bonds in their portfolios. Perhaps the people who were forced to sell did not have portfolios. Perhaps they had to sell because they needed the money, not for investing but for living. If you want to approach this issue on equitable grounds, would you not also want to hear from those who had to sell their bonds over the years and were forced to take less than they paid? The motion says, nothing about that group. If I were to guess, I would say that that group of people might be far worse off, having suffered more from inflation, than the group which presently holds the bonds and to whose cause the hon. member has been recruited.

There is a broader issue to consider. The hon. member's motion calls for justice for one small group of people hurt by inflation. But many people in this country have been the victims of inflation, and they have not all been victims at the hands of the government—if I can put it that way. If the government could write a cheque, to redeem the damage done by inflation, that cheque would have to be for an extraordinarily large amount. The victims of inflation tend to be the aged, tend to be those on fixed incomes, tend to be the poor. If we are to begin remedying injustices and compensating for inflation, does the hon. member suggest we should begin with bond holders? Perhaps we should take the amount of money involved—whatever it is—and compensate for inflation by helping those in society who are the worst off. I know the hon. member would agree with me when I say that the bond holders in Canada, the holder of government securities, are not usually among the worst off. I could refer to many existing programs of the government which fight inflation and seek to compensate its victims.

The Acting Speaker (Mr. Turner): Order, please. It being six o'clock and the hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock p.m.

[Mr. Kaplan.]

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

EMPLOYMENT AND IMMIGRATION REORGANIZATION ACT

MEASURE TO ESTABLISH DEPARTMENT OF EMPLOYMENT AND IMMIGRATION, ETC.

The House resumed consideration of the motion of Mr. Cullen that Bill C-27, to establish the department of employment and immigration, the Canada employment and immigration commission and the Canada employment and immigration advisory council, to amend the Unemployment Insurance Act, 1971, and to amend certain other statutes in consequence thereof, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Whittaker: Mr. Speaker, when we adjourned the debate on Bill C-27 at five o'clock, I was speaking about the mobility of workers.

When employment conditions generally worsened in 1970, the migration responses to differences in income prospects became less significant, and the short-term income increases experienced by migrants became less favourable. Of course, while the migrant may benefit marginally from the move, the migration process contributes in a minor way to the structural problem.

When an unemployed person leaves a region, he takes with him his expenditures on locally produced goods and services, which to a large extent is financed from federal transfer funds such as unemployment insurance and general welfare payments. Through the multiplier process, his reduction in expenditures produces an unfavourable effect on the sending region's employment.

Under the new phase schedule, this effect might be mitigated by compensating for high unemployment. Regions with unemployment rates near, or slightly above, the national average will be much better off, whereas places like Vancouver and Victoria would receive only eight weeks of national extended entitlement and receive no regional extended entitlement under the present system. The three-phase schedule would grant these regions 14 to 20 weeks of regional extended benefits in those circumstances where the national rate is 8 per cent.

I am skeptical, at best, about regional adjustments wherein unemployment figures are compared to the national average. The example of the Canada Works allocation in my riding and the fiasco surrounding the additional allocations for materials, have not endeared me to the government's generosity. Regional manpower figures certainly do not jive with those used as criteria for eligibility; but then the minister has assured me that "other factors were used".

That specific criticism aside, I wonder about the wisdom and intent of using 8 per cent unemployment as a benchmark for computing benefits and schedules. While this does not seem overly optimistic on the government's behalf, I suppose it is only realistic. Faced with the possibility of such a rate, the government must consider the ramifications. The financial impact of the new three-phase benefit structure at that rate will be, unfortunately, minimal. The logical course then is not only to try to minimize the losses, as this proposal thankfully does, but to attack the source of the problem—a sagging economy.

● (2010)

We know, for instance, that the pulp and paper industry is suffering. Sales started to recover in early 1976, but by mid-year demand was dropping. There was a price increase announced for July 1, 1976, and publishing companies responded by placing large orders early in the year and were fully stocked before the increases took effect. So we need new markets.

The construction industry association in British Columbia has indicated that, while there is no shortage of workers, the level of construction by private enterprise will be very low this year. This raises the cost of housing. Paradoxically, a high cost of housing is translated by the Department of Manpower as a sign of a healthy regional economy and disqualifies a riding from Canada Works funds. So less jobs are created, the price goes up even further, and on and on until about 21 per cent of union carpenters and labourers across British Columbia are collecting unemployment insurance. The government might suggest work sharing to ensure that their incomes be higher than U.I. benefits and that they don't lose their skills. The unions don't look too favourably on the idea, and seniority tends to affect the sharing scheme.

Fortunately, I can speak today with the benefit of the findings of the comprehensive review of the unemployment insurance program in Canada tabled earlier. It suggested further areas of study which I find to be the real crux of the issue and which the government has not had the courage to approach.

The extent to which the unemployment insurance program facilitates productive job search and speed in return of unemployed persons to productive employment relevant to their skills was one area. It cannot be argued that we do not need a program to insure against temporary loss or wages. But disincentives to work are inherent in the scheme, and the lack of an effective job creation and job search program only aggravates the situation. The labour force experience of the covered population has to be monitored. A more ambitious analysis of claimant behaviour before, during, and after a claim is necessary to evaluate the effects of the U.I.C. program in meeting its twin objectives of providing adequate income replacement and helping workers to a rewarding and stable employment.

After all, the effectiveness of the U.I.C. program depends on government's over-all social and economic policies and, in particular, on manpower policies and programs. We need policies to alleviate the problems, not some mechanical reaction to statistical quotations and budget estimates. We have to re-appraise the unemployment insurance, not only because it is costing too much but, because it is the wrong approach, it is a defensive reaction rather than an offensive assault on unemployment itself.

It is inhumane to threaten Canadians, to threaten to cut them off insurance benefits without promising to engage in job creation programs. It is demoralizing and damaging to the work ethic to charge so many Canadians with what amounts to fraud. We on this side of the House are the first to admit that there are rip-offs but these can and are being controlled at the administrative level. What we should be discussing, what we should be planning, are alternatives to unemployment, not alternatives to the insurance scheme.

It is frustrating for unemployed Canadians that nothing is being done. It is doubly frustrating for young Canadians contemplating post-secondary education to know, before they begin, that chances are poor of having the opportunity to apply their acquired talents. Those individuals have to be encouraged. We can't cop out on them now. They need and should be rewarded with a new budget which takes into consideration all the ills of our economic environment, and that addresses itself to these by providing stimulants. We need sales tax cuts and promotions for the housing industry. Industries should be encouraged to reinstate research and development programs. They should also be encouraged to locate in areas where unemployment is at its highest.

These approaches would cost, in the long run, less than trying to support close to a million people on transfer payments, because employment not only reduces the cost of the insurance scheme, it helps the economy get rolling again. Instead, we know that new capital investment will be down in Canada this year. We have to make every effort to recreate a climate of confidence in Canada or we will continue to see the great potential of this country wasted.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, the introduction of this legislation is certainly timely, if only because it gives us an opportunity to discuss the unemployment insurance program, something which has become a major factor in our economy and, indeed, in our performance around the world.

I thought there were significant implications contained in the comprehensive review of the unemployment insurance program tabled in the House. It drew attention to the fact that expenditures on unemployment insurance are the equivalent of about 10 per cent of the total federal budget and 2.1 per cent of the gross national product. It is evident that the over-all

economic and social impact of the program can hardly be underestimated, and its administration is of corresponding importance.

Unemployment insurance has come a long way since the thirties when the concept was to provide some sort of basic insurance against unemployment. While in its earlier days the provisions of the act constituted, for the most part, a true insurance program, the present act is obviously filled with items such as income maintenance, social welfare and other benefits, including "job creation" and so on.

With the bill before us, the government is putting a few patches on the act, proposing, among other things, that 50,000 people should be cut off the unemployment insurance rolls at a saving to the government of $110 million a year. The cost of the program today has certainly escalated since the days when Mackenzie King first introduced it. The estimate, then, was $70 million a year, whereas now the scheme runs through $70 million in a week and a half. Over the years a great deal of welfarism has crept in, the most obvious example being the provision for insuring groups with intermittent employment opportunities, for example, fishermen who, being self-employed, should not have been covered on any insurance basis. There is no doubt that fishermen should have a program available to them, but it would not be easy, as I understand fishermen, for them to be covered by an insurance program. I understand from conversations with many maritimers that if the fishermen were covered by some other program the statistics would not be nearly as bad, and the assessment of programs could be made on a sounder basis.

These new costs sent the fund into bankruptcy in the 1960's. The Gill Commission suggested that the fund be restricted to insurance purposes and further proposed that everyone, not just groups at risk, should be called upon to pay for coverage. The extension of coverage along these lines was obviously an important feature of Mr. Mackasey's reform of unemployment insurance in 1971.

Presumably Mr. Mackasey believed his new system was sacred. It has already been tinkered with. Last year people over 65 were dropped from the rolls. In addition the federal treasury was relieved of $600 million which was transferred, through a pay roll tax, to employers and employees. This year it is proposed to chop at the other end. People who work for less than 12 weeks may not claim benefits. This, I might point out, is in itself a departure from the insurance principle. The government takes money from these people, through deductions, and gives nothing back.

● (2020)

The diverting of money from the fund to a work sharing scheme is certainly not part of the insurance principle. No plan will ever be perfect, but the most serious criticism of the attempt to reform the unemployment insurance system is that it still leaves an element of welfare where needs are financed by a regressive tax which tends to hit the low income people harder than those of high income.

[Mr. Ritchie.]

The changes last year concerning the moving average system of deductions increases the employer-employee share to a higher and higher level, so that eventually the whole system will be borne by the employer-employee and the cost to the federal treasury will diminish to nothing. Indeed the thought arises that deductions would be so great that a system of contract might even replace wages, which seems to have been happening. I think this is an important observation because, since the government is going to transfer money to certain groups for a scheme, the cost of which is entirely borne by the employer and employee, with the government not putting in any money of its own, we could be in serious difficulties.

As a parliamentarian, and having observed the workings of unemployment insurance in 1971, in my opinion two main things have happened. The first was that the benefits were greatly increased over their pre-1971 level. As I recall, the level of benefits in 1971 was approximately 41 per cent of the average weekly wage, with many benefits as low as 30 per cent. The highest was slightly over 50 per cent, but even then the individual had to be in the low income brackets and have numerous dependants. Since the 1971 legislation it has been obvious that the program has shifted drastically from the insurance principle to income transfer, through the combination of welfare coverage, greater benefit entitlement, and federally financed extended benefits.

As the comprehensive review of the unemployment insurance program asks, should unemployment insurance play an increasing role in the redistribution of total income maintenance and in the government's over-all social and economic policies? In other words, should only those parts of the country that have a strong economy support those regions that have a weak economy? Certainly this is happening at the present time. Does this practice over a period of time merely perpetuate discrepancies and allow individuals to have as good a living and standard of care in one part of the country as in another, particularly when substantial groups of people do not need to work compared with those living in other parts of the country?

A study of the relationship between cost and employer-employee benefits and deductions shows many interesting things. For example, in 1974, the last year for which I have figures, citizens of Newfoundland received benefits of $114 million, with deductions of $26 million. Nova Scotia received benefits of $93 million, with deductions of $50 million. New Brunswick received benefits of $105 million, with deductions of $39 million. Quebec received benefits of $740 million, with deductions of $408 million. Ontario received benefits of $609 million, with deductions of $669 million. Manitoba received benefits of $49 million, with deductions of $71 million. Saskatchewan received benefits of $46 million, with deductions of $44 million. Alberta received $66 million, with deductions of $123 million. British Columbia received benefits of $281 million, with deductions of $178 million. Total benefits paid were $2,115 million, while deductions collected were $1,600 million. With an additional cost of $150 million for administration, the total cost of the plan was almost $2,300 million. In other

words, $700 million had to come from the federal treasury, or out of general revenue.

Assuming that citizens in all parts of Canada paid approximately the same in tax, it is obvious that there has been a shift of money out of the prairies and Ontario to Quebec and the maritime provinces, while British Columbia broke about even. As one who comes from the prairies, I know there are many people in my area who leave for greater opportunities in British Columbia, where wages are considerably better and work opportunities greater. In short, in a province with primarily a high agricultural base, a number of its working force do quite poorly in terms of benefiting from unemployment insurance. They have to pay large amounts toward general tax revenue, but since they are a self-employed group they are not able to partake of the many benefits of the plan.

The review discusses the fundamental alienation of adequate income protection and work disincentives, and I think this is the central core of the whole program. All members will remember the large number of claims that were brought to their attention once the new act was introduced. I am sure many hoped, as I did, that as the program began to work itself out calls on individual members would settle down into some kind of regular pattern. This, in my experience, has not happened, and I think it has not happened because of the definition in the act that, in order to collect benefits, a claimant must be actively seeking work. Obviously this condition is very difficult to define, especially in rural areas.

Many people in my area have been cut off unemployment insurance because, in the eyes of the unemployment insurance officer, they did not have adequate transportation. Immediate job opportunities are often sparse in rural areas. The question arises whether or not rural workers are not disadvantaged, as it is much more difficult for them to prove they are looking for work than it is for those who live in cities.

Again, Mr. Speaker, I have been struck by the fact that I have little trouble with workers who belong to large corporations or large unions. These people seem to have a much easier time proving eligibility for unemployment insurance than those who work in less organized industries, particularly casual workers on farms, small company employees and so on. Where a claimant receives benefits it is, in large measure, a kind of lottery in that one has to make the right answers on the right form.

Naturally, Mr. Speaker, the decision on whether an individual receives unemployment insurance rests with the unemployment insurance officer. With this in mind, the amount of money paid out by the UIC depends on what a specific officer thinks of a specific application. I think this is the weakness of the plan. It does not appear to be fair and is not fair to many recipients.

There is no doubt that there is a large element of cynicism about who should receive benefits. The tribunal that was set up to guard against this does not seem to be very effective. In the past I advised applicants in my riding to appear before the tribunal to state their case, even though they may have had to travel 200 or 300 miles to do so. Judging from the actions of the tribunal, in my opinion they have always supported the unemployment insurance officer; as a result, I have quit advising people to make the journey because it is almost certain that the tribunal will find against them. Indeed the tribunal seems to go out of its way to make things difficult in some instances. For example, claimants have received a notice to appear after the date that was set for the hearing. In fact tribunals have themselves been doing their bit to clamp down on unemployment insurance by virtually always agreeing with the unemployment insurance officer.

Another important aspect is what effect unemployment insurance has on the work ethic, job attentiveness, and so on.

● (2030)

We hear much about the fact that people should have rewarding and fulfilling jobs, whatever that may be. Much of this would indicate that the necessity to work is not related to productivity or to doing a job that society finds useful. In effect most jobs are boring and unrewarding to the spirit, but there is little we can do about it. Life is like that. During the war an army selection group was supposed to put the square pegs in the square holes and the round pegs in the round holes, but as the war progressed people could neither be placed in positions they wanted nor could positions be found to suit them. At one time 90 per cent of the men had to go into the infantry because that is where the losses were the greatest.

When you consider Table C-5 of the comprehensive review which indicates that work shortages accounted for only 27 per cent of the lay-offs while voluntary separations amounted to 41 per cent, it is certainly interesting to note that of most people who quit their jobs only 25 per cent did so due to lack of work. The table also indicates that of those who quit voluntarily many did not make claims.

There are some interesting comments on disqualifications and disentitlement, one of them being that females have a significantly higher incidence of disqualification and disentitlement than males, regardless of insured weeks or dependency status. In other words, it appears they quit their jobs without any just cause in the eyes of UIC.

In Table C-15 there is a most significant factor in assessing the over-all effect on unemployment insurance. It indicates that only 26.8 per cent of males who received benefits had dependants, while 37 per cent who received benefits had no dependants. This was also significant with regard to females. Only 1.7 per cent of females who received benefits had dependants, while 34 per cent who received benefits had no dependants. In other words, of the total number of claimants, 71.5 per cent were single—or at least had no dependants. Further statistics showed that there was a significantly larger number of claimants under 25 years of age than people of that age in the work force, which is to be expected.

All of these facts should be a lesson to us, or at least an assessment of the way in which things are going. If only 27 per cent of job separations are due to shortage of work—and I doubt the number is that high because certainly most private employers, even when the job separation is voluntary, make

out certificates indicating that there is no work available in order to enable the claimant to make his claim earlier—it certainly seems significant that almost 72 per cent of the claimants are single so far as the income tax is concerned. In other words, these single people in the labour force—at least single so far as income tax is concerned—did not worry too much about job separation and must have left their jobs because of personal reasons, unlike those who have dependants.

The question arises that if 66⅔ per cent of the average weekly wage is not too great a sum for single people—at least if we are to maintain the spirit of the UIC Act—then I believe that the crux of the problem is the benefits obtained by single people under this legislation. In fact in a country with our cold climate, if an unemployed person is to receive 66⅔ per cent of his wage in unemployment insurance benefits, there is some truth in supposing that many would consider themselves as well off not working, especially when the job entails working outside in cold weather, buying expensive clothes and working in unpleasant conditions. There are also complications with cars which refuse to start in cold weather, and other such difficulties resulting from the cold climate. We are all entitled in a free society to make the best we can in the circumstances, and I imagine that there are always some people in any society who arrange things in such a way that they do not have to work as hard as their fellow workers. No one, least of all myself, disagrees with their right to do this, but I think the question is whether or not they should receive equal remuneration for less work.

Another area that brings unemployment insurance into disrepute is the fact that the program makes little allowance for the dollars earned in any one year. With wages as high as they are now, particularly in certain industries, in a few months a person can earn $10,000 to $20,000 and yet draw unemployment insurance for a substantial portion of the year. Meanwhile there are many people who toil for a much smaller total yearly return, who are never unemployed, and who never draw unemployment insurance benefits. These people become very discouraged and resentful because they feel the system to be inequitable when deductions from their wages go to pay unemployment benefits to people who make a great deal more money than they themselves do because their jobs are seasonal.

Unemployment benefits should certainly be related to the total yearly earnings, and perhaps methods should be considered whereby the unemployed, particularly those in lower income groups, could have their deductions reduced or eliminated if they are unemployed for a number of years.

In my opinion benefits amounting to 66⅔ per cent of the previous wages are too high for claimants with no dependants. I think a good case can be made for claimants with dependants receiving this percentage of wages. I believe there is substantial evidence that when benefits amount to more than 50 per cent there is an abnormal call on the benefit structure. This is certainly true in the case of unemployment insurance related to job separations of many millions of people. Such a benefit structure plays a large part in encouraging excessive work changes and separations without just cause, at least causes other than the unavailability of work.

With regard to the change of the eight to 12 weeks I have mixed feelings, but certainly I think the old requirement of the eight to 16 weeks was far too generous. However, if a person pays unemployment insurance for eight to 12 weeks and then receives no benefits at all, he or she is unhappy, and it certainly seems unfair that they should not be able to receive some benefits for their contributions. Certainly they should not be able to receive the extended benefits received by those with a real attachment to the labour force, but it is debatable whether they should have nothing for their deductions.

We should consider the circumstances in our cold climate where much of the work is seasonal, and students are not entitled to benefits because they cannot qualify. This raises an issue which I think should be considered. Some of these people can only work for a few weeks and they will not be able to claim the benefits, so they should have no deductions from their pay.

The effect of this bill will be to reduce the claims on the unemployment insurance fund, but it will certainly not cure all the problems. The allocation of moneys for the partial payment of wages does not seem to be in keeping with the insurance principle. It does not attack the problem in the benefit structure which seems to encourage unemployment, particularly in the younger age group. On the national level it seems to create the problem in that regions with a high unemployment rate continue to have that high rate of unemployment. Furthermore, job mobility from one region to another will not be discouraged by high unemployment insurance benefits.

It might be wise for the government to bring forward some statistics along the lines produced in the comprehensive review showing whether or not job mobility from one region to another is being discouraged by high unemployment benefits and, if so, to what degree. There are still a good many unanswered questions in this legislation, and I hope the minister will provide some answers in committee.

● (2040)

[*Translation*]

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, I think that when this government wants to sell a rather shoddy or questionable product it usually tries to package it together with some good which, at least apparently, looks more palatable. That is how I feel about Bill C-27, establishing the department of employment and immigration, the Canada employment and immigration commission and the Canada employment and immigration advisory council; a department, a commission, a council, it looks merely like a rearrangement of already existing institutions.

If all this commotion, this jumble of re-definition of terms of reference and structures, on both national and regional levels, were really to do some good to the country, I would certainly support the bill. Of course, a small army of officials has already spent a long time studying this issue. Some well-paid

officials would have been more productive trying to solve our present problems instead of devising new structures which would clear up all difficulties. However, I would take a chance to support this part of the bill, not without strong reservation. I shall return to this later on if I have time.

For the moment, I want to come back to my preliminary comments on the title of the bill dealing with the reorganization of government services and also with the working labour force and is aimed at amending the Unemployment Insurance Act of 1971. It is on that part of the bill that I wish to make a few comments. It is also to that part of the bill that I referred at the beginning when I spoke about a shoddy product packaged with a palatable added as an appendix to be shaken off.

Everyone in the House knows that there are some people in this country—and by this I mean employers—who openly condemn unemployment insurance and pay wages which hardly reach provincial minimum wages. For such employers, the removal of unemployment insurance would be just like giving them carte blanche to take unfair advantage of a captive and poor labour force ignorant of their rights and the legislation. There is also another group of employers who can live with the Unemployment Insurance Act, but only to a certain extent.

The law allows them to make the best of difficult situations, generally to their advantage and at the expense of the employee. It is a way for those employers to get their activities subsidized. It is also a convenient way to free themselves of their social responsibilities and to pretend at the same time that they have a social conscience. That kind of employer consciously takes advantage of the system, and let nobody try to have me believe that only workers abuse the unemployment insurance system, when there are abuses.

The kind of employers I am referring to often take advantage of a slow period or a temporary or seasonal decrease of activity to lay off employees they should keep come rain or come shine. Those people simply say: "Society will take care of them, if they just apply for unemployment insurance." That is the reaction of those masters with little conscience.

I should point out that those two types of employers, that is the one who rejects unemployment insurance totally, and the other who accepts it because of the egotistical advantages the system provides for business and profits, those two types of employers can go into the same bag. Both refuse to recognize the right of their employees to organize into unions to protect their interests and will lay off any employee of theirs who talks about labour association. And it is not suprising that the employers of this type are found very often in areas of generally high unemployment. I could state names, but I shall not take advantage of my privileges as a member of the House to do so. However, I shall mention them outside when the time comes, Mr. Speaker, as I have already started to do.

And yet, when do we hear about these bad employers who abuse the system? Most of the time we hear about the small wage earner who can neither defend himself nor make use of the media to present his views. Apparently it is better not to mention these bad employers who hurt small wage earners who are defenceless.

If I have mentioned these two cases, Mr. Speaker, it is because I want to get rid once and for all of all these stories about workers who are supposedly taking the system for a ride. It is unfair on the part of the news media to spread these stories and to make generalization from exceptional cases. Rather, let us talk about employers who force some of their employees into ambiguous situations where often the weakness of human nature prevails.

It is unfortunate to use this bill to reduce the revenue of the poor, for such is the effect that this bill will eventually have. And at this very moment, Mr. Speaker, most of the workers do not realize all the implications of this bill. They do not realize that they will be the victims three months, six months, two years from now whenever this bill will be enacted, if ever.

I do not like this legislation and I say so quite frankly, I do not like it being introduced along with a measure of administrative reorganization. I can support the first part, which is not perfect but which has undoubtedly become necessary because of the defects in the old organization and particularly because of the lack of integrated services to the working force over the years.

● (2050)

Last Thursday evening, while driving home, I listened to a review of the area press in the Atlantic provinces. It was a CBC broadcast and the commentator who was reviewing some press reports said at one point that the government had been forced to amend the UIC Act to calm down the outcry raised particularly in Ontario during the last general election.

I cannot believe, Mr. Speaker, that this is so. Oh, we all heard those self-righteous voices during the last general election as well as during the previous one asking the federal government to cut down unemployment insurance and force the people to go to work. If this is the situation the commentator was referring to last week, he was probably right in guessing that the government simply wanted to improve its electoral position with an eye to the next general election, but never would I believe that measures that have proved beneficial until now and have dealt with a situation in our economy that had to be corrected as it has been since would be abandoned.

I warn hon. members from Ontario, the province from which rose the outcry. Regardless of the side of the House on which they sit, it seems to me it is their duty to explain to their electors—and perhaps I could make the same request of hon. members who come from more privileged areas in Canada—that there are areas in Canada whose rate of growth is still lower than the national rate. It is also their duty, as I see it, to counterbalance what the press reports about the few persons who abused the unemployment insurance system. Is that any reason to punish everyone by reducing, across the board the number of weeks giving entitlement and benefits? To my mind, that is a blow to the poor worker who cannot defend himself.

It is difficult for city dwellers—and in this, I am not making a personal reference to the colleague who sits across from me this evening—but it seems to me it is difficult for people who come either from Forestville or Westmount to understand or try to imagine the situation a family head, father or mother, without work, as there are some now in my riding of Madawaska-Victoria where a number of work activities producing employment depend essentially on the seasons, and where the difference between work and unemployment depends on outside factors and decisions more often than otherwise than on the will to work of my elector.

As several hon. members said before, it is not a matter of working when we feel like it and then taking holidays at the expense of the Unemployment Insurance Commission. When there is work in Madawaska-Victoria, people work! They are eager to work! Whole families, for generations, have gone into exile in the United States to respect their right to work, to earn the daily bread on their table, to feed their children and send them to school. And even today, in my province of New Brunswick, many citizens leave their city, their town, on Sunday night, to go and work in Saint John, in New Brunswick, and come back home late on Friday night or early Saturday morning.

Those people want to work, they go where they can find work. However, there are limits, Mr. Speaker; some people cannot travel. Some people have too many local obligations to be able to sacrifice everything to a rather temporary job. Unfortunately no mention is made of such situations.

There is very little industrial decentralization in favour of underdeveloped areas in spite of the considerable effort made by the present federal administration which provides for loans without interest, subsidies for manpower training and many other programs. Indeed the government decided a bit late to decentralize their own operations, which is an excellent move. Far be it from me to try to minimize the important part played by the Department of Regional Economic Expansion since 1969. I give them very high marks because they tried to improve the regional economy of the Atlantic provinces in particular. However, I give the highest mark to those industrialists in the Atlantic region who took full advantage of the DREE programs to create temporary and permanent jobs in our part of Canada. But I have yet to see, except for some very rare exceptions, the private sector of central Canada, of the very prosperous city of Toronto for instance, send us industries and take advantage of the benefits offered by the Department of Regional Economic Expansion.

I am quite aware, Mr. Speaker, that we are discussing the unemployment insurance plan and the reorganizing of federal employment services. Yet, it is difficult not to mention the Department of Regional Economic Expansion in that context, and I seriously wonder if the reorganization went far enough, if some components of the reorganization of the Department of Manpower, as we know it at the present time, would not have made more sense being linked with some of the Department of Regional Economic Expansion whose main task is to create and promote creation of new industries in the Atlantic area.

However, if we have missed the boat this time, we must hope to get on board later on. We must achieve not only a better coordination of components within the Department of Manpower and Immigration and the Unemployment Insurance Commission but also better relations between this and other government departments.

Mr. Speaker, I am not in the mood to support the amendments to the Unemployment Insurance Act as contained in this bill. Tonight we talk about the principle in general. I deliberately avoided going into details; I hope I will have that opportunity further on at the committee stage or when the bill comes back to the House, if we are not successful in having some amendments passed. Several times in the last few months, I examined that question, not individually but with several of my colleagues, and I must admit quite frankly tonight that I do not have a clear conscience about the bill as it is now presented. I cannot say all I have to say, but I only want to express what I think is the concern of many of my constituents, many citizens from New Brunswick and even from the entire Atlantic region. And I will have the opportunity, as I said earlier, to come back to that matter.

[*English*]

To conclude, Mr. Speaker, I should like to refer briefly to a fairly thick document received a few weeks ago entitled "Comprehensive Review of the Unemployment Insurance Program in Canada" published by the Unemployment Insurance Commission. This study, said to be the first of its kind, was done with the help of official departmental experts and a number of outside consultants. It is presented as the first major analysis of the impact of unemployment insurance on Canadian society and economy.

The study is, if I may say so, rather non-conclusive in many of its conclusions. One of the statements which has drawn my particular attention is found in the concluding observations on page L-8, and I quote:

> It should be noted that the review did not examine the more beneficial socio-economic impacts of UI, such as maintaining dignity, supporting a skilled job pool, etc.

Goodness knows what they mean by "etc.". It is beyond my comprehension that the document which is presented under the guise of the first major analysis of its kind would leave out such a fundamental concern as the one I have just referred to, that is, "the more beneficial socio-economic impacts of UI, such as maintaining dignity, supporting a skilled job pool, etc."

It is for these two reasons that I cannot go along with the bill as much as I know of it and as much as I have read about it. Perhaps I am a slow learner. I do not have the legal training of the super experts who have made statements on the bill. In certain respects it is a jungle. Only an experienced lawyer can make his way through the mumbo-jumbo of some of the propositions of the bill. But one thing hits home, openly and directly—the small worker, the small man and his family, will be adversely affected by some of the clauses modifying the Unemployment Insurance Act. I do not like that.

● (2100)

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I am pleased to have the opportunity to make a few comments on the legislation before us. At the outset, I would like to say that I have followed very closely the speech made by the hon. member for Madawaska (Mr. Corbin) who, in my opinion—

Mr. Corbin: Madawaska-Victoria!

Mr. La Salle: —Madawaska-Victoria, granted, who, in my opinion, seemed concerned about this legislation. He said that his fellow citizens are also concerned, and I believe that on the government side, there are also other members who are as concerned as he is. I would hope that, like the previous speaker, they will have the courage and the candour to point out to the minister the concerns and dangers involved in this legislation.

It is true that reference is made to restructuration and reorganization. It is also true that this is an experiment, and since this government has made several such experiments in the past decade but not always with the anticipated results, I believe, like the hon. member for Madawaska-Victoria and this side of the House, that we have every reason to be concerned and to entertain serious doubts about this new experiment of the government and the minister. Moreover, when considering the bill before us one might well wonder why the government had to introduce such legislation. About two weeks ago, I said in this House that the government was much more willing to introduce social measures than to create jobs, and in view of its numerous failures, I feel we have been very generous towards unemployment insurance and other social measures.

Today we want to apply a certain rigidity, which we did not dare do a few years ago, and as it then seemed to be a makeshift or a short term solution which is now turning into a long-term solution, we are forced to back up to a point where we will embarrass thousands of Canadians. Given this legislation which requires 12 weeks instead of eight for claimants to qualify, it is clear in the present context that the period was never so ill chosen to introduce such a bill.

Perhaps a measure of this kind could have been introduced a few years ago but they waited for years and years. At the very moment when specialists forecast an increase in the rate of unemployment for 1977 we are presented with a legislation that will in effect send thousands of Canadians directly to welfare offices without considering—and perhaps the government thought about it—that the provinces are responsible for the additional expenditures for people they will help financially because they are no longer entitled to unemployment insurance benefits. We believe, of course, as the government does, that work incentives must be put in—we agree on that—but I do not think that the period was well chosen to introduce such a legislation.

And there is absolutely no concern about those areas facing great difficulties with that plague called unemployment. Thank God, an amendment will be introduced in due time to ask Parliament at least to enforce that minimum qualification period of 12 weeks only in areas where the unemployment rate does not cause too much hardship. We hoped, of course, to have the support of a majority in this House considering that I think this amendment is quite humane and quite logical in view of the economic context in which we find ourselves if we seriously want to avoid the worst from the results of this legislation.

So, as I was saying, Mr. Speaker, in the absence of adequate policies to create jobs, they managed to introduce measures to keep people on unemployment. Indeed, I repeat that the Prime Minister did warn us that we would have to get used to a rate of unemployment that was at the time much lower than it is today. But when we talk of about one million unemployed in this country I seriously wonder, Mr. Speaker, whether that is really the best time to introduce such a legislation. Once again, it seems that the government could not care less about the amount of money the provinces will have to pay to these persons, once they will be on welfare. I think we will find other short-term solutions. One hears of course of all the savings which will be made on the cost of the programs and which will be used to find all kinds of new policies to help raise our productivity and create job training or job creation programs. But, Mr. Speaker, the government has already adopted similar policies through its Canada Manpower Centres with a certain success but this did not prevent unemployment to increase in Canada to the present high level.

I think this is the very moment to invite the minister to weigh seriously the effects that the enforcement of this legislation could have, particularly on the most disadvantaged areas, and when I say disadvantaged I mean the areas where the present rate of unemployment is totally unacceptable. To think that all people who draw unemployment insurance benefits are not seeking jobs is totally wrong. In the area I represent, I met this morning with some union representatives and I had the opportunity to discuss with them and with journalists who are seriously studying the situation in my constituency where the rate of unemployment seems to be now around 10 to 13 per cent, a rate which we had never seen in this area before. There is a great deal of concern there about this legislation.

● (2110)

I do not know yet to what extent this legislation now before the House will not be implemented. Under normal conditions, I would be in complete agreement with the minister. If we had a reasonable unemployment rate, I would fully agree with the government. But the hon. member for Madawaska-Victoria (Mr. Corbin) referred to the concerns, the dangers and the hardships that such a legislation would cause, and I think that we, on this side of the House, have been quite outspoken on this issue.

Are these comments enough to make the minister realize the seriousness of the present situation? All this because the government failed to develop adequate policies and to have enough leadership to prevent us from facing a catastrophe.

Unemployment is the main disease of Canada. But once again, we have long said that the government has not had the foresight even to protect Canadian industry, which, in my opinion, if more courageous action had been taken, could have maintained a much lower unemployment rate than the present one.

May I also remind the minister of a flagrant injustice concerning this whole unemployment insurance policy? I want to mention it particularly because the government has already referred to and agreed to rectify an injustice, a monumental mistake that some officials made in December 1975 concerning people aged 65 who were declared ineligible for unemployment insurance benefits during the following year even if they did not find any employment. I would like to note that this concerns a group of people of which nearly 99.9 per cent had seldom received unemployment insurance benefits and who had been most proud and laborious for 40 or 45 years.

The decision made by the government in December 1975 rendered them ineligible for unemployment insurance if they wished to stay in the work force. Of course, when those people lost their entitlement to unemployment benefits and had to rely on their old age security pension, they naturally claimed benefits from their retirement pension plans, whether the Canada Pension Plan or the Quebec Pension Plan. They had no other choice, and since the officials had told them that it was all over, they applied for the Quebec Pension Plan. Recently, after a number of people complained about a vested interest, the government lost this case and it is now obliged to pay unemployment insurance benefits to these people. But in this case, in its own typical way the government has deceived these people of 65, stating that it would pay back only those who have not applied for retirement pension benefits. I know that when you claim benefits under the Quebec Pension Plan or the Canada Pension Plan, you recognize effectively that you no longer wish to work. But it is necessary to remind the House that if those people have applied under a pension plan, it is because they were deceived when they were told they would no longer be entitled to any unemployment insurance benefits.

In a most generous move, the minister is prepared to pay them back until they get the first pension plan cheque. But we all know, Mr. Speaker, that they would have been better off if they had received unemployment insurance benefits to which they were entitled. They have won their case. It was more interesting than claiming under their retirement pension plan. In order to eliminate this inequity, last week I moved a motion under Standing Order 43. It was rejected by my friends opposite. I was asking the government to agree at least to pay the difference between the retirement pension plan and unemployment insurance benefits to which these people were entitled.

And I hope the minister will take that opportunity to correct the injustice towards those senior citizens for whom we as members of parliament must have the greatest respect considering their age and their services to society. Is it necessary to talk about it for 20 minutes? I hope not, Mr. Speaker, but I think this is the most abominable action taken by a government against senior citizens. And I am sure that on the other side of this House some members agree with me and have already made recommendations to the minister to correct that unacceptable and indefensible injustice towards those senior citizens.

I do not know by what means I could defend that category of people, but as limited as they might be, I should not hesitate to insist that justice be rendered to those senior citizens manipulated by civil servants or by the government concerning a vested right. I find it absolutely scandalous that the government hesitates to correct completely an injustice. Of course, some people will tell me, that the situation will be partially corrected but we have no right to hesitate to correct completely a mistake made by civil servants and that the minister agreed to correct partially. The minister understands very well my view. If the minister has a minimum of human feelings, I think he can understand that those people are not only entitled to those allowances, but that they need them. I hope that those few comments and this appeal to the minister will be taken seriously and that eventually, and as soon as possible, the minister will announce, maybe tonight, that he will correct completely the injustice made by his own civil servants or his own department.

I also wish to mention that it might be important for the minister to consider a question that was put to me this morning, Mr. Speaker. I was asked if in the case of a person who normally would have been entitled to make a claim for unemployment insurance allowances and complying with all the criteria imposed by the minister, if the spouse could benefit from her husband's entitlement?

This has not been cleared up adequately. I have put this question to many persons who told me to put it to the minister since it seemed to bother him. It annoys me also but I believe that the government will respect the vested right of the widow whose husband was entitled to unemployment insurance benefits in 1976, regardless of the term, and will pay to her the benefits to which her husband was entitled.

Mr. Speaker, I will add also that the bill under study will probably annoy the farming community. In my riding as elsewhere in general, we know that there is a high manpower demand during the summer months. The claimant entitled to unemployment insurance benefits for a few months still will hesitate before accepting a summer job planting or harvesting if he is not guaranteed a minimum of eight weeks' work.

Obviously, the 12 week qualifying period will mean that thousands of claimants will be reluctant to work on farms next summer and they will possibly be called lazy but we must understand that if they do not work 12 weeks—and no farmer will want to guarantee them 12 weeks—they will surely not try to qualify for such employment next summer, since they are almost certain that it will be for only eight, nine or ten weeks. Such a situation not only prompts this type of worker to claim unemployment insurance but also annoys our farmers who do not have the help they need. They will lack workers and face enormous difficulties. I wonder whether we should not be

seriously considering other similar categories. It seems to me that farming already has enough problems and difficulties. After federal policies have hit the dairy industry, is this the time, Mr. Speaker, to impose new problems on our farmers?

I wonder whether serious consideration was given to the implications for our farmers and producers. It is my hope that at the committee stage, amendments will be put forward to avoid hindering more people, to make this legislation positive. I feel it is my duty as a member to express these concerns, and as I said I am very much pleased that an hon. member opposite is worried by the bill and flatly stated he was not prepared to support it tonight. He hopes as we do that certain amendments may remedy the weaknesses. I will spare the House with data that were so aptly referred to by hon. members before me.

I commend the hon. member from Hamilton who stressed the need for an amendment in favour of areas now facing tremendous difficulties, and in my view the government cannot refuse to consider the amendment we will be putting forward. It is also my hope that the government, the minister in charge will remedy as fast as possible the injustice done to people 65 and over. This is the main item I wanted to bring to the attention of the House. I will conclude with the hope that the minister as I said will seriously consider my remarks as well as all remarks and recommendations that have been and will be put forward by my colleagues.

● (2120)

[*English*]

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I do not intend to take up the time of the House for long. I must say that the measures which the government has introduced to tighten up the unemployment insurance provisions are not necessarily measures I would oppose, given a different economic situation, given a different approach to the question of unemployment. But since we start this debate with unemployment at 8 per cent, perhaps 11 per cent in real terms, it seems to me the government continues to put the cart before the horse.

It is the duty of any government worth its salt to provide work for those of its citizens who wish to accept it. The present government and the government before it have failed appallingly in terms of their obligations to the citizens of this country. Let me say this: it is also the duty of all the citizens of this nation to accept work. I do not believe for one minute that we are a society capable of lying around in parks and dreaming while making this a worth-while community. If this House would accept a reciprocal ethic, one which says we have an obligation to provide work for the citizens, and that the citizens have an obligation to accept that work, we would not need this bill and we would not be sitting here arguing and worrying about the deficit in the unemployment insurance fund. We would then have a society which was starting to build together, a society with a common purpose. Therefore when I deal with the specific provisions of the bill I do not want to sound like a dog in the manger.

I want to tell you, Mr. Speaker, that an NDP government does not like people cheating on unemployment insurance any more than anybody else does, and that we would be just as firm in making sure that the rules were obeyed. But I also want to tell you that in the constituency I represent, New Westminster, in one week in January 1,500 people showed up to get their unemployment insurance claims in. These were not people who were skiing out on Whistler or flying to Hawaii. They are not cheats. They are genuine, ordinary people, people this economy has failed. They want to do something productive. They do not want to sit around and loaf. To suggest they do, is a myth propagated by those who do not understand the nature of the Canadian people.

Not only did 1,500 people apply for unemployment insurance in my riding in one week in January, but in one trade alone, that of carpenter, 450 people registered as unemployed. No less than 450 carpenters, heads of families, were unemployed. Why? One of the reasons is that the OFY, LIP, Canada Works, Youth Works programs, you name them, are starting to take over some of the jobs they used to do, and instead of paying carpenters' rates they are paying lower rates for the same jobs.

Carpenters do not want to go on unemployment insurance. They want jobs. They are in the hiring halls every day but they are not called. They are not called because the government will not embark on capital projects to put them to work. We used to have a winter works program, not make-work, but real work. We could even now put our municipalities to work. I am pleased to hear the hon. member for Vancouver-Kingsway (Mrs. Holt) applauding. I know she agrees with this. We need capital works. I am looking at the minister now and hoping he will agree, too. We cannot continue to hold the fabric of Canadian society together with LIP. That doesn't work. We are not ready to sit in sloth in this country. We want meaningful capital investment.

If the minister would like to show some leadership I could take him to my riding; we could clear up the bars in my constituency along the Fraser River. It would take five years and thousands of people to do it. It would be creative in terms of people sitting on bars fishing. There is a whole recreation potential there which is fantastic. But we will not do it because an entrepreneur has not got up to say, "I want to do it." Mr. Speaker, if free enterprise refuses to do the things which create work, I believe there is an obligation upon the government to do so. But it has not done it, and it will not do it. I believe ministers will not do it because they are stultified. They refuse to see the other side of the equation.

We have to put people to work in order to reduce the crime rate and build this country back together. The crime rate is only one aspect of the social disintegration which has gone on as a result of the permissive society of the sixties. That society was not healthy, and the sooner the government recognizes it the better this country is going to be.

God knows, I would not stand in this House as a member of the New Democratic Party and object to unemployment insurance. Of course it is necessary, it is desirable, and it is humane.

But a good government would not need very much unemployment insurance, and we would not be taking part in a raging debate over the subject if we had good government. We have experienced high unemployment because there has never been in this country a national government with a will to create full employment. I hope some day the people will wake up and vote for a government which has as its number one plank the creation of full employment. It can be done. It has been done in many societies, and it does not destroy the economy. It can even co-exist with free enterprise. But because chambers of commerce moan and groan we shall not move decisively in this direction.

Then again, we live in a society which is foreign-dominated, which means we cannot manufacture here; we simply dig out and ship, and until we come to grips with this aspect we shall not solve our unemployment problems.

● (2130)

Something that bothers me about this legislation, Mr. Speaker, is clauses 52 and 53, and I should just like to deal with specifics for a moment. As the minister knows, these provisions deal with experience rating. He has decided to abandon the principle of experience rating. My constituents who work in the mills are getting a little tired of having to subsidize other people. The guys who work all year long, apart from their three week holiday, and who do the tough job of pulling lumber off the chains, or who work in Oshawa manufacturing cars, are also getting a little tired of paying their unemployment insurance contributions knowing they will never collect. They would like to see their industries experience rated so that their premium is reduced. I think people in the construction industry, including my friends in the trades such as carpenters and plumbers, would be willing to see their industries experience rated as well. I think it is time we quit subsidizing contractors in Canada in that they have a ready made pool of labour available whenever they need it. It is a mistake to abandon experience rating. We should keep it in mind because it could make a significant difference in terms of the way we fund programs.

I said something about unemployment insurance cheaters. I want to give a commitment to the House that this party would be just as vigorous in prosecuting those who do not abide by the law. But I am a little tired of hearing about middle class families signing the weekly card for, say, a daughter in Hawaii, and then complaining about what a terrible society we live in. Honesty is for everybody, not just a few. One aspect to this life is that everybody wants to get as much as they can while giving as little as they have to, and that is wrong. I think we have all seen examples of the rare cheater on unemployment insurance, and the sympathetic mother who says, "Well, she has worked very hard and needs a holiday, and actually she would have taken a job if one had been available". We must prosecute people who cheat; otherwise the credibility of the whole unemployment insurance program will be brought into disrepute.

[Mr. Leggatt.]

Having said that, I am still unsympathetic to the change from eight to 12 weeks. I have heard that it is proposed to move an amendment at some stage to the effect that 12 weeks is all right in some parts of the country, but there are areas where more than 12 weeks is all right too. This would not wash very well with someone in my riding who works eight weeks and cannot get unemployment insurance, and then he hears of someone in Nova Scotia who has worked eight weeks and can. If this House accepts that kind of amendment we will have lost our sense of proportion and justice. Any worker in British Columbia who works eight weeks is entitled to unemployment insurance every bit as much as someone in Nova Scotia or Newfoundland.

Mr. Caccia: Nonsense.

Mr. Leggatt: It is not nonsense at all.

Mr. Caccia: Have you never heard of regional economic development?

Mr. Leggatt: I would be happy to listen to the hon. member. Could he tell me why constituents in my riding are second class citizens? Why should a worker be entitled to draw unemployment insurance after eight weeks in Nova Scotia but not in British Columbia?

Mr. Caccia: They do not pay the same premiums. You are talking nonsense.

Mr. Leggatt: I would be happy to listen to the hon. member, who appears to be supporting the proposition that there is one law for one part of the country and another for another part. When a person is poor, he is just as poor in British Columbia as in Newfoundland. Poverty itself is a rotten thing, and those who are poor need help from this legislation, no matter in which part of the country they live, so let us not get sucked into the idea that because one part of the country has a higher unemployment rate than another part, the rules should be different in terms of collecting unemployment insurance. That would be a mistake. It would be divisive and would not contribute a darned thing to national unity.

I believe there are some obvious things that the government can do. The minister keeps shrugging his shoulders over what are remarkably practical propositions which have been made by members of this party and which, in effect, are supportive of the capital system. A tax cut at the lower income level would do a great deal to help small businesses in my community, but this has been rejected. A federal winter works program and additional housing programs have also been referred to by hon. members.

Then last, but I do not think least, cannot we somehow put the two major problems of increasing energy costs and unemployment together so as to reduce energy costs and create employment? What I have in mind is a national insulation program. Why in God's name this is rejected out of hand by the government is beyond my comprehension. There are six million building units in this country in need of insulation and of government financial assistance, yet the only move in this

direction was a minor effort in P.E.I. and Nova Scotia. I think the will to govern is starting to slide.

Mr. Herbert: Where are you going to get the insulation from?

Mr. Douglas (Nanaimo-Cowichan-The Islands): If you do not know that, you should not be here.

Mr. Herbert: There is already a shortage of it.

Mr. Leggatt: Is the hon. member telling me he cannot find any rock wool and people looking for work? Let him try some of the 800,000 unemployed; they will tell him how to put insulation into a house. They do not need the hon. member's kind of sophisticated university training for that; they know how to insulate a house, and they will find a way to do so.

I understand the minister's concern to see that this legislation works in a rational way. If he were to bring the legislation back after having reduced unemployment to 4 per cent, then he might get some help from this party. We are facing a national crisis not only in terms of unemployment but of what many of us see as a breakdown in the social fabric. I think we need a Canada youth corps. The Minister of National Defence (Mr. Danson) did bring in a bill to this effect which he abandoned.

● (2140)

I hope that we can give consideration to enabling the youth of this country to spend two years contributing to the country and learning about it, not merely in terms of the military—that should not be excluded—but in terms of a whole range of activities. As a result we would, first of all, effectively reduce the number of unemployed, we would reduce to a large extent the deficit we are now facing and the problems we are facing with unemployment insurance, but, most of all, we would be making a contribution to holding this country together. We could ask young people from 18 to 24 years of age to donate their time to this country, to go across the country and get to know Quebec, the maritimes, the prairies and the west coast. We would be doing a great service, and this would take us out of our ideological straitjacket. We would be doing something imaginative, something that would be a positive contribution to the two major problems we are facing, namely, unemployment and national unity. I ask the minister to give serious consideration to something more than the kind of sophistry we have been facing in the House for so long.

Mr. Anderson: Mr. Speaker, I rise on a point of order. I wonder if the hon. member for New Westminster (Mr. Leggatt) would allow a question.

Mr. Leggatt: By all means, especially since I ran out of time.

Mr. Anderson: The hon. member mentioned in his speech the winter works program. I wonder if he would agree to a winter works program that is not simply oriented toward labour, in other words, that contains grants for labour as well as grants for material and equipment and thus be of practical use in those communities in Canada that have a difficult time with finding money for such programs. I hope the hon. member would agree that the winter works program should include not only grants for labour but also grants for capital expenditures for equipment and materials in order for the program to be meaningful, especially in small communities which do not have the same financial base as do the larger communities.

Mr. Leggatt: I am delighted to hear the hon. member for Comox-Alberni (Mr. Anderson) support the main thrust of my remarks tonight. I agree with his point. Certainly I was not restricting capital investment to labour. I am quite prepared to accept the fact that these capital grants should be on capital projects. They would have to include materials and be administered by the municipalities themselves, which this government and previous governments have starved of money. Let us put the responsibility back at the local level. We do not need the bureaucracy to do it; we already have small municipalities in place to administer these funds. What we need is a major and massive capital investment at the municipal level to create the kind of employment we need, and I am delighted to hear the hon. member support my point of view.

Mr. Cecil Smith (Churchill): Mr. Speaker, it certainly gives me great pleasure to rise to speak on this bill because I come from an area of Canada where the rate of unemployment is very high and where unemployment insurance is abused, and I will speak on the latter point later.

I have been dubbed here in the last two weeks as the $5 million constituency man, not only by people outside the House but by some members of the House and some cabinet members. I do not know whether they expect me to take my hat off to them, but let me point out that the estimated unemployment rate of 19.74 per cent in my area is underestimated because we have communities in northern Manitoba where the unemployment rate is running closer to about 90 per cent or 95 per cent.

Starting last fall we had a $1 million LIP allocation in the constituency. Before we could even snap our fingers, another $1.4 million was made available through FLIP. Then of course on March 20 the Canada Works program was brought in. The first indication we had of the Canada Works program was on December 20. When the allocations were made, a total of $943,000 was made available through Canada Works. The Indian allocation amounted to $843,000, and the regular allocation was $100,000. I believe the reason that one allocation was made to Indians and a separate regular allocation was made is that whoever devised the Canada Works program had his head in the sand and did not realize what the implications would be. The money is all divided up by a ministerial advisory board which O.K.'s the project. I will tell you what it does.

It completely eliminates the Metis and the non-status Indians and the others, which is what we call white people in the north. This is consistent across all communities in the north. It drives a wedge between the community that has status Indians

and the one that has non-status Indians and Metis. It divides these communities. The line is often through the bush. Often there is intermarriage and someone on the other side of the line is just as unemployed and just as deserving as the status Indians living on the reserve who will be getting the benefits.

I brought this to the attention of the minister because I thought there was no need for a ministerial advisory board to divide up something that has already been decided by the dreamers or the designers of this country in a program to which little thought was given. This program was thought up very quickly to give band-aid treatment to the problem of unemployment.

The next program that was brought out was Young Canada Works, with an allocation of $379,000 to the Churchill constituency. By this time whoever had designed the Canada Works program was at least smart enough not to make an Indian allocation and a regular allocation because they could see what would happen. They realized it would drive a wedge between the communities in the north. Next came the FLIP program. The FLIP program was for $1,088,000. Again this program was rushed into with little or no thought given to the allocation of moneys, and there was no planning of the projects that were to be carried out. In the course of about four months $2.4 million was allocated under LIP, $1,088,000 under FLIP, $943,000 under Canada Works, and now $379,000 under Young Canada Works. On top of this we have a program called LEAP which is also injecting money into the constituency.

I would not be surprised if the government were to come up with a "FLOP" program pretty soon. It would be called the federal labour optional program. The way the government is going the FLIP program and the "FLOP" program would fit in quite nicely, because the government is flip-flopping around the country trying to alleviate the unemployment situation. However, what it is really doing is thoroughly confusing people who are really in need of jobs.

● (2150)

What came along with the Canada Works program was a new batch of project officers. The project officers who worked in the LIP program were not even considered. Along came a whole new batch of project officers for each of these programs, and I will tell the House exactly what happened in the north. Some communities are 200 miles away from a central distribution point, and the only way to get to them is by air. One project officer was working on a LIP project, one on a FLIP project, and one on a Canada Works project. There were three different project officers who did not even know what the other project officers were doing. They were chartering aircraft into these communities to look after their part of the program, which is absolutely ridiculous. People in isolated areas of this country do not know whether their project officer is there for LIP, FLIP, Canada Works, or the LEAP program. They do not have any idea of what is going on.

One would think that with this much money going to the north there would be a saving on welfare payments I did some checking into this, and I found that in communities living totally on welfare, even though several of these projects have been approved for them, the welfare is going to decrease by only 25 per cent.

Let us consider, for instance, the LIP program. Under the program there is a miniumum weekly wage of $167, from which deductions have to be made. In order for a family to survive it has to have its income supplemented, and this is where the welfare comes in. It seems that rather than one project officer looking after LIP and then somebody else coming in in connection with welfare to supplement incomes, it would be more reasonable to pay the person working on one of these make-work projects a decent salary so that he can keep his family in one of those isolated communities. This would cut down on the number of people spending money to travel into these communities, money which should be going to the communities.

I understand that for FLIP, LIP, Canada Works, LEAP and Young Canada Works, Manpower officers must make the referrals for jobs. It has been brought to my attention that the Manpower officers are just not capable of doing this job because they do not have the information required. They have a heavy workload as it is, and they do not have the confidence of the communities that they are capable of doing a good job of placing people in employment.

I will refer to a newspaper clipping which came out of the Winnipeg *Free Press* just last week. This story is from South Indian Lake. South Indian Lake is a typical northern community where unemployment is high. It is estimated 70 per cent of the residents are living on welfare—and an official from the community claims that ten people who collect unemployment insurance also collect welfare, even though they are working on one of these make-work projects. So what happens? The jobs with Manitoba Hydro on clearing projects which are available have not been filled. Six men were needed to harvest ice for next summer's fishing. These people could not be found in the community. No one wanted to go to work. People had to be brought in from outside in order to harvest the ice for next summer's operation.

The president of the local fishermen's association said that transport rates for fish to the Transcona plant went up to 8.5 cents a pound. There is a contract for five cents a pound, but because the trucks were not full the fishermen who were fishing were penalized. Meanwhile, 20 active fishermen make good money, and another 40 fishermen who are licensed are either back home working on one of the make-work projects, they are collecting UIC benefits, or they are partly on welfare. This is jeopardizing the entire fishery and penalizing fishermen who are out there trying to make a living at fishing.

The official said that the worst offender is the Department of Indian Affairs and Northern Development, which is responsible for 60 per cent of the 650 residents who are treaty Indians. This is what is happening in most of the communities. There are only so many people in those communities. Everybody comes in with a new program, but what we should be looking for is one delivery system for these make-work pro-

grams. Why should we have four project officers spending thousands of dollars flying into one community to administer programs to try to give the people some benefit? The people at the other end are the losers because much is taken up in the administration of these programs. That money really is not getting to the people it should be reaching.

Canada Northlands is another good example. Even though money is going through Canada Northlands, the people are not benefiting from this program for the simple reason that the people who make the decisions are far removed from the needs of the communities, and they do not even know who is employed or who is not employed in these particular communities. The job creation branch is also involved in this. It is in charge of the project officers, and it also has to work very closely with Manpower, which is having a real problem because it is not able to look after the clients it now has in some communities.

I would like to call it ten o'clock, Mr. Speaker.

* * *

BUSINESS OF THE HOUSE

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. I would like to ask the acting House leader what the intention of the government is with respect to business tomorrow.

Mr. Cullen: Mr. Speaker, I do not know who the acting House leader is, but we will not be going on with this bill tomorrow. I believe we will be dealing with the transportation bill.

PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

[*English*]

CITIZENSHIP—DELAY IN PROVIDING FORMS TO SIMCOE, ONTARIO—POSSIBILITY SUBCOURTS PHASED OUT

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, my request for an opportunity to elaborate on my question in the adjournment debate arises out of a question reported in *Hansard* of February 21 at page 3232 where I asked the Parliamentary Secretary to the Secretary of State (Mr. Guilbault) for some explanation as to why the citizenship court in Simcoe is not able to process the many applications which came in as a result of the proclamation of the new Citizenship Act. The parliamentary secretary was at a bit of a disadvantage on that occasion. He was not aware of my question. He gave me the best answer possible under the circumstances, and I thank him for it. It was because he was not prepared to give

a complete answer that I asked to be allowed to elaborate at this point.

Since that time the parliamentary secretary has communicated with the Secretary of State (Mr. Roberts), who was kind enough to write a letter to me explaining this matter in greater detail. There are two paragraphs of the letter that I should like to read into the record:

● (2200)

> My officials have investigated the points you raised and inform me that a slight delay did, in fact, occur in sending application forms under the new Citizenship Act to one or two county courts in Ontario. A telephone communication with the Simcoe county court on February 22, 1977, however, confirmed that the forms had been received on Friday, February 18, 1977.
>
> On the matter of citizenship work currently being done by county courts, we have undertaken, at the request of the Ontario attorney general, a review of the situation. It is possible that as a result of this study the county courts may be relieved of their responsibilities . . .

That last is the sentence that concerns me, Mr. Speaker, and I will elaborate on the letter later in my remarks.

The predicament and confusion at Simcoe were disastrous, to say the least, to those people who came to make application for citizenship. The forms finally arrived a few days later, as has been indicated, but there was no letter appointing His Honour Judge John Pringle, the county court judge, to do the work in the citizenship court, nor the clerk of the county court to process the applications, so we are still without a citizenship court in the town of Simcoe. Their duties were terminated by a letter from the Registrar of Canadian Citizenship dated December 22, 1976, the relevant paragraph of which reads as follows:

> Persons currently dealing with citizenship matters either in the judicial capacity or in the application taking function, will require new appointments. Further advice will be forwarded to you in this regard as soon as administrative details have been completed.

That advice still has not been received at the citizenship court in Simcoe. Over 100 people presented themselves at the court during the two or three weeks following the proclamation and, to say the least, there was frustration, as can be understood. The appointments of the judge, and of the clerk to take applications, still have not been made.

I have a letter here from the sheriff of Simcoe, and had a telephone conversation with his office this afternoon. In the letter he wrote:

> The new appointments have not arrived to date and, therefore, the county court judge and the county court clerk are not authorized to accept applications.

This was confirmed, and the letter of appointment had not arrived by this afternoon. Mr. Speaker, how do we resolve this difficulty?

The county court clerk defines the problem as insufficient staff to take applications. He has to use the staff of the sheriff's office to do the work of the citizenship court for a federal department. He has been advised that a Mr. Peter Gale from the Hamilton citizenship office will be in Simcoe on Friday, March 18, from 8.30 a.m. to 4.30 p.m. to process applications. This would help take the workload off the sheriff's office, but it seems to me that help once a month is not

sufficient to handle the flow of applications in that area where there are a great many ethnic groups anxious to become Canadian citizens.

The county court judges in Simcoe and Gayuga do an excellent job in handling citizenships. Judge John Pringle in Simcoe and Judge Leach in Caledonia make the ceremony more than an examination and swearing in of the applicant. The Canadian flag and the provincial flag adorn the courtroom. The band from the local high school leads singing of our National Anthem and God Save the Queen. A welcome committee made up of prominent citizens in the community and members of the RCMP attend a reception sponsored by the Imperial Order of the Daughters of the Empire where the new citizens are welcomed. This is a truly impressive and meaningful ceremony, and I would be concerned if it were not maintained.

In conclusion, Mr. Speaker, I would like to refer to an article in the Simcoe *Reformer*. The judge told the newspaper's correspondent that he viewed the occasion with a little nostalgia, and feared some of the meaning of the old ceremony may be lost when the new Citizenship Act goes into effect this Tuesday.

Mr. Jacques Guilbault (Parliamentary Secretary to Secretary of State): Mr. Speaker, I thank the hon. member for bringing this matter to our attention. We have investigated with the department and found that there has been some delay in sending out the forms. We apologize to the hon. member and the people of the area concerned. I was not aware that the letter of appointment of the judge has not yet reached its destination. I shall look into that.

I ask for the indulgence of the hon. member and the people of the area. There is much work to be done in connection with the new act. The work of the department has been hectic in the last few months. We had been getting ready for the proclamation of the act. This has involved the writing of regulations, the drawing up of new forms, printing of three different brochures for the people to use, as well as the appointing of ten additional judges and 69 additional staff members across the country. All those people have had to be trained, and we tried to be ready by January 15. I contend that we did not do too badly, because occasions such as the one raised by the hon. member are rare. We hope that in weeks to come everything will return to normal and that the area mentioned by the hon. member will receive service similar to that received by people right across the country. I realize that help once a month for filling forms is not enough. We shall look into that matter, and I thank the hon. member for his suggestion. I ask him to bear with us for a couple of weeks to enable us to do the job properly and provide the good service to which all Canadians are entitled.

[Mr. Knowles (Norfolk-Haldimand).]

INDIAN AFFAIRS—LEGAL AUTHORITY OF DEPARTMENT TO REMOVE CHILDREN FROM CUSTODY OF PARENTS—SUGGESTED COMPLIANCE WITH PROVINCIAL LAW

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, my purpose in rising this evening is to attempt to obtain further information from the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Penner).

My intervention is the result of a question I asked on January 31 with respect to something almost incredible which happened in Saskatchewan. I was referring to children living on reserves in that province, children who had apparently been apprehended by departmental officials without legal authority, as the minister admitted when answering my question on January 31. I asked the question originally because some 700 children apparently have been apprehended by the department, and I felt that the matter affects a substantial number of children who may have been apprehended without legal or judicial assessment as to whether the apprehension was justified.

When replying the minister indicated to me that that particular action had been taken because a number of sad situations with respect to children obtained on the reserves. But I think that answer was not sufficient to meet the point of principle which I raised when I questioned the minister on January 31.

What has happened has not merely happened in the recent past. The matter has been of concern for the department for some years, apparently. According to my information some of these apprehensions took place over five years ago, when children were taken from their parents without a court order. They have been placed in foster homes, or reared in foster homes, for a number of years. I simply point out to the parliamentary secretary, who is a compassionate and sensitive person, the wrench that could take place where it is determined that the parents have the right to have their children back. These children may have accepted the foster parents as the actual parents and accepted the other children of the family as their brothers and sisters.

● (2210)

That is only one side of the matter. An even more important side is the right of parents in this country who have any agency, whether government or otherwise, take children from them without judicial review.

I suppose the answer the parliamentary secretary will give tonight is that there is no agreement between the province of Saskatchewan and the federal government. I realize we have a possible conflict in the sense of jurisdictional authority with respect to Indian children. However, it causes me a great deal of concern that over a period of some years, at least five years as far as I am able to determine, the provincial government and federal government have been haggling over who will pay the expense with regard to the administration of child apprehension on Indian reserves in the province of Saskatchewan.

I find it incredible that we have two levels of government haggling over the cost of this. The great social concern here is

being ignored and being left to the rather arbitrary and, in fact, unlawful actions on the part of the department. It is a very basic principle of our law in Canada that as far as the taking of children is concerned in any province one cares to look at, the parents have a right to have a court review the circumstances and give an independent assessment as to whether the apprehension is justified.

The department in effect has been guilty of some acts of malfeasance in the cases to which I referred. I am concerned because we have these 700 cases. If they have been taken without a court review or without any application to the courts, we might have a situation where these 700 children may be ordered to go back to their parents or be left in a state of limbo.

I would like the parliamentary secretary to state this evening what precise action the department is going to take with regard to this sad and tragic situation. I say this on behalf of the parents who have possibly had their children taken wrongfully. I say it on behalf of the foster parents who may have received children and regard them as their own, with the children regarding the foster parents as their new parents. There will be an awful wrench if it is found to be an illegal seizure on the part of the departmental officials.

I ask the parliamentary secretary to tell us this evening if the department has any game plan with respect to this whole problem because there are many people concerned about this from the point of view of the rights of individuals. There are many immediate practical situations which we have before us. At least 700 beg some satisfactory answer from the department. I will be interested in hearing the response tonight.

Mr. B. Keith Penner (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I am pleased that the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) has raised this question because the department has a very satisfactory answer. It is a good opportunity for me to elaborate this evening on the concern which has been so well expressed by the hon. member.

The Department of Indian Affairs and Northern Development pays full costs for maintenance of 778 Indian children in Saskatchewan who have been taken into care by the Provincial Superintendent of Child Welfare as a result of court action. Departmental staff and employees of band councils have arranged foster homes for an additional 607 children, also maintained at departmental expense. The hon. member will see immediately that there is no question at all about haggling over costs, as he suggested. In such cases, the child's parents have given consent for the arrangements, except in instances where we have been unable to trace or contact them.

When we are called in to help a child who has been abandoned, neglected or abused, we first try to locate the parents. If the parents are available, every attempt is made to help them improve the situation. However, if the parents wish to have the child cared for in a foster home, the best possible placement is arranged with their approval. I am advised that in a good many cases attempts to obtain provincial participation are fruitless.

When the parents of a child in need cannot be contacted, or when they refuse to take responsibility for the child's proper care, assistance is sought from the provincial department of social services or from the RCMP, since they alone have the authority to take custody of a child, or to take the matter to the appropriate court. When the province and the RCMP refuse to act, we are faced with a critical moral and human problem, and have no alternative but to make the best possible arrangements for the child.

It must be obvious to any honestly concerned observer that there is nothing illegal in arranging for foster homes when the child's parents consent to it. There is a very great difference between breaking the law and having no law under which to act. For many years, parents who needed such services depended upon the department to provide them. It would be unjust to deprive them or their children of this sort of care until such time as better arrangements can be made. There is no question of the rights of either the children or their parents being ignored, and there is no evidence that the arrangements that have been made for the children are unsatisfactory. Any parent who is dissatisfied can have their child returned at any time. I would hope, however, that any such decision would be made with care, and in the knowledge of its implications.

NATIONAL DEFENCE—PROPOSED RESEARCH CENTRE AT WINNIPEG—DELAY IN COMPLETING LAND PURCHASE AGREEMENT—GOVERNMENT POSITION

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, on February 23 I asked the Minister of National Defence (Mr. Danson) to tell us what the intentions of the government were with regard to the defence research centre for Winnipeg which was announced three years ago. Since that announcement the city of Winnipeg has been subject to an undue amount of procrastination and stalling tactics from the Liberal government here in Ottawa. This has cost Winnipeg a considerable amount in lost revenue and placed an unnecessary burden on the taxpayers of that city. I am referring in particular to the 111 acres of land on which the defence research centre is supposed to be constructed.

When one takes a look at the record of government in connection with the research centre one cannot but seriously question its motives. Is the government so unconcerned about declining Liberal popularity in western Canada that it is deciding to write off western Canada altogether, or is it sheer confusion and disorganization which have caused delay in the construction of the centre?

I think it worth noting that ever since the former minister of defence, the hon. member for Winnipeg South (Mr. Richardson) made the announcement in February, 1974, that Winnipeg would be receiving a defence research base, nothing has happened in terms of action by Ottawa. For the record I would point out that on October 22, 1976, the Parliamentary Secretary to the Minister of National Defence (Mr. Dionne) stated in response to a question I put to him:

I am pleased to inform the hon. member that the new research establishment in Manitoba will be constructed in his constituency.

I wonder if that is still the intention of the government, because on February 18 the Minister of National Defence told us that the defence research centre project had been deferred for a period of between six months and a year. In the face of these conflicting and confusing statements, I contend that the government has a moral obligation to come clean with the city of Winnipeg and make a clear cut statement as to whether or not it really intends to purchase the land and build a centre. It is interesting to note that the 1977-78 estimates for national defence make provision for an expenditure of over $20 million for a defence research establishment in Manitoba, yet the government will not even tell us where in Manitoba it will be constructed or when the work will begin.

● (2220)

The government should be more responsive to the city of Winnipeg because there are a number of crucial matters at stake. First of all, Mr. Speaker, there is the matter of 111 acres of prime land that was originally negotiated to be sold at a price of $1,200,000 to the federal government. During the time the Liberal government has wasted in stalling, the value of this land has increased three times. The federal government in all fairness to the people of Winnipeg should renegotiate this deal so that the taxpayers of Winnipeg will not be the losers.

The second matter is that if the federal government does not intend to use this particular parcel of land it should notify the city of Winnipeg so that consideration might be given to using it for other purposes. As I say, this is one of the last prime pieces of residential land in the city.

Finally, Mr. Speaker, the federal government should not place a burden on Winnipeg taxpayers by not paying any taxes on this land. It should take the immediate steps necessary to reimburse the city of Winnipeg for the lost revenue on this land that it could have been collecting from private developers.

During the past three years there have been numerous communications between the city of Winnipeg and the federal government. Let us take a look at the number of communications since the fall of 1976. In each instance I must point out that the Minister without Portfolio (Mr. Guay), better known as the minister of nothing, has been aware of these communications, yet he has seen fit to do nothing. As I said, let us take a chronological look at the events since the fall of 1976.

On September 13 last a letter was sent to the Department of Justice from the city of Winnipeg enclosing a draft agreement. On September 21 an acknowledgement was received. On October 26 a re-draft of the agreement was received by the city of Winnipeg from the Department of Justice. On November 8 a letter was sent to the Department of Justice on changes to the agreement. On November 24 a letter was received by the city of Winnipeg on the price. On November 26 a memo was sent to the land surveys and real estate department of Winnipeg on discussions of price. On December 27 a letter was sent to the Department of Justice outlining changes to the agreement. On January 13, 1977, a letter from the Department of Justice advised that material was forwarded to Ottawa for consideration.

These, Mr. Speaker, are just a few instances of the constant communications going on over a project that was announced three years ago. What has the minister of nothing from St. Boniface been doing in the past few months to assist this project? The answer is quite simply, nothing. That is why he is called the minister of nothing and I suppose he is paid to do nothing. In the meantime the city of Winnipeg suffers.

In all sincerity, Mr. Speaker, I do not think that the national defence research centre should become a political football. Either the Liberal government is serious in its commitment or it is not. When the Minister of National Defence told me on February 23 that he did not expect the city of Winnipeg to hold on to the land, what did the minister of nothing do? Absolutely nothing. During all of these deliberations the hon. member has done nothing whatsoever to help resolve this matter. He did not even make the effort to communicate with the city of Winnipeg.

As I pointed out earlier, the 1977-78 estimates for national defence include a defence research establishment for Manitoba and I, along with many other residents of the city of Winnipeg, would like to know where and when the government intends to build this research station. After all, Mr. Speaker, surely to heaven the Minister of National Defence must have some idea as to the future of this project, especially if officials from his department have it included in the 1977-78 estimates. I really do not think it is fair to the people of Winnipeg to ask them to put up with this procrastination.

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, the hon. member should know that the Minister of National Defence (Mr. Danson) has stated in this House that the project to create a new defence research establishment at Winnipeg is in temporary suspension. The primary reason for that is that the Minister of National Defence wishes to study the rationalization of the scientific, research and industrial processes in the Department of National Defence in relation to other industrial efforts.

The minister has stated:

I think we want to look for things which will serve the best long-term interests of Winnipeg and all of western Canada and also to rationalize our defence purchasing so that it is to the best advantage of Canadian industry and the armed forces.

I am advised by the DND that no land deals have been concluded with the city of Winnipeg for the proposed site of the research establishment. Would the hon. member not be the first to chastise the government for paying taxes or grants in lieu of taxes on property that it did not own? It would seem to me that the hon. member for St. Boniface (Mr. Guay) has enough talent and ability to defend himself, and I would leave it to him. He must be something more than the "minister for nothing" because he must have done something to get under the hon. member's skin.

The Acting Speaker (Mr. Ethier): The motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 2 p.m.

Motion agreed to and the House adjourned at 10.27 p.m.

HOUSE OF COMMONS

Tuesday, March 1, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

AGRICULTURE

PROPOSED RESTRICTION OF IMPORTATION OF HERBICIDES AND PESTICIDES FROM UNITED STATES—MOTION UNDER S.O. 43

Mr. Jack Murta (Lisgar): Mr. Speaker, I request the unanimous consent of the House to propose a motion on a matter of urgent and pressing necessity, that matter being the apparent decision by the Minister of Agriculture to restrict in the next few weeks the importation of agricultural herbicides and pesticides from the United States. I therefore move, seconded by the hon. member for Medicine Hat (Mr. Hargrave):

That the restriction be on a selective basis, not include the more commonly used products, and that the chemical companies involved appear before the Standing Committee on Agriculture to explain their position on this most important matter.

Mr. Speaker: Pursuant to Standing Order 43, such a motion can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

CONSUMER AFFAIRS

FIRE INSURANCE ON BUILDINGS—SUGGESTED GOVERNMENT ACTION TO STOP CHARGING OF PROHIBITIVE PREMIUMS—MOTION UNDER S.O. 43

Mr. C. A. Gauthier (Roberval): Mr. Speaker, under the provisions of S.O. 43, I ask the unanimous consent of the House to introduce a motion of urgent necessity concerning fire insurance on buildings.

Considering that three years ago, insurance companies agreed to create a monopoly to establish the assessment basis and premium rates; that since that time, the rates as well as the assessment increased threefold, at least in Quebec; that the assessment is based on the replacement value; and finally that for all those reasons, 70 per cent of small property owners and businessmen cannot afford insurance, I move, seconded by the hon. member for Bellechasse (Mr. Lambert):

That the government take action, through its anti-monopoly legislation, or by setting up an insurance board, or a State insurance, in order to help small property owners who are left defenceless in front of this monopoly.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Under the provisions of S.O. 43, such motion requires the unanimous consent of the House. Is there such a consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There not being unanimous consent, the motion cannot be put.

* * *

● (1410)

CANADIAN BROADCASTING CORPORATION

SUGGESTED APPOINTMENT OF COMMITTEE TO STUDY ALLEGED BIASED REPORTING BY RADIO-CANADA—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, pursuant to Standing Order 43, I seek the unanimous consent of the House to move a motion on a matter of urgent and pressing necessity.

Considering the importance and seriousness of the accusations voiced by a member of the Senate as to the allegedly partisan intervention of Radio-Canada employees, accusations which I feel are unfounded and filled with bitterness, passion, bias and irresponsibility; considering the chain reaction they are likely to start among those who resent the decision Quebecers came to on November 15, and also the unfounded speculations that may be levelled at employees who are doing an objective job, and because Radio-Canada's mandate is to reflect both the Canadian and Quebec realities, I move, seconded by the hon. member for Bellechasse (Mr. Lambert):

That a special House committee be set up to investigate the allegations of partisan action on the part of Radio-Canada employees.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

Oral Questions

CONSUMER AFFAIRS

REQUEST FOR CONFERENCE TO ACHIEVE UNIFORMITY OF GASOLINE PRICES IN QUEBEC—MOTION UNDER S.O. 43

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, pursuant to the provisions of Standing Order 43, I request the unanimous consent of the House to present a very particular motion of general interest.

Since gasoline consumers in Quebec are upset by the fact that the price of this product differs from one region to another, a difference which may range from eight to ten cents a gallon, I move, seconded by the hon. member for Roberval (Mr. Gauthier):

That the House urge the Minister of Energy, Mines and Resources to call a conference with the Minister of Natural Resources in Quebec to try to achieve uniformity of gasoline prices throughout Quebec and thus do justice to all consumers in that province.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the terms of Standing Order 43, the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: As there is not unanimous consent, the motion cannot be put.

ORAL QUESTION PERIOD

[*English*]

FINANCE

STATISTICS CANADA FIGURES ON GROWTH IN ECONOMY—REASON FOR HIGHER INFLATION THAN ANTICIPATED IN BUDGET

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, in the absence of the Minister of Finance I should like to put my question to the Prime Minister. As figures released yesterday by Statistics Canada show that not only is the growth in our economy static or even declining, but that inflation rose 9.4 per cent last year, an increase higher than that anticipated in the last budget and an increase of a whole four points higher than that in the United States where there are no controls, would the Prime Minister indicate why we have had so much higher inflation than was anticipated in the last budget and so much higher than the United States, which is an unbelievable situation in a year with negative growth?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I would inquire where the hon. member got his statistics.

Mr. Stevens: Mr. Speaker, the statistics come from yesterday's release from Statistics Canada.

Some hon. Members: Hear, hear!

[Mr. Speaker.]

Mr. Stevens: They indicated that the implicit price increase in Canada was 9.4 per cent last year. I would ask the Prime Minister again if he could indicate why we had such high inflation last year when the last quarter of the year actually had a negative real growth?

Mr. Trudeau: Mr. Speaker, I will check the Statistics Canada release, of which I have a copy here, but my recollection is that the AIB reported that the year-over-year inflation in the first year we brought in the guidelines was more in the order of 6 per cent than 9 per cent.

INCREASE IN GOVERNMENT EXPENDITURES—GOVERNMENT POSITION AS TO FURTHER RESTRAINT

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my final supplementary question is directed to the President of the Treasury Board. As the largest price increase occurred in government expenditures last year, whereas the implicit price index grew by 13.4 per cent in that year, and since current federal estimates for these expenditures—and I emphasize current expenditures, as opposed to transfer payments—are set at over 14 per cent more for the coming fiscal year, would the President of the Treasury Board indicate if he has made further overtures to his colleagues in cabinet and his counterparts at the provincial level for more restraint than has been shown to date?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, as I indicated in my statement to the House a week or so ago, current expenditures of the federal government, budgetary and non-budgetary, including all final supplementary estimates for 1976-77, will be below the 14 per cent committed to one year ago, that is, below the total dollar figure committed to. Forecasts for the expenditure year 1977-78 show an increase, year over year, of only approximately 7 per cent.

Mr. Stevens: I was referring to expenditures.

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THE CANADIAN ECONOMY

FORECAST OF DECLINE IN INVESTMENT IN CANADA—GOVERNMENT PLANS TO IMPROVE

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I direct some supplementary questions to the Prime Minister about the poor, indeed weakening possibilities for investment in this country in 1977? According to a Statistics Canada preliminary survey it can be concluded that private and private sector investment in 1977 will decline by 1.7 per cent, in real terms, and private sector investment alone will decline by 2.8 per cent. I point out that the decline forecast is slightly greater than that projected by the Conference Board. In view of that confirmation of the seriousness of the investment situation, will the Prime Minister state whether he is concerned about future investment plans, particularly in the

private sector, and can he say when he expects the outlook to improve?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the answer to the first part of the question is yes. The answer to the second part is that we hope it will continue to improve after—

Mr. Paproski: After the next election.

Mr. Trudeau: —the budget has been brought down.

Mr. Alexander: A supplementary question, Mr. Speaker. Considering the effect the AIB has had on private investment, does the Prime Minister expect private investment to improve while the controls remain in force?

Mr. Trudeau: Yes, Mr. Speaker.

Mr. Alexander: Mr. Speaker, I am glad the Prime Minister is being explicit this afternoon. We are all concerned about the direction in which this government is going. May I ask the Prime Minister this final supplementary question: As the level of investment has a direct bearing on job creation, does the Prime Minister regard new business investment as an essential part of the strategy to reduce unemployment, and will the budget reflect this concern?

Mr. Trudeau: Yes, Mr. Speaker.

REQUEST FOR EARLY BUDGET WHICH WILL CREATE JOBS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is directed to the Prime Minister. In his address to the United States Congress a week ago today, the Prime Minister referred to the necessity of accommodations being made to maintain national unity in this country. Considering that the decrease in the gross national product in the fourth quarter of 1976 came at a time when more than one million Canadians were unemployed, and since a major instrument for achieving national unity is a national government which is perceived as meeting the real human needs of the people of Canada, will the Prime Minister give the House the assurance now that we will have a budget soon whose prime purpose will be the creation of jobs in this country?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker.

* * *

LABOUR CONDITIONS

INCREASED UNEMPLOYMENT—SITUATION IN QUEBEC

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, the Prime Minister gave us a welcome yes. I hope that in replying to my second question he will elaborate and perhaps tell us if it is to come down within a few days, a couple of weeks, or when it is to be. My second question is this: is the Prime Minister aware that 50 per cent of the new unemployment which occurred in Canada last year occurred within the province of Quebec? If so, is he not concerned, as a Prime Minister who is concerned about national unity, about the need to create jobs specifically, but by no means exclusively, in that province and to do so soon?

Mr. Alexander: That is free enterprise.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member used the word "soon". My answer is yes, that it will be soon. On the latter part of the second question, I think he expressed it well, that we have to ensure that jobs are created in Quebec but not specifically for Quebec.

Mr. Baker (Grenville-Carleton): Broadbent for leader.

● (1420)

UNEMPLOYMENT—SITUATION IN CAPE BRETON—OPERATION OF SYDNEY MINES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, in the absence of the Minister of Finance may I direct my final supplementary to the Prime Minister. Yesterday I asked the Minister of Finance a question about the need for job creation, this time in Cape Breton, a part of the country that is also experiencing some fall-off in terms of its attitude toward Canada. Does the Prime Minister know whether, in the interim between yesterday's sitting and today's, the government has decided to make the advance orders that are necessary for rails in Canada in order to keep Sydney steel in operation?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

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[*Translation*]

CONSUMER AFFAIRS

REQUEST FOR STUDY TO ACHIEVE UNIFORMITY OF GASOLINE PRICES IN QUEBEC

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources.

As there is more and more talk about energy, I feel it would be timely to set, once and for all, the prices that should apply to the energy we use in daily life. Now, although gas prices are normally set at the provincial level, the fact remains, Mr. Speaker, that it might be that the federal Minister of Energy, Mines and Resources should have consultations with the provincial ministers with a view to setting prices that are just and reasonable. Here is my question:

Has the minister had the opportunity to discuss with the Quebec Minister of Natural Resources the possibility of setting up a uniform price for gas throughout the province and so allow all users of cars and trucks to budget their expenses for the coming year and costs bearing relation to consumer needs?

[*English*]

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member addressed himself to a very important question. I understand the concern of his constituents and others in the province of Quebec about the difference in the price of gasoline from one community to another. Unfortunately, this is not an area of federal jurisdiction. The federal government is not in the position to declare what the price of gasoline should be in any one community. Our policy is to provide for one price with respect to crude oil in Canada and then place the problem before the AIB to ensure that no more than the normal costs of refining, marketing and those additional crude oil costs, whenever there is a price increase, are passed on to the consumer. Market forces, along with transportation—but primarily market forces—are the major determinant of gasoline prices in various communities in the hon. member's province.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, on a supplementary.

I thank the minister very kindly for his very clear and specific answer. I already was aware of the provincial jurisdiction in that field, but in view of the difficult times we are now living, I merely wanted to express an opinion, hoping to find out whether it might be possible for the federal government, jointly with the provincial ministers responsible for the matter, to come to an agreement on setting a uniform price.

I therefore repeat my question as follows: Has the minister held consultations with the new Quebec Minister of Natural Resources with a view to coming to an agreement on the price of gas so that its price can be uniform throughout a given province such as Quebec, and equal chances are given to the consumers regardless of the area because at times there is a differences of 7, 8 or 10 cents a gallon from one village to the other?

[*English*]

Mr. Gillespie: Mr. Speaker, I have not had discussions on uniform gasoline prices with the new minister of natural resources or the new minister of energy for the province, for the reasons that I gave in my first answer. I can assure the hon. member that I shall be discussing with the new minister of energy a number of other important questions with respect to oil, natural gas, and perhaps gasoline as well, in his province. I will convey to him the representations made by the hon. member.

* * *

FINANCE

INCREASE IN FOOD PRICES—GOVERNMENT PLANS TO MEET SITUATION

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is directed to the Minister of Finance. Since it has been established this week that food prices continue to soar at an intolerable rate, affecting low income families in particular, and since many producers have not received an increase in their prices for almost two years, how does the minister explain the unacceptable increases in food prices at the present time? Further, apart from indexing family allowances, what immediate contingency plan does the government have to meet this situation?

Hon. Donald S. Macdonald (Minister of Finance): At this season of the year much of the increase in prices of fresh food in Canada relates to imported food products, and I would draw the hon. gentleman's attention to the difficult production situation which has existed in the areas which are Canada's traditional suppliers. I think we can expect, not only in relation to prices of imported food but with the recovery of food prices in Canada, that there will be some increase in this part of the consumer price index. It is because of the expected recovery of food prices that we have to be more than ever certain that in the other areas on the non-food side, particularly in the area of services, we should continue to restrain the growth of inflation in Canada.

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AGRICULTURE

REQUEST FOR IMPLEMENTATION OF SCHOOL MILK PROGRAM

Mr. Heward Grafftey (Brome-Missisquoi): I would simply comment that we on this side of the House do not accept the theory that imports alone account for the increase in food prices. My supplementary is directed to the Minister of Agriculture. In view of the situation described in my earlier question, one which especially affects low income Canadians, is the federal government now ready and willing to discuss with the provinces a school milk program to be implemented immediately?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, if a school milk program were to be initiated immediately, it would be done through the Department of National Health and Welfare. We have an assurance from our farmers that they would supply the milk if someone wants to pay for the program.

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CANADIAN BROADCASTING CORPORATION

CHARGES OF UNBALANCED REPORTING BY RADIO-CANADA—STATEMENT BY CHAIRMAN OF CRTC

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question for the Prime Minister. It is prompted by a statement made in Montreal yesterday by the chairman of the CRTC to the effect that no complaints had been lodged by anyone with the CRTC following the serious charges of unbalanced reporting by Radio-Canada. My question also relates to the ruling made on February 24 by the CRTC with regard to charges of unbalanced programming at radio station

CFCF in Montreal in the course of a series of programs on Bill C-22, which had this to say:

> The licensee's right to freedom of expression must not supersede the public's right to receive programming which provides a reasonably balanced opportunity for the expression of differing views on matters of public concern.

My question to the Prime Minister is this: In view of the serious charges made by members of parliament from Quebec, members of the cabinet and, indeed, by the right hon. gentleman himself, has he instructed the Minister of Communications to lodge a complaint with the CRTC and ask them to monitor Radio-Canada? If not, will he do so?

Right Hon. P. E. Trudeau (Prime Minister): On a minor point, I am not sure to whom the hon. member is referring when he refers to members of the cabinet. I get the sense of the question, though, and I think it is a very constructive one. I undertake to follow it up in consultation with the minister responsible for the CRTC.

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AIRPORTS

PRICE ALBERT—INQUIRY AS TO APPROVAL OF EXPENDITURES FOR IMPROVEMENTS

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, my question is addressed to the President of the Treasury Board. Yesterday and last Friday the right hon. member for Prince Albert raised the question of an agreement signed by the Minister of Transport with the city of Prince Albert having to do with the improvement and renovation of the airport there. The minister replied that no submission had been received with respect to this expenditure. In order that there might be no question that expenditures to honour the agreement by the Minister of Transport will we allocated, would the minister now indicate his firm commitment to this funding?

● (1430)

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, until there is a submission to Treasury Board I think I would be totally irresponsible to make such a commitment. The hon. member should really address that question to the Minister of Transport when he is in the House.

Mr. Hnatyshyn: A supplementary question, Mr. Speaker. Can the minister explain how agreements are signed by ministers of the Crown which indicate that expenditures of substantial moneys are to be paid before obtaining Treasury Board approval; and will the minister henceforth have his colleagues sign agreements only when they are able to carry out their intentions?

Mr. Andras: Mr. Speaker, my understanding, which was confirmed to my satisfaction, anyway, of the wording of the question of the right hon. member for Prince Albert was that he was alluding to the possibility of such an agreement. I cannot elaborate beyond that.

Mr. Hnatyshyn: A final supplementary question, Mr. Speaker. There was an agreement which left the distinct impression with the people of Prince Albert that they were going to get these improvements. Would the minister tell the House whether that particular type of commitment will in fact be honoured, if it was made by a minister of the Crown, or will he at least instruct his colleagues to get Treasury Board approval before leading people astray and giving them false impressions?

Mr. Andras: Mr. Speaker, I think the judgment that any minister has led these people astray is certainly not at all established.

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CROWN CORPORATIONS

ORDER IN COUNCIL APPROVAL FOR SUBSIDIARY CROWN CORPORATIONS AND AGENCIES

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the President of the Treasury Board. It arises out of the request of the public accounts committee that the Treasury Board determine how many Crown corporations and agencies the government have created in this country, and out of early rumours or reports that in this search for the number of Crown corporations as many as perhaps a thousand have been discovered. My question is this: Is it the policy of the government to permit existing Crown corporations to create subsidiary Crown corporations or subsidiary agencies without receiving order in council approval from the cabinet?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, investment in subsidiary companies, which does not always involve the creation of a Crown corporation thereby, is in some cases the decision of the Crown corporation, and other require government approval. One would have to define it in terms of the Financial Administration Act, and we are looking at that very problem. We are aware of the fact that there has to be a much more complete list of Crown-owned corporations whether totally controlled or not.

Mr. Gillies: A supplementary question, Mr. Speaker. Would the President of the Treasury Board tell the House whether or not the government is now discovering that it has perhaps as many as a thousand subsidiaries, Crown corporations and agencies; and would he also tell the House whether or not he is convinced or satisfied that all these agencies have been effectively audited and that effective financial controls are operating on these agencies?

Mr. Andras: Mr. Speaker, I would not join in the guessing game as to the number up to a thousand; I have not seen the final reports that have been requested.

Mr. Baker (Grenville-Carleton): Is the number too low?

Mr. Andras: Mr. Speaker, I am not party to the same rumours as the hon. member, but in any event it will all come out in the wash when we go through this.

* * *

ADMINISTRATION OF JUSTICE

REQUEST GOVERNMENT MAINTAIN JURISDICTION OVER INTERNATIONAL AND INTERPROVINCIAL TRADE

Hon. Herb. Gray (Windsor West): Mr. Speaker, my question is for the Minister of Justice. There have been reports that the British Columbia broiler marketing board has been attempting to prevent certain supermarkets in Vancouver from selling at low retail prices broiler chickens imported from the United States, and this has led to court action in British Columbia. Will the federal government intervene in these law suits to maintain federal jurisdiction over international and interprovincial trade and to prevent a provincial body from seemingly attempting to control imports into a province, in light of the importance of this issue to consumers in British Columbia and across Canada?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I would agree with the hon. member's question in the sense that these are matters of great importance. Normally we do not intervene until such cases reach a higher level than the trial, but I will examine the particular cases to see whether there is a proper intervention by federal authorities at the present level of trial.

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VETERANS AFFAIRS

INQUIRY WHETHER DISABILITY PENSION WILL BE RESTORED TO 1972 VALUE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I join with the hon. member for Humber-St. George's-St. Barbe in expressing our welcome to the Minister of Veterans Affairs.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): We are glad to see him back in the House and looking so well. Has the minister had an opportunity to look at some of the questions which were asked in his absence and at some of the motions which were proposed under Standing Order 43, and in particular may I ask him about the rate of the 100 per cent disability pension. Since this rate has fallen behind the rate that was established in 1972 in relation to the composite of five public service groups by more than $500 a year, will the government take the necessary action, even if it means legislation, to correct this imbalance and to restore the 100 per cent disability pension rate to the value it had when it was established in 1972?

[Mr. Baker (Grenville-Carleton).]

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, in reply to the hon. member's question, may I say I am quite familiar with the Standing Order 43s which were presented in the House and also with the questions asked by hon. members. With regard to the legislation pertaining to pensions, this matter is presently under review by the department. I would remind hon. members, as they know, that a consumer price index has been established and has been in effect for a long period. The other matter is under review and we intend to bring it forward at a later date.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. In view of the fact that the question relates to closing the gap because only the consumer price index has been applied to the 100 per cent rate which was created in 1972, may I ask the minister whether he will be prepared to discuss this and other issues in detail when his estimates come before the Standing Committee on Veterans Affairs?

Mr. MacDonald (Cardigan): I see no reason why we cannot make some reference to it, Mr. Speaker, at that time.

REQUEST FOR LEGISLATION TO IMPROVE PENSIONS OF WIDOWS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): A supplementary question, Mr. Speaker. Further to the question asked of the minister's parliamentary secretary as to whether legislation was under consideration to provide increased pensions for widows receiving less than 48 per cent pension, and in view of the fact that figures show there are 65,000 disability pensions between the range of 5 per cent to 50 per cent, when is the minister going to take definitive action with regard to introducing legislation to overcome this hardship which has been caused these widows?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, widows' pensions are also under consideration by our department, and when we have something noteworthy to report I will bring it to the attention of the hon. members.

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ADMINISTRATION OF JUSTICE

PRINCE ALBERT AIRPORT—GOVERNMENT INTENTION TO IMPROVE FACILITIES—NATURE OF AGREEMENT

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is directed to the Minister of Justice and is supplementary to that asked by the hon. member for Saskatoon-Biggar relative to the agreement already signed by the local authorities and the Minister of Transport for improvements to Prince Albert airport. When such an agreement is entered into in good faith by the local authorities and executed by the Minister of Transport on behalf of the Crown in right of Canada, is such agreement binding on the federal government even if it has not yet received Treasury Board approval?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, the parliamentary secretary has been briefed on this matter and is out of the House getting something for me which I will need at three o'clock. The agreement to which the hon. member refers was not only entered into in good faith by the people of Saskatchewan but also by the Minister of Transport who is also from Saskatchewan.

Mr. Lawrence: A supplementary question, Mr. Speaker. My question related to whether the agreement is binding on the Crown in right of Canada if it has not been approved or moneys have not been allocated by Treasury Board for such expenditure. Is it legally binding on the Crown in the absence of Treasury Board approval?

Mr. Basford: Mr. Speaker, that would depend upon what is in the agreement, and I have not yet read it.

* * *

● (1440)

HOUSE OF COMMONS

POSSIBLE TELEVISING OF BUDGET PRESENTATION

Mr. Sean O'Sullivan (Hamilton-Wentworth): Mr. Speaker, before posing my question to the Minister of Finance I wish him, on behalf of everybody, a thumping good day on this, his birthday.

Some hon. Members: Hear, hear!

Mr. O'Sullivan: I also wish to express the hope that as he approaches the mellowing of age—and I speak from experience, knowing the effects of that—it will be reflected in his budget. I want to ask the minister, in view of the fact that the House has recently passed a resolution allowing the televising of the proceedings of the House of Commons, whether in the important event of a budget being brought down the minister would be prepared to have the reading of the budget and the ensuing debate televised so that the Canadian people might see whether or not the economy is in full recovery.

Hon. Donald S. Macdonald (Minister of Finance): I thank the hon. gentleman for his good wishes since it has been suggested in some quarters that I have succeeded in passing from adolescence through to senescence without passing through any intermediate stage. May I say that personally I would be delighted to have the opportunity of presenting the budget on television and indeed witnessing the statements by other representatives on this question. The televising of the budget procedure would have my very full support. I would be glad to co-operate with members in all parties to bring about this objective, if we can.

An hon. Member: When?

POSSIBLE TELEVISING OF BUDGET PRESENTATION—REQUEST FOR EQUAL TIME TO BE AFFORDED OPPOSITION SPOKESMEN

Mr. Sean O'Sullivan (Hamilton-Wentworth): Mr. Speaker, my supplementary question is directed to the government House leader who is in the chamber, but perhaps he would like to resume his seat for a minute. I knew it was a birthday; I did not know we would have musical chairs. Would the government House leader give the House the assurance that should the budget debate be televised, spokesmen for the opposition will be given equal time so that the proper economic policies might be presented to the Canadian people?

Mr. Speaker: Order, please. The question, although enticing, is none the less hypothetical.

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CANADIAN RADIO-TELEVISION COMMISSION

ALLEGED PREFERENCE RESPECTING STATION CBUFT, B.C.—REQUEST TREATMENT BY CRTC BE UNIFORM

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, my question is for the Prime Minister. Now that we have moved into the era of accommodation and revision, I would like to ask him a question about the future of television in British Columbia. According to one of the employees at CBUFT there are times of the day when there are as many employees in the studio as viewers watching the station, and yet the CRTC seems bent on giving that station one of the best and most clear channels on the dial. Would the Prime Minister make representations to the CRTC to see if it would change its opinion on that matter?

Mr. Speaker: Order, please. Again, that is clearly a representation as opposed to a question.

* * *

FISHERIES

PROCESSING IN NOVA SCOTIA—REQUEST GOVERNMENT ACT TO UTILIZE FACILITIES

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Minister of Fisheries and the Environment. Two Nova Scotia companies have worked out proposals with Spanish and West German interests to have foreign caught fish from within the new 200-mile fishing limit landed and processed in Nova Scotia. In view of the present unutilized fish processing capacity of about 30 per cent in Nova Scotia, and a large number of shore workers who are unemployed, when can we expect an announcement from the minister indicating the approval of Nova Scotia's joint venture proposals?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, there are a certain number of proposals made by various companies that have been submitted for different species. They are being examined in terms of

benefit to Canadians. In fact, my principal adviser on this issue is in the Atlantic area today, and tomorrow I expect a report from him. These proposals will be decided in due course.

Mr. Crouse: In view of the fact that joint ventures would utilize the processing capacity of the province and, in addition, would serve to provide the Nova Scotia fishing industry with exposure in the use of freezer trawlers and the catching of certain species now declared surplus to Canada's needs, would the minister indicate the type of policy he plans to implement which will assist Canadian fishermen to catch their share of the quotas allocated to them on the Hamilton bank and in other far northern waters?

Mr. LeBlanc (Westmorland-Kent): Mr. Speaker, I believe the phrase "joint venture" which would imply foreign capital is not an accurate one in these Canada foreign arrangements, because we do not see the need for capital. In relation to Canadians getting a larger share of the quota which is available to us, I really look at the economics of this industry and do not see that investing in trawlers costing up to $15 million for what would be essentially a very short season would be a wise move. I think some of the companies have come up with good proposals, and I hope that down the road they will be looking at charters with Canadian crews with the possibility of some gear technicians from other countries. There are vessels available for charter right now.

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HEALTH AND WELFARE

INCOME TAX EXEMPTION FOR BEDRIDDEN OR PERSONS CONFINED TO WHEELCHAIR—GOVERNMENT APPROACH TO EXTENDING PROVISION

Mr. Arnold Malone (Battle River): Mr. Speaker, my question is for the Minister of National Health and Welfare. In view of the fact that an exemption from income tax is allowed to people who are blind, confined to a wheelchair, or bedridden, amounting to $1,420, but that that exemption from income tax does not extend to other people who are totally disabled, would the minister give consideration to recommending the broadening of the parameters of the definition of the word "disabled"?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I will be pleased to take note of the hon. member's question and to raise it with my colleague, the Minister of Finance, in the preparation of the budget.

AGRICULTURE

INDUSTRIAL MILK SURPLUS—REQUEST THAT DISPOSAL PROGRAM BE EXTENDED TO FLUID MILK AND CREAM

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my question is for the Minister of Agriculture. Has the minister any plans to extend the levy to deal with the disposal of surplus industrial milk to cover fluid milk producers and cream shippers even in those provinces which did not contribute to the milk surplus, or if there is to be an extension, would the levy be based on surplus industrial milk?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I know of no intention at present to increase the levy to cream shippers. If anything is to be decided, as mentioned yesterday by the dairy organization, there is to be no levy on cream shipments at all. But there has been a suggestion that the levy be extended to all fluid milk producers in Canada because they all share in the markets one way or another and they are all affected by the total program. So I do know it is under discussion among the dairy farmers themselves and with our dairy commission.

Mr. Ritchie: Can the minister say whether the discussions have progressed to discussions with provincial marketing boards which deal with fluid milk producers?

Mr. Whelan: Yes, Mr. Speaker. I had a discussion in Winnipeg last week with the Manitoba Farm Bureau, and the head of the Dairy Producers Organization attended that meeting and expressed a view that if it were extended, it would not affect them at all because they are now contributing to the over-all production.

* * *

[*Translation*]

EXTERNAL AFFAIRS

UGANDA—INQUIRY WHETHER FEDERAL GOVERNMENT IN POSITION TO EVACUATE CANADIANS

Mr. Charles Lapointe (Charlevoix): Mr. Speaker, I have a question for the Secretary of State for External Affairs.

Would the minister tell the House whether his department has taken any specific steps to get into communication with Canadians living in Uganda and would his department eventually be able to ensure their evacuation?

[*English*]

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, as the House knows, this is a rather uncertain situation in terms of information. However, we have determined that there are approximately 85 Canadians living in Uganda, and that number of Canadians have registered with our high commission in Nairobi. Most of them are missionaries. Should the need arise—and to date there has not been any request—a member of the Canadian High Commission in Nairobi will be sent to Uganda to provide whatever consular assistance will be possible. In an emergency situation

the French embassy in Kampala has agreed to assist Canadians pending the arrival of a Canadian official.

* * *

CONSUMER AFFAIRS

POSITION OF CMHC ON USE OF ALUMINUM WIRING IN DWELLINGS

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I would like to put a question to the Acting Minister of Urban Affairs. In view of the fact that the federal Department of Public Works has been recommending against the use of aluminum wiring for years because of the potential fire hazard, and in view of the fact that no federal Public Works Department-sponsored building will be built unless copper wire is used, will the minister give an assurance to the House that in the future any housing firm assisted by Central Mortgage and Housing Corporation will not allow the use of aluminum wiring?

● (1450)

[*Translation*]

Hon. Monique Bégin (Minister of National Revenue): Mr. Speaker, I will transmit this question to my colleague the Minister of State for Urban Affairs and tell him about the concern so often expressed in this House by the hon. member.

[*English*]

ALUMINUM WIRING—REQUEST FOR LEGISLATION BANNING USE

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I have a supplementary question for the Minister of Consumer and Corporate Affairs. In view of the lack of responsibility displayed by the Canadian Standards Association, and because of the tremendous fire hazard associated with aluminum wiring, will the minister bring in legislation under the Hazardous Products Act banning its use in all residential accommodations in Canada until his department has undertaken significant studies in this area, and can the minister assure the public that its installation is not dangerous to human life?

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Mr. Speaker, I attempted to deal with this question in a similar form the other day. I said that there was an absence of necessary evidence that indeed a hazard does exist in homes with aluminum wiring. I tried to point out, as well, that aluminum wiring in itself cannot be considered hazardous and therefore is outside the purview of the hazardous products legislation. If the installation of aluminum wiring with terminals is in itself hazardous, this is a problem for power companies and utilities under provincial jurisdiction and the question would be more properly directed to them rather than to my department.

Some hon. Members: Oh, oh!

Mr. Rodriguez: Burn, baby, burn.

ADMINISTRATION OF JUSTICE

INTRODUCTION OF LEGISLATION TO PROTECT PRIVACY

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, my question is for the Minister of Justice. When speaking last week in Vancouver Quadra the minister said that freedom of information legislation is being drafted. He also cautioned that society must balance freedom of information with the right of individuals to privacy. In view of the fact that the present Bill C-25 fails to protect privacy or to provide freedom of information, when is the minister planning to introduce the legislation to which he referred?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I have not seen the press reports to which the hon. member refers. They obviously arise from an immensely successful and enthusiastic Liberal meeting I attended in the hon. member's riding.

Some hon. Members: Hear, hear!

Mr. Alexander: I don't believe you.

Mr. Epp: How many showed up?

Mr. Paproski: There must have been at least 15 people there.

Mr. Baker (Grenville-Carleton): Did you get them all in the phone booth?

Mr. Paproski: Stop splitting hairs.

Mr. Basford: I indicated at that meeting that the government is introducing legislation in the form of Bill C-25 to protect the privacy of individuals with regard to government information used for administrative purposes with respect to those persons. I also indicated that there was a twin need for freedom of information legislation and that we would, pursuant to our statement in the Speech from the Throne, be introducing to the Standing Committee on Regulations and Other Statutory Instruments a green paper on the subject. I expressed the hope that that would lead to an information act.

Mr. Baker (Grenville-Carleton): In 1990?

Mr. Clarke: Since the minister also was speculating on the prospects of the Liberal party of regaining my riding, I wonder if he would like to speculate on his own prospects in Vancouver Centre.

Some hon. Members: Hear, hear!

[*Translation*]

SPORTS

OLYMPIC GAMES, MOSCOW—INQUIRY WHETHER GOVERNMENT WILL INTRODUCE PROGRAM TO TRAIN ATHLETES

Mr. Roch La Salle (Joliette): Mr. Speaker, my question is for the Minister of State for Amateur Sport.

Considering the government responsibility for adequately training our national team in view of the forthcoming Olympic games in Moscow, I would like to ask the minister whether she is prepared to present a specific program to encourage and train our Canadian athletes? What will this program be? How will it be designed? And also what funds are going to be granted to such an organization, in the best interest of our national team?

[*English*]

Hon. Iona Campagnolo (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I think the hon. member will be pleased to know that Game Plan at the present time is being augmented. As hon. members know, Game Plan was formerly assisted by the provinces, but the provinces having now withdrawn, the federal government will continue with this program on our own. This is a plan for assisting amateur athletes to augment their skills in the various sports in which they will be participating. This will include the 28 Olympic sports. We will be involved with the Canada Games this summer at St. John's, Newfoundland; next year, hopefully, with the Edmonton Commonwealth Games. In 1979 we will be on the scene at Brandon, and at the PanAmerican Games the same year. This government will be assisting our athletes, and we will be moving on with them in 1980 in Moscow.

Some hon. Members: Hear, hear!

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EXTERNAL AFFAIRS

ALLEGED FILM PRODUCED TO CONVEY MINISTER'S CHRISTMAS GREETINGS TO STAFF

Mr. John C. Crosbie (St. John's West): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Did the minister have a colour film made by Crawley Films Limited, or by any film-maker, of 25 minutes duration, or any duration, costing $13,792 or thereabouts, conveying his Christmas greetings to his staff around the world, with 90 prints sent to 110 posts?

Mr. Speaker: Order, please. I am sure that information can be obtained in some other way.

Mr. Alexander: The minister wants to answer the question.

Mr. Friesen: Was it a wide screen?

Some hon. Members: Oh, oh!

[Mr. Clarke.]

Mr. Speaker: Order, please. The hon. member for Victoria-Haliburton.

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AGRICULTURE

IMPORTATION OF PORK PRODUCTS FROM PEOPLE'S REPUBLIC OF CHINA—GOVERNMENT POSITION

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my question is for the Minister of Agriculture and it deals with imports of pork and pork products from the People's Republic of China. In view of the fact that Canada is looked upon as a food producing and exporting nation, and taking into consideration the proficiency of Canadian pork producers, can the minister explain the necessity of importing pork products from the People's Republic of China when we should more rightly be concerned about the exporting of this Canadian commodity?

Some hon. Members: Hear, hear!

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, there is certainly no law against people producing pork in Canada. There is an open and ample market here for them. At the present time we are importing about five million pounds of pork per week into Canada, not because producers are not making money on pork but because they can make more money selling grain. So they have discontinued producing pork. The amount of pork which comes in from the People's Republic of China is .35 per cent of the total amount of pork imported into Canada. We are selling them a lot of grain and many other things, but it is up to the pork producers themselves if they want to provide pork for Canadian consumers.

Mr. Scott: In view of the chaos in the beef producing industry in Canada, is the minister not afraid that this same chaos will befall the pork industry and create great uncertainty among pork producers in Canada?

Mr. Whelan: Mr. Speaker, there is legislation provided by this parliament which protects pork producers or any other producers who want to supply the market here.

* * *

MANPOWER

CANADA WORKS PROGRAM—REQUESTED ALLOCATION OF FUNDS TO METIS AND NON-STATUS INDIANS

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, my question is for the Minister of Manpower and Immigration and it relates to the Canada Works program. Notwithstanding the fact that funds have been allocated to status Indians, which are needed for their very serious unemployment problem, I would like to ask the minister why there has been no specific allocation made to Metis and non-status Indians. I ask that in view of the fact that the Department of Manpower and

Immigration is fully aware of the serious unemployment situation as revealed by a recent labour force survey which was conducted by the department with the assistance of the Native Council of Canada.

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, in addition to the regular allocation made under the Canada Works program we have made a special allocation for status Indians on reserves. I did meet with hon. members and indicated in my letter to them that I was looking for other ideas, schemes and plans as to how we might accommodate in the criteria both these peoples in a different approach to the matter. I have spoken to Mr. Daniels, president of the the Native Council of Canada. I indicated to him some ideas I have about how we might change the allocation procedure. I think we have arrived at an agreement and I am endeavouring to incorporate that into the second phase of the Canada Works program.

● (1500)

Mr. Holmes: I have a supplementary question, Mr. Speaker, and I thank the minister for his answer. The fact is that the Canada Works program is having a divisive effect on the native community of Canada and contradicts the policy announced by the Department of Manpower and Immigration on May 17, 1976, in which the minister in a letter to the native associations stated:

> I am now able to present to you the main elements of a manpower policy designed to help the Indians, the Inuit and the Metis be more successful in the labour market.

I should like to ask the minister specifically if he will consider implementing the policies that were announced in that program of May, 1976, and provide a special allocation for assistance to Metis and non-status Indians.

Mr. Cullen: Mr. Speaker, rather than opening the floodgate to all kinds of special or different or any other groups, it seems to me, on the basis of the letter written by my predecessor to the Native Council of Canada, that we should see if we can find some method whereby they can be accommodated within the Canada Works criteria so that the approach we have taken is acceptable to the council. When we get all the bugs ironed out, we will be discussing it again with them.

Order Paper Questions

ROUTINE PROCEEDINGS

[*English*]

EXTERNAL AFFAIRS

GARRISON DIVERSION—TABLING OF U.S. DEPARTMENT OF STATE NOTE TO CANADIAN AMBASSADOR IN WASHINGTON

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, under Standing Order 41(2) I wish to table, in both official languages, a United States department of state note to the Canadian ambassador in Washington dated February 18, 1977, on the Garrison diversion project.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 183, 343, 1,318, 1,418, 1,556, 1,637 and 1,786.

[*Text*]

MINISTRY OF STATE (FISHERIES)—REHIRING OF PUBLIC SERVANTS UNDER CONTRACTS

Question No. 183—**Mr. Crouse:**

1. How many former senior members of the Ministry of State (Fisheries) were put on contract by the government on their retirement from the Public Service in (a) 1972 (b) 1973 (c) 1974 (d) 1975 and, in each case (i) what was his or her salary at the time of retirement (ii) for how many years was he or she in the Public Service?

2. For each such contract, what was (a) its purpose (b) its duration (c) its amount and to whom was it paid?

3. How did the daily rate on contract compare with the daily rate on salary in each case?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of the Environment as follows: 1, 2 and 3. See following statement. All other departments and agencies have submitted Nil replies to this question.

Purpose of contract	Duration	Name	Amount	Salary at Retirement	Years of Service	Contract Rate of Pay	Salaries Rate of Pay
1972—Nil							
1973							
Providing and obtaining advice on all matters relating to marine mammals and continuing as consultant to Int. Whaling Committee on matters relating to I.W.C.	1 year	Sprules, W. M.	11,000	25,000-29,000	29	200	108
Economic Consultant—evaluation of the salmon vessel licencing program and policy	18 months	Campbell, B. A.	7,705	20,750-23,278	32	150	95

Purpose of contract	Duration	Name	Amount	Salary at Retirement	Years of Service	Contract Rate of Pay	Salaries Rate of Pay
Continuation of consultation for Minister of Fisheries concerning Law of the Sea Conference.	3 contracts over 3 years	Needler, A. W. H. (former D.M. Fisheries)	39,000 35,000 35,000	26,500-31,500	35	200	120
1974							
Editing Scientific publication—Journal of Fisheries Research Board	1 month	Billingsley, L. W.	1,000	23,000-27,000	6	35	99
Consultation regarding marine invertebrate investigation.	2 years	Quayle, D.	1,500	25,000-28,000	15	Project Amount 100	
Editing "History of Fisheries Research Board"	2 months	Ricker, W. E.	4,000	23,000-26,000	28	100	99
1975							
Consultant regarding Scientific Project Proposals	40 days	Ricker, W. E.	4,800	23,000-26,000	28	120	99
Consultative services on a Herring Task Force and a Tuna Commission dealing with tuna fisheries of Atlantic Ocean and eastern tropical Pacific Ocean and provide background documentation on fishery trends in Northwest Atlantic for FMS.	1 year	Tibbo. N. S.	15,000	25,000-29,000	25	150	101

ATLANTIC SALMON—FISHING BAN

Question No. 343—**Mr. Nystrom:**

1. Was a ban placed on commercial Atlantic salmon fishing in 1971 and, if so (a) what has happened regarding the biological stock over the past five years (b) are there any streams in which the stocks have been replenished so that commercial fishing could again resume?

2. If and when the biological stock reaches a sustained level where commercial fishing is again feasible, what will be done by the Department of the Environment (Fisheries) regarding the (a) number and allocation of salmon fishing licences (b) distribution of salmon yield between the commerical and recreational fisherman?

Mr. Jim Fleming (Parliamentary Secretary to Minister of Fisheries and the Environment): 1. A five year commercial fishery ban was implemented in 1972 on selected salmon fisheries within the provinces of New Brunswick, Newfoundland and Quebec. The commercial fishing ban has been effective in improving salmon stocks within rivers affected. However, while runs have increased, biological predictions indicate that they are not of sufficient strength to support a commercial fishery in 1977.

2. The whole matter of the status of salmon stocks in the Atlantic coast of Canada including the biological asscssment, the number and allocation of salmon fishing licences and the distribution of salmon yield between both the commercial and recreational fishermen has been the topic of a comprehensive review. The review concluded that because of the six year salmon cycle the full benefit of the closure would not be realized until we get the returns of the 1972 spawning. Accordingly, the ban on the commercial fishery will continue in 1977. An announcement of this decision was made on February 4, 1977. By 1978 it is expected that salmon stocks will have recovered sufficiently to allow the resumption of a modest commercial fishery. Prior to that, the details of the management plan considered most appropriate to the future well-being of the salmon resource and the particular interest of the user groups will be announced.

"CROSS CANADA COOKING"—GRANT TO SONDRA GOTLIEB

Question No. 1,318—**Mr. Epp:**

1. Were any government monies granted to Sondra Gotlieb, author of "Cross Canada Cooking" and, if so, how much?

2. Is any department purchasing the book?

3. Was an agreement made with Ms. Gotlieb, during the time of negotiations for her manuscript, that a certain number of her complete book would be bought by the government?

4. What is the number of "Cross Canada Cooking" books bought by the government?

5. What is the cost of the book's purchase to the government?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of the Secretary of State and Supply and Services as follows: 1. Under contract to the Secretary of State's Department as author of "Cross Canada Cooking" Sondra Gotlieb received a fee of $13,000.00. She received no other payment for the book from the Department of the Secretary of State, except for an amount of $2,091.00 (travelling expenses—$991.00, administrative costs—$1,100.00)

2, 4 and 5. Secretary of State 300 copies, $1,342.50; Supply and Services 5,000 copies, $22,375.00.

3. No.

LANDFILL SITE—JACK'S LAKE, NOVA SCOTIA

Question No. 1,418—**Mr. McCleave:**

With reference to the answer to Question No. 1,069, what is the identity of the further information and the nature of the further engineering studies concerning the Jack's Lake, Nova Scotia landfill site, that the Department of the Environment requires from the provincial government?

Mr. Jim Fleming (Parliamentary Secretary to Minister of Fisheries and the Environment): The Department of the Environment has requested further information on the design of the proposed environmental control systems, the design of the landfill monitoring program, and the details of a contingency plan to be implemented in the event that leachate escapes untreated from the site and is found to be migrating away from the site within the localized groundwater flow regime. In addition the Department has requested further engineering study of the hydrostratigraphy of the area downgradient of the landfill. This information will be used as necessary to request modifications of the environmental control systems design to ensure that the landfills' impact on the surrounding environment is minimized.

PUBLIC WORKS—RENTAL OF SPACE HUMBER-ST. GEORGE'S-ST. BARBE

Question No. 1,556—**Mr. Marshall:**

1. From January 1, 1974 to date, has the Department of Public Works made any agreements for the rental of space in the Constituency of Humber-St. George's-St. Barbe and, if so, in what locations?

2. Is the Department now seeking rental space in the Constituency of Humber-St. George's-St. Barbe and, if so, for what purpose and how much area?

Mr. Alexandre Cyr (Parliamentary Secretary to Minister of Public Works): 1. Yes, at the following locations: Corner Brook, Stephenville, St. Andrews, Rocky Harbour, Port-aux-Choix.

2. No.

EQUALIZATION GRANTS TO QUEBEC

Question No. 1,637—**Mr. Coates:**

What is the total estimated amount in equalization grants to be paid to the Province of Quebec for the fiscal year 1976-77?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): The total estimated amount of equalization to be paid to the Province of Quebec for the fiscal year 1976-77 is $1,123,554,000.

NUMBER OF FILERS DECLARING TAXABLE INCOMES IN EXCESS OF $100,000

Question No. 1,786—**Mr. Herbert:**

For the 1974 taxation year, how many persons declared taxable incomes in excess of $100,000 in (a) Canada (b) each province?

National Transportation Act

Hon. Monique Bégin (Minister of National Revenue): The information requested is not readily available in the same format or to the same detail. The closest statistics available are for the number of filers with total income greater than $100,000 for the 1974 taxation year. (a) All Canada (including non-residents) 8,117. (b) Newfoundland, 53; Prince Edward Island, *; Nova Scotia, 113; New Brunswick, 53; Quebec, 1,968; Ontario, 4,080; Manitoba, 188; Saskatchewan, 200; Alberta, 549; British Columbia, 850; Yukon and Northwest Territories, *.

NOTE: Where small in number, the number of filers is not indicated in order to adequately protect confidentiality.

[*English*]

Mr. Goodale: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

Mr. Speaker: The questions enumerated by the parliamentary secretary have been answered. Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

Mr. Speaker: Before calling orders of the day, may I recall yesterday's point of order raised by the hon. member for Don Valley in reference to the remarks of the Minister of Finance. With the permission of the House, I would prefer to reserve one more day before making a definitive announcement on that matter.

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

NATIONAL TRANSPORTATION ACT

MEASURE TO REDEFINE OBJECTIVE OF TRANSPORTATION POLICY

Hon. Ron Basford (for the Minister of Transport) moved that Bill C-33, to amend the National Transportation Act and the Department of Transport Act for the purpose of defining the objective of the transportation policy for Canada and authorizing the consequential rearrangement of powers and duties relating to transport and to amend the Transport Act and the Railway Act in respect of freight rates and other matters, be read the second time and referred to the Standing Committee on Transport and Communications.

The Acting Speaker (Mr. Ethier): The Minister of Justice (Mr. Basford).

An hon. Member: Where is Lang?

An hon. Member: Lang has gone to the Senate.

An hon. Member: Is Otto travelling by train?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, on rising on behalf of my colleague, the Minister of Transport (Mr. Lang), to propose second reading of this bill, it is with great pleasure that I inform hon. members opposite that the Minister of Transport is in Vancouver attending a conference on economic transportation—

An hon. Member: How did he get there?

Some hon. Members: Oh, oh!

An hon. Member: Did he get there by train?

The Acting Speaker (Mr. Ethier): Order, please.

Mr. Basford: —which led last night to an important statement being made by the minister.

Some hon. Members: Oh, oh!

An hon. Member: Outside the House.

Mr. Basford: The minister met in Victoria with his provincial counterpart, Mr. Davis, and Premier Bennett on questions of west coast transportation which I am optimistic will lead to a resolution of the problems that I and my colleague, the hon. member for Skeena (Mrs. Campagnolo), and others have been so actively involved with in the last few weeks.

Some hon. Members: Oh, oh!

An hon. Member: Why is she blushing?

An hon. Member: She is too busy playing football.

Mrs. Campagnolo: I do not blush.

Mr. Basford: When the major elements of government's transportation policy were announced in this House by the former minister of transport in June, 1975, we stated that the federal government should play a positive and selective role to ensure that the over-all system develops in an effective way to meet national and regional needs.

An hon. Member: Tell us about the election promise in Cornwall.

An hon. Member: Tell us about Stewart, B.C.

Mr. Basford: We are going to come to Stewart in a moment.

An hon. Member: We will leave you there, too.

An hon. Member: What about the longshoremen in Prince Rupert?

Mr. Basford: Mr. Speaker, I have a very long speech.

Some hon. Members: Oh, oh!

An hon. Member: It had better be a good one.

[The Acting Speaker (Mr. Ethier).]

Mr. Basford: I fear for the opposition. If we are going to have all these interruptions, the long speech may become needlessly long.

Some hon. Members: Oh, oh!

Miss MacDonald: It is needless anyway.

An hon. Member: Is it necessary?

An hon. Member: How much did it cost?

An hon. Member: Who wrote it?

Mr. Basford: Mr. Speaker, I am disappointed that hon. members opposite regard transportation as such a light-hearted matter when in fact it has been—

An hon. Member: Where is the minister?

An hon. Member: Who is light-hearted?

An hon. Member: The minister is not concerned.

Mr. Baker (Grenville-Carleton): The minister had to hire a lawyer.

The Acting Speaker (Mr. Ethier): Order, please. I think in courtesy to the House and all hon. members we should hear the Minister of Justice (Mr. Basford). He has the floor.

Mr. Basford: The general objective of that policy is to provide a transportation system that effectively supports the achievement of national and regional, economic and social objectives, is efficient and ensures a high degree of accessibility and equity for all users.

Miss MacDonald: Where?

Mr. Basford: We also emphasized throughout the new policy that there should be an efficient integration of the various modes of transportation by each service so that the best level of service is provided at the lowest possible cost.

The new policy recognizes, contrary to some elements of the 1967 National Transportation Act, that transportation in Canada is a mix of services, varying in the degree of development and maturity and in the degree of competition.

Our view is that the role of the government should vary according to the nature of the services and region concerned. Those services which are well developed and mature should be operated on a commercially viable basis within a general policy and regulatory framework provided by the government. Hence, in those cases where there is effective competition, rates and services should be determined largely through the forces of the marketplace. Yet in other regions or in other parts of the transportation system where services are required in the national or regional interest, but cannot achieve commercial viability or the required degree of technological development, the federal government is prepared to provide active support and financial assistance.

It has sometimes been suggested that our policy involves competition between the two concepts of commercial viability on the one hand and, on the other, the use of transportation as an instrument for the achievement of economic and social goals. The government does not see these concepts as conflicting but, rather, as complementary and mutually reinforcing. Because there appears to be some public misunderstanding on the point—a misunderstanding on the part of my noisy friends opposite—I should like to take a little time to explain how we see the relationship between those two objectives. The starting point is the proposition that it is the responsibility of government to see to it that the national transportation system—

● (1510)

An hon. Member: Who wrote the speech?

Mr. Basford: —to the extent practical—

An hon. Member: How much did it cost?

Mr. Basford: —provides freight and passenger services which adequately and efficiently meet the economic and social needs of Canadians.

Mr. Alexander: No wonder Lang isn't here.

Mr. Basford: This is true whether or not the users of each individual service can reasonably afford to pay the full costs of providing that service. There are, and probably will always be, some services which are required in order to meet legitimate economic and social needs such as regional development or access to remote communities but for which the particular users cannot reasonably be expected to pay the full costs. In such cases government support in the form of direct or indirect subsidy is necessary and reasonable. Government support of this kind to ensure the provision of necessary transportation facilities which cannot be commercially viable represents the use of transportation as an instrument for the achievement of economic and social objectives. But the resources available to government for these purposes are necessarily limited and should always be used for maximum effect because the legitimate claims upon them are extensive. It is therefore important, Mr. Speaker, that available resources be conserved for application to those situations where they are most needed, and not dissipated in support of transportation services which may only be convenient but not necessary or of other services which are necessary but capable of commercial viability without subsidy.

Subsidies so often distort the picture and hide real costs, so that more is spent in total on transportation than would have been without the distortion. That is waste; this is not cost effective. Wherever we can, therefore, we shall make decisions based on real costs. Where even the lowest cost is too high for someone to pay we should help him, if we see his needs, to have the service. Most often we should help him but leave him free to find the lowest cost and most effective transportation.

Given that policy approach, my purpose today, on behalf of the Minister of Transport is twofold: first, to give what is more or less a progress report to the House on several of the major initiatives which the government has undertaken or is about to undertake to implement that new transportation policy and, second, to introduce proposed amendments to the National Transportation Act, the Railway Act, the Transport Act and the Department of Transport Act in order to implement the new policy in areas that require changes to existing legislation. For the first purpose it might be useful to outline our activities in freight and then in passenger transportation.

Over the past few years we have undertaken a number of initiatives, often with the provinces, carriers and industries concerned, to move freight more effectively and efficiently within, to and from Canada. Some of our efforts have a regional orientation, others are more national in scope. In western Canada, various developments are under way or are in an advanced stage of planning. First, we are involved in a number of activities to improve and increase the capacity of the rail system to move commodities within the region and to export markets. These include the improvement of the CN and CP main lines through the Rockies and the prairies, the development of the northern British Columbia rail system and an examination of the possibilities of joint track usage.

Second, we are taking various steps to change and modernize the grain handling system, including the purchase of hopper cars, investments in new or improved terminal facilities, and recommendations of the Hall and Snavely commissions. Third, we have or will be adopting measures to add to the capacity, efficiency and annual throughput of port facilities in centres such as Prince Rupert and Vancouver. Finally, we are making investments in the primary highway networks of the prairies and in the development of highways in the western northlands.

In central and eastern Canada a similar range of freight transportation efforts is under way or planned, including port expansions and improvements at such centres as Quebec City, Saint John and Halifax; capital investments and essential research and development to increase the utilization of the St. Lawrence Seaway and the Great Lakes through lock and channel improvements and through the development of marine shunters and air-cushion icebreaking vehicles; and measures to increase efficiency and capacity in the railway system and in ferry freight operations and the highway network, particularly in the Atlantic region.

Northern Canada has historically also had unique transportation problems and needs. We are dealing with these through increased funding for air transportation infrastructure, continuing support for the Northern Transportation Company Ltd., improved Arctic resupply services, joint industry-government investment in the MV *Arctic* bulk carrier, and the analysis of future marine investments for the north, including perhaps a larger polar icebreaker to assist in the exploration and development of Arctic natural resources. Each of these efforts is aimed at meeting the development needs and potential of each region of the country by ensuring that the basic freight transportation system is there to accommodate and, where necessary, to stimulate industrial and commercial growth.

Besides these regional thrusts, freight transportation initiatives more national in scope are under way or planned. Soon the government hopes to table in this House legislation to establish largely autonomous port commissions at 20 ports of national significance and to improve the co-ordination and direction of all transportation port activity through the creation of a Canadian ports commission within the Department of Transport.

The methods of regulating freight transportation as well as passenger transportation are in continuous need of change and improvement as freight movements grow in quantity, variety and complexity and as traffic flows shift from one mode to another or from one trade area to another. The CTC has made a number of determined attempts to improve the efficiency of its regulatory process, especially in the area of rail transportation. The new legislative proposals which will be outlined shortly should help in freeing scarce resources in the CTC, enabling it to focus more exclusively on its regulatory functions. The proposed changes should also provide a more effective legal basis for rail freight regulations. While for a variety of reasons the federal role in truck regulation has never been clear since 1967, the government is hopeful that as a result of current discussions with the provinces and industry we will be able to fashion a more effective federal-provincial partnership in that important regulatory area.

A final freight transportation matter of broader national implication is the systematic analysis of various direct and indirect freight subsidies and assistance programs. These range from branch line subsidies through grain freight rate assistance and St. Lawrence Seaway deficits to Atlantic region freight rate subsidies. Most of these were implemented when the economic and transportation needs of the west, Ontario, Quebec and the Atlantic provinces were significantly different from what they will be in the coming decade. Some of these programs, however well-intentioned and effective years ago, now actually inhibit the development of certain regions and of parts of the transportation system. Therefore, Mr. Speaker, the Minister of Transport has proposed changes in a number of these assistance programs. We think that these changes will lead to a more efficient, effective and productive transportation system.

Another important element of the new transportation policy is the recognition that passenger problems are every bit as real to the country as freight transportation problems and that the challenge of moving people in the most effective and efficient manner increasingly calls for a multimodal approach; that is, an approach which emphasizes that every mode, whether it is air, rail, bus or car should be encouraged where it is likely to be the most effective. In the context of that approach the Minister of Transport announced last January a policy on rail passenger services. In the light of unacceptably high financial losses and deteriorating services in recent years on rail passenger operations, the government's objectives are to revitalize those services which are essential and potentially effective and encourage other modes to replace rail services which are no longer justified.

The Canadian Transport Commission recently issued a summary report on transcontinental rail passenger services following extensive public hearings on this subject. It is currently giving priority, as directed in the rail passenger policy statement, to the development of a plan for transcontinental and regional rail services in western and central Canada. As service is improved and subsidy per passenger decreased, it is the government's intent to increase its subsidy from 80 per cent to 100 per cent of losses. We are also negotiating with CN and CP for the establishment of a Canadian rail passenger corporation that will operate, manage and market the improved service across the country, Via Canada.

● (1520)

To demonstrate the possibilities of improved rail passenger services the government has chosen the Quebec-Windsor corridor. The first phase of the corridor improvement project, affecting the Quebec City-Montreal segment, has already begun. Over the next three years the government will spend approximately $30 million on this segment in order to acquire modern, high-speed trains and to improve rail lines, signals and maintenance facilities. Let me stress that it is also our aim to make improvements in several rail services in other areas of the country. Following completion of the CTC hearings, the remaining transcontinental and regional rail passenger services in every part of the country, not just in the Quebec-Windsor corridor, will be improved.

The broader multimodal approach to transportation has also caused the federal government to focus more closely on interprovincial bus transportation, the role of the automobile and the future need for urban transportation. We are working with the provinces to consider ways and means of improving bus transportation in certain parts of the country; the Atlantic region is one example. While there may never be enough financial resources to meet all needs for urban transportation, we believe that we have launched a number of positive steps, through the rail relocation, grade crossing and commuter rail programs, to improve public transportation in urban areas.

It has been the view of a number of Canadians, and perhaps even some members of this House, that in its approach to passenger transportation the federal Department of Transport has historically been unduly oriented toward the air mode at the expense of bus and rail. Certainly, the rail passenger initiatives I just mentioned should alleviate that concern. But it should also be kept in mind that the demand for air transportation has grown in leaps and bounds over the past two decades and, despite some cyclical slowdowns, is likely to continue to increase substantially in the future.

Hence, new facilities and services have been and will continue to be provided wherever necessary and desirable. Yet at the same time I would like to inform members that additional measures have been implemented recently to ensure that airports and air services are developed and approved, where the case is sound, with standards and facilities which the air industry and Canadians both need and can afford. In some way, our air services and facilities have been so good that we

have perhaps come to expect too much; we may have to lower our level of expectations unless we are prepared to pay more through increased government expenditures and, hence, increased taxes.

While on the subject of government expenditures and taxes for transportation purposes, I might once again tell hon. members briefly why this government is so concerned about the need to increase the level of cost recovery from transportation services. As we all know, most Canadians are worried about rising government expenditures and about growing government involvement in almost every aspect of Canadian society. There is a general desire—sometimes I wonder whether it is shared by members opposite—to limit government spending and government involvement, and that desire applies to certain aspects of transportation as well. Where possible, the growth in government expenditures should be reduced and activities left to the individual, to the local community or to private enterprise.

Federal transportation expenditures have increased rapidly. For example, over the past five years the combined budget of the Department of Transport, including Transport Canada financing of Crown corporations, and the Canadian Transport Commission has almost doubled from $834.5 million in 1970-71 to $1,646.6 million in 1975-76. In this latter year our deficit for the provision of air services across the country totalled $448 million; ferry subsidies, largely in the Atlantic provinces, accounted for another $110.5 million; freight subsidies, east and west, were $118 million; rail passenger subsidies, $160 million; while the current debt of the St. Lawrence Seaway Authority and its 1975-76 operating and maintenance losses are $817 million and $17 million respectively. Besides accounting for more than one half of our total 1975-76 budget, these deficits and subsidies are increasing at a very rapid rate. For example, it has been predicted that without the positive government initiative I referred to earlier, the 1980 subsidies for rail passenger services alone would be approximately $400 million as compared with the 1975-76 figure of $160 million.

These subsidies also often distort the choice by users and consumers of the most economically efficient transportation means and have in the past led to real or imagined regional discrimination. For example, while in 1972 governments at all levels subsidized rail and air passengers by five cents and two cents per mile respectively, the bus passenger received no subsidy at all. Surely we should not bias the passenger's choice among competing travel modes in this way. This is particularly true in cases where the bias is counter to other important objectives such as environmental quality or energy efficiency.

In freight transportation a number of bulk commodity movements are currently subsidized through such mechanisms as the St. Lawrence Seaway Authority and the Crowsnest pass rates agreement. Finally, certain regions of the country often voice objections, many of them valid, that the direct or indirect subsidization of freight and passenger movements in one region inhibits the necessary development of industries and communities in other regions. Hence, our transportation deficits and subsidies are not only large and increasing rapidly; they are also often unfair and discriminatory. In addition, subsidies frequently tend to encourage inefficiency; the more one subsidizes a service, the fewer are the incentives to remain or to become efficient.

In light of these facts I think all members will agree that the federal government must ask whether the present variety of expensive subsidy programs and deficits is providing Canadians with the best possible return per dollar spent on transportation and whether they should be allowed to increase at such a rapid rate. Unless we can control our transportation expenditures, and unless we insist that whenever possible the users of these transportation services pay a greater proportion of the actual cost themselves, the taxpayer will simply have to pay more taxes or the government will have to increase its deficits. And as my colleague, the Minister of Finance (Mr. Macdonald), has pointed out repeatedly, that is simply not realistic in times of economic difficulty and in light of the general desire of most Canadians for fiscal restraint by all levels of government.

It is within this context that the agreement proposed, and discussed with many formally and informally, a policy of cost effectiveness; that is, to see how our deficits and subsidies can be reoriented to make them more effective, more equitable and as inexpensive to the taxpayer as possible. The policy basically implies that whenever national or regional, economic or social ends do not justify a transportation subsidy, then the user of the facility or service should pay. This certainly does not mean that all transportation services should be fully paid for by their users, regardless of circumstances. If that were the case, many necessary services such as air connections to remote northern communities or maritime ferry services, to mention a few obvious examples, would simply disappear.

● (1530)

That certainly is not our objective. If only for this reason, we have no doubt that government subsidies will continue to play a significant role in our national transportation system. Yet surely it makes sense that users should pay the cost of transportation services where it is economically practical for them to do so. Then the limited funds available for subsidies can be reserved for those special situations where necessary transportation services cannot earn sufficient revenues to cover their costs and can only be provided with government assistance.

These subsidy funds can and will be used to stimulate slow-growth regions and to provide essential transportation services. In the Atlantic provinces, the minister has discussed with the provincial premiers different alternatives for reallocating transportation funds to assist regional air, bus, rail and highway improvements. In the west, the federal government has helped in the strengthening of prairie highways and is implementing programs to encourage prairie air services and the movement of rapeseed products. I am somewhat startled at the ruckus we have seen in the last few days against my colleague, the Minister of Transport, sitting down with the mayor of Saskatoon and working out a general agreement for the improvement of the airport and the development of plans

to enhance our services. When the opposition talks so much about the need for improvement in transportation services I am startled at the ruckus they have created during the last two days during the question period.

Mr. Hnatyshyn: We want to make sure it happens.

Mr. Basford: In British Columbia we are studying the future development of transportation infrastructure for the movement of regional resources, especially coal. In other words, by changing existing subsidy programs that are not totally effective we can reallocate scarce funds for more essential development purposes.

Mr. Speaker, I think the initiatives I have mentioned so far demonstrate the government's intention to adopt the positive yet selective role envisaged in our new transportation policy. But I want to stress that this role has not been exercised unilaterally. We have been, and intend to continue, planning and implementing changes in consultation and often in conjunction with the provinces, the carriers, industry, labour and the public at large. For example, over the past few years we have established formal federal-provincial committees for each of the western, Ontario, Quebec and Atlantic regions so that at both the ministerial and officials level there will be regular contact, dialogue and co-operation on major transportation issues. We have also improved our consultative mechanisms with the major carriers such as CN, CP, Air Canada, CP Air, with the regional air carriers and with carrier associations and industry groups too numerous to list in full today. Suffice it to say here that the list includes such carrier associations as the Dominion Marine Association, Canadian Trucking Association, port groups, the Air Transport Association of Canada and the Canadian Motor Coach Association, and such industry groups as the Canadian Industrial Traffic League and the Canadian Manufacturers' Association.

I hope, Mr. Speaker, that this quick progress report has been of some assistance to the House in informing the members, if only in a general way, about the approach to and main elements of our transportation initiatives. It will, I hope, also help to set the stage for the second subject which I wish to address today: the main elements of the transport policy legislative proposals which the Miniser of Transport would like to introduce for second reading. There are three main elements of the legislation: first, proposed changes and additions to the transportation policy objectives and principles under section 3 of the National Transportation Act; second, proposed changes and additions to the National Transportation Act and the Department of Transport Act relating to the responsibilities of the Minister of Transport and the Canadian Transport Commission; third, proposed amendments to the Railway Act, the National Transportation Act, and the Transport Act, relating to the legislation governing the regulation of railway freight rates.

The proposed revised statement of objectives and principles under section 3 of the National Transportation Act reflects the new policy thrust outlined in June, 1975, by the former minister of transport in his statement to the House. The amendments now being introduced have been discussed with provincial governments, the carriers and other interested parties. The government's intent, in proposing the revised statement of objectives and principles, is to retain those elements of the National Transportation Act which continue to be relevant to present requirements. At the same time, the changes and additions in the proposed legislation are significant. Our main proposals consist of four basic points: first, a statement which establishes that it is the objective of the transportation policy for Canada to achieve a transportation system that is efficient, is an effective instrument of support for the achievement of national and regional social and economic objectives, and is accessible and equitable. The concept of efficiency in the present act is not lost, but more emphasis is placed on service to Canadians and on the support of national and regional objectives. When this is referred to committee, the minister will propose, once having completed consultation with the provinces, some amendments to the transportation policy objective which will further strengthen the government's commitment to link transportation with the achievement of national and regional objectives.

Second, the recognition of the need for co-operation between the different levels of government, as well as consultation with the public in major aspects of the development and economic regulation of the transportation system. It certainly is our intention that no major policy initiatives will be put forward unless there has been a full and frank process of consultation with the provinces concerned. While, of course, this has to be a two-way process, we are firmly of the belief that by doing so we will have more effective policies and a better transportation system.

Third, a principle establishing the explicit goal of over-all commercial viability for the transportation system, yet allowing for financial assistance by the government when necessary, especially when the achievement of national or regional objectives requires it. Here, too, my colleague will propose an amendment in committee to ensure that the achievement of national and regional objectives is an overriding objective relative to the objective of commercial viability.

Fourth, the recognition that where effective competition exists, transportation rates and services should be established by the market place, but where it does not exist, rates and services should be regulated so as to give users the same protection they would have if effective competition existed.

These principles have the most immediate relevance for domestic transportation, but they also have relevance for the international shipping on which Canada's well-being as a major trading nation is highly dependent. By reason both of technological change and the policies which other countries are adopting to meet their national aspirations—policies and aspirations with which we have no basic quarrel—the competitive nature of international shipping is changing. In light of that change, Canada's own international shipping policy, which is basically one of reliance on free competition to provide adequate and economic services for our shippers, may require adjustment. This whole area is under review and it is already

clear that we require legislation to enable us to work constructively with countries which prefer not to rely entirely on free competition to assure the carriage of our bilateral trade.

● (1540)

A second main element in the package of legislative proposals being introduced today involves proposed amendments to the section of the National Transportation Act which states the responsibilities of the Minister of Transport and of the Canadian Transport Commission. As early as 1973, the then minister of transport forcefully expressed his concern at the lack of authority which the minister has under the present legislation to ensure that adequate transportation policies are developed and implemented in the national interest. The amendments that are now being proposed can be viewed as part of the government's adoption of a more positive role in the provision of an effective national transportation system, which at the same time maintains the essential role of the CTC as a regulatory body.

Hence, the proposed changes and additions to the National Transportation Act include first, clarification that it is the responsibility of the Minister of Transport to undertake the necessary measures to achieve the objective of the transportation policy, consistent with the proposed revised statement of principles which I have just discussed. This involves the addition of the proposed section 3(3) of the act which specifies the responsibility of the minister. Second, the amendment of section 22 to transfer a number of policy advisory functions to the department. The commission would retain the regulatory powers it has relating to licensing, authorizing or requiring the operation of and controlling the rates and tariffs for those modes of transport under its jurisdiction.

Third, the addition of section 3.1(1) to permit the governor in council, by order, to transfer to the minister any powers, duties or functions conferred or imposed on the Canadian Transport Commission by this act or any other act; this section would not authorize the transfer of any power, duty or function relating to the commission's regulatory responsibilities for licensing, authorizing or requiring the operation of and controlling the rates and tariffs for any mode of transport.

Fourth, amendments to sections 3 and 22 which would permit the minister to transfer powers to the commission to be exercised on his behalf, and request the commission to undertake research and investigation that would be of assistance to him in the exercise of his powers.

Fifth, addition of section 3.2 to permit the governor in council, on the recommendation of the minister, to issue general policy directives to the Canadian Transport Commission; this section stipulates that each such directive shall be without specific reference to any particular matter before the commission.

The third main part of the government's transport policy legislation proposes certain amendments to the legislation governing the regulation of railway freight rates. Under the National Transportation Act of 1967 the Canadian railways have been generally free, with the important exception of the statutory grain rates, to set railway freight rates without regulatory approval so long as the rates are filed with the Canadian Transport Commission. The existing legislation under the Railway Act does include a minimum rate provision to prevent the railways from providing services on an non-compensatory basis, and a maximum rate provision to give some means of relief to shippers who rely exclusively on rail. However, these provisions in the Railway Act have been largely inoperative, and the so-called "public interest" clause—section 23 of the National Transportation Act—has given rise to frequent complaints from shippers about the costly and protracted nature of the regulatory process.

The rate-making freedom of the railways has been of concern to a number of provinces and shippers. Many firms are still largely dependent on rail transportation and often on one particular railway. In the case of bulk commodities, market competition has often been successful in reducing rates, but this success has been much less apparent in the movement of the more highly manufactured goods, especially those from central Canada to western markets. Our proposals to amend the legislation governing railway freight rates are generally intended to promote a greater degree of fairness, both regionally and to shippers, while taking into account the financial need of the Canadian railways. The government envisages that Canadian railways should continue to exercise considerable freedom in establishing freight rates where competitive forces can be expected to protect the public interest. Nevertheless, because of the importance of the railway system to the national economy, and the continued existence of some railway monopoly power in certain markets, it is proposed that the maximum and minimum rate provisions of the Railway Act should be strengthened.

The government acknowledges that maximum-minimum rules for regulating railway freight rates cannot be effective without a measure of railway costs which is accurate and which can be efficiently administered. Consequently, we intend to defer proclamation of the proposed amendments governing the establishment of new maximum and minimum rate rules until the Canadian Transport Commission has reviewed the 1969 railway costing order and has revised it through the public hearing process under section 330 of the Railway Act. We believe that the costing order requires revision in light of the economic and technological changes which have occurred since 1969.

Once a better costing system is developed, the government proposes that the present rules under the Railway Act should be amended. The principal amendments would be as follows: first, implementation of a more effective maximum rate provision which would grant discretionary powers to the governor-in-council to vary or eliminate the present "key weight"—of 30,000 pounds per carload—and to reduce the maximum add-on from the present 150 per cent above variable cost down to 100 per cent above variable cost. It is also proposed to make the maximum rate provision available to all shippers, instead of the present limitation to "captive" shippers.

Second, other legislative changes to ensure adequate enforcement of both the minimum and the maximum rate provisions. It is proposed to establish penalty clauses for the violation of these provisions, with the railways being liable for financial payments in the case of such violations. In the case of the minimum rate provision, this would continue to be based on variable cost, as redefined under the proposed new costing order, with an additional provision under the Railway Act which, if implemented, would require the CTC to annually submit to the Minister of Transport a report on any investigations of railway freight rates which are possibly below variable costs.

In addition to changing the maximum-minimum provisions of the Railway Act the government proposes to amend section 23 of the National Transportation Act in order to establish time limits for the handling of freight rate cases under this section by the CTC at the prima facie stage, while maintaining the discretionary authority of the regulatory body where leave to appeal has been granted. This proposal is intended to expedite the hitherto protracted nature of investigations under this section, while at the same time maintaining due process. The CTC will also continue its general efforts to improve administrative procedures in freight rate cases.

Finally, it is proposed to introduce an amendment which would directly address, for the first time, the problem of long-haul/short-haul rate differentials. The proposed amendment would require the CTC, on the basis of a complaint, to prohibit such rate differentials except where the CTC is satisfied that owing to competition it is expedient to allow such a differential to exist. This proposal is intended to modify an element of railway pricing which has been perceived, especially in the prairie provinces, as an example of unfair discrimination. At the same time, it will permit exceptions where a complete prohibition could place Canadian producers at a competitive disadvantage vis-à-vis foreign producers.

We think that the various legislative proposals I have just outlined will accomplish a number of things. The new objectives and principles will allow the government to provide a framework for the longer-term development of transportation policy. The reallocation of responsibilities between the minister, the Department of Transport and the Canadian Transport Commission will produce more effective policy development, program implementation and regulatory processes. The new freight rates provisions will lead to more equitable rates and better regulatory procedures.

● (1550)

In conclusion, Mr. Speaker, I would recall the words of the Minister of Transport in the policy statement of 1975 by reaffirming the historic role of transportation as an instrument of national purpose. We in the government believe that the major initiatives which have been taken to implement the new policy, and the package of legislative proposals introduced today, demonstrate clearly our continuing commitment to this historic role. It is a pleasure on my part to move second reading of this bill on behalf of my colleague, the Minister of

[Mr. Basford.]

Transport, who as I explained is unavoidably absent from the House on important transportation business on the west coast. Naturally, he will be joining the debate on this bill in due course.

Mrs. Holt: Mr. Speaker, I wish to rise on a point of order. A national rail policy to unify and serve one Canada has just been introduced in the House, and only two reporters are present, not one of them from the CBC whose mandate and duty it is to unify and report—

The Acting Speaker (Mr. Ethier): Order, please. Considering the business before the House, I have serious doubts as to whether this can be recognized as a point of order.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I am somewhat amused by the interjection of the hon. member for Vancouver Kingsway (Mrs. Holt). She is concerned about the press. Why is she not concerned about the minister whose obligation it is to pilot this legislation through the House?

Some hon. Members: Hear, hear!

Mr. Horner: We must reach rational decisions, and if the press reports them, that is fine, and if it does not, that is their loss. How can we sit idly by when the first major amendments to the Transportation Act—which was brought in in 1967 and which a former minister of transport said was in a mess—are brought in? We have endured that mess for four years, waiting for this legislation, but the minister responsible does not even show up.

Some hon. Members: Shame.

Mr. Horner: He makes some announcement. I go along with the hon. member for Skeena (Mrs. Campagnolo) that he should have been out solving that problem on the west coast some months ago. She brought it to his attention, and my seatmate in the House brought it to his attention some months ago. What has taken him so long?

Mr. McKenzie: He is busy politicking in Saskatchewan.

Mr. Horner: The problem is that he has lost favour with the Liberal backbenchers, so the government has demoted him and sent him out west because they do not want the backbenchers of the Liberal party to enter this debate, and they felt that if he was here initiating the debate he would antagonize his own members and provoke a discussion.

Some hon. Members: Hear, hear!

Mr. Horner: So I believe it is an insult to the minister that the government did not allow him to make the introductory speech to pilot this legislation through the House. Certainly I would not blame the minister for feeling hurt. I know that in announcing his Via Canada transportation policy more than likely he took the train to Vancouver.

An hon. Member: He took "Lang Air."

Mr. Horner: A Liberal backbencher says he took "Lang Air". I guess he did. They know best. They are the ones who put up with him as their Minister of Transport. In my opinion, this is very important legislation and I think it is an insult to the House of Commons that the minister is not here to pilot it through. I think it is an insult to the House of Commons that he was not here to accept the good wishes of members. He did not have the good grace to announce his new passenger system in the House of Commons. The *Financial Post* had an article on the new passenger system in its issue of February 12. The minister did not have to go to Vancouver to make that announcement. He was in the House of Commons between February 12 and March 1 when he could have made that announcement in the House and it would have been examined by the opposition parties. Perhaps the minister could have explained it better and perhaps the media and the Liberal backbenchers would have understood it better.

I believe that this legislation takes the government from the mess it was in and puts it in another mess.

Some hon. Members: Hear, hear!

Mr. Horner: It changes the objects of the National Transportation Act. I agree that railway transportation has a very important role to play in the regional economic stability of this country, but it is also the object of the government to create stability, to create an economic atmosphere where there can be some thrust and some confidence placed in the guidelines and rules of the government of the day. The president of CPR said of this bill, at a transportation conference in Toronto recently, "You will have rate-making for political reasons".

An hon. Member: Good idea.

Mr. Horner: That is like drilling for oil for votes. Now you will have rate-making for votes. The president of the Canadian Trucking Association had this to say about the bill:

> Whether there will be instability and uncertainty in transport policy in future will depend on how "political" transportation policy is in future and also on the stability and continuity in the Transport Canada bureaucracy. In this regard, there is not much reason to be optimistic based on recent performance. Not only do we now have ministers playing musical chairs with portfolios every couple of years, but it would seem that senior officials and particularly those involved in policy planning, have taken up the same sport. This means that every two or three years there is likely to be a whole new wave of personalities involved in transportation planning, who for the most part, have little direct background in transportation. It will be these officials who are called on to respond to the political pressures that are exerted. Instead of cranking-up a royal commission or task force every ten years or so to review transportation policy, followed by an exhaustive legislative overhaul where all interested parties can be heard to the point of exhaustion, we will in future have an ultra-streamlined approach to transportation policy evolution so that whatever views on transport happen to be in the ascendancy can be implemented at a flick of an order-in-council. That may be progress—

However, he thinks it is slightly before its time. Certainly it is before its time. One of the points I want to make at the beginning of my comments is to ask the minister to assure the House that after second reading this bill will go to committee where we will be able to call as witnesses the president of the Canadian Trucking Association, the president of CPR, the president of CNR and the presidents of those companies that will be affected by this bill, so that parliament can know exactly what they are doing. I think it is of the utmost importance that we have that assurance, because when I look back to the time when we had a lengthy debate in the House on legislation setting up the Canadian Transport Commission and on the national transportation policy in 1967, I remember all the warnings we gave to the government.

● (1600)

We told the government that competition alone would not be good enough. We said that there should be some kind of review policy whereby the government could have some control over the CTC. We warned the government that it was giving all the power in connection with transportation to a non-elected body. The government paid no heed to us whatsoever, and what we said came true. Rather than the CTC being an independent body and adjudicating fairly, it changed completely. Now the CTC has gone the other way and become a political body which does the bidding of the minister. It will not be looked upon any longer as a fair and neutral authority adjudicating on what is right and what is fair. It will be looked upon as a servant of the political party in power. To me that is a retrograde step.

I believe the ministry should have the authority to command—second guess, if necessary—the CTC but the CTC should be viewed by the industry as a neutral authority prepared to hear both sides of cases, the user side and the supplier side.

It is very interesting to look back at statements made by ministers in this regard. It is particularly interesting today because the Minister of Justice is piloting this legislation through the House, and the Minister of Transport is away. We never know what ministers are going to say. On February 18, 1977, with regard to Crown corporations being allowed to run their own affairs, the Minister of Finance (Mr. Macdonald) said the following:

> One of the conclusions that we have arrived at—and it seems to me to be a sensible one—is that one should entrust the management of CNR to the president and the officers of that corporation and let them manage.

This bill will hardly let the management of the CNR manage that company. It gives the governor in council power to interfere with the management of the CNR in any way it wants.

In a similar statement about Air Canada on February 10, the Prime Minister (Mr. Trudeau) said this:

> This is a dilemma we are struggling with, and I think in the Air Canada Act which is before the House now we have indicated some of the directions in which we are trying to solve this by giving the government specific authority to issue directives of a general nature to Crown corporations.

Those two statements express a difference of opinion between the Minister of Finance and the Prime Minister.

Let us again consider this bill and some of the statements made by the Minister of Transport. In a speech on June 11, 1976, the minister made many interesting statements. He explained what the former minister of transport said when he stated that the transport policy was in a mess. He said:

What he meant to say was that the policy was a mess, that the conglomeration of approaches to transportation in Canada which had developed over the years was full of inconsistencies and contradictions, that it had built into Canada tremendous costs in the way of non-productive expenditure that was in fact counter-productive.

The minister recognized what former policies did, but nowhere in this bill can we see where he will eliminate any of those costs. He is going to create more costs, more insecurity, and more instability.

In that same speech the minister went on to say the following:

We will only be able to succeed in improving our transportation policy in Canada, and thereby our transportation system with our dollars, if we are prepared to be strong enough to stand up politically and draw the picture of what we are trying to accomplish in terms of removing the band-aids, not individually but one by one, in order to remove them in total . . .

He went on to say that we have had a patchwork of policies which have created subsidies piled one on top of another in answer to political demands.

I just indicated what the Minister of Transport had to say about the former transportation policy, and yet the presidents of the trucking association, the CPR and the CNR say that this bill will put them more in the hands of politicians. The Minister of Transport accused the old legislation of doing that. Many see this legislation doing the same thing. In this day and age of user pay, we have to take a great deal of interest in the most efficient mode of transportation and in who is paying the cost.

Before going any further I would like to compliment the research branch of the Library of Parliament. I would like to table four charts which came from the CTC. These charts refer to transport costs and revenues in Canada. They outline very clearly what each mode of transportation costs, the depreciation, the capital, the total costs, the annual revenue each mode of transportation creates, and the percentage of the cost that revenue is. These charts deal with roads, marine services, civil aviation, and railways. With the permission of the House I would like to table these four charts which came from the CTC and which were brought to my attention by the research branch of the parliamentary library or make them an appendix to *Hansard* because I think they set out very clearly who pays for what, and how efficient is each mode of transportation.

The Acting Speaker (Mr. Ethier): I regret to inform the hon. gentleman that there is no provision for tabling such documents. They could only be tabled by ministers of the Crown, and they have to be official documents.

Mr. Horner: Mr. Speaker, I ask that they be made an appendix to today's *Hansard*.

The Acting Speaker (Mr. Ethier): It is acceptable to present them as an appendix to *Hansard* if there is the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

[Mr. Horner.]

[*Editor's note: For statistical charts above referred to see Appendix.*]

Mr. Horner: Thank you, Mr. Speaker, and I also thank the House. These charts should be required reading for all those who are interested in and concerned about transportation. They clearly set out that we have a pretty efficient railway system in Canada today. They set out that the users of our railways pay 74 per cent of the cost. They set out clearly that the users of highways pay 64 per cent of the cost of the highways. The users of our civil aviation system, our airports and our airplanes, pay 31 per cent of the cost. The users of our marine services pay 19 per cent of the cost. When the minister says that we have heaped subsidy upon subsidy upon the railroad industry and that these subsidies have lead to inefficiency, we really must examine that very closely to find out in what way we are comparing the various modes of transportation.

I am not suggesting that in every part of Canada the railroads have operated efficiently, but generally speaking I think we can say they have, in spite of the actions of the government. We must also ask ourselves whether this legislation will make them more efficient, and I have to say no, it will not. The government has stated that it does not pretend that they will be more efficient. As outlined in clause 1 the government wants them to be an effective instrument of support for the achievement of national, regional, social, and economic objectives. The bill does not say that the government is prepared to pay or must pay for these social and regional objectives.

I am certain that both railways would like to think of themselves as being good corporate citizens and that they would respect the wishes of the government provided the government clearly stated somewhere in the legislation that it is prepared to pay these costs. Looking at that particularly, a few weeks ago the president of the CNR said, "We are going to sell those things which we manage, which we find a market for, and which we think are self-sustaining". The Minister of Transport made the same statement. But, Mr. Speaker, who will buy something that the government is saying must be operated as it decrees? I do not think that concept and this policy are compatible.

● (1610)

After reading the bill I ask myself where we are going in the area of transportation? Where is this legislation taking us? Will it solve the problems of the Snavely commission, the problems of the Hall commission, the problems of energy use in Canada today? I can only come to the conclusion that the bill falls far short of solving many of the problems that I see in the transportation industry today. It does not in any way set down guidelines which will motivate the government to direct the Canadian Transport Commission to do any of the things the government will have the power to do.

As I look at this great country of ours today I see we are deficient in oil and are likely to be so for many years. According to the Department of Energy, Mines and

Resources, 50 per cent of the oil consumed in Canada is used for transportation. But will this bill direct the transportation industry to conserve oil? In his speech the minister mentioned that we should bear that in mind, but the bill does not give any direction in this regard.

When we examine the user-pay concept we see that the people using the railroad pay the most. Perhaps we should reduce the subsidy to the inefficient users of oil and, if necessary, even increase the subsidy to the efficient users of oil to entice more tonnage to rail movement rather than truck movement. It is estimated that, using the same amount of oil, the railways haul four tons of goods whereas a truck hauls only one. The growth in truck tonnage in Canada has increased by about 17 per cent whereas the growth in rail tonnage has levelled off, or at best is going up only by 1 per cent or 2 per cent. A national transportation policy should give some direction in this regard.

We know that 60 per cent of the oil used in Canada is used by automobiles moving people in and out of the major population centres. Just before the bill was introduced the government announced the election promise of 1974 to spend $290 million to encourage the building of an electrical system for moving people in and out of the cities, a commuter transport system, was to be shelved.

Mr. Knowles (Winnipeg North Centre): It will be resurrected for the next election.

Mr. Horner: My hon. friend to my left suggests it will be resurrected at the next election. That would be an interesting resurrection. I do not think it would be believed; if it were, then the voters are more gullible than I thought.

I should like to see some indication in the bill that we are going to conserve energy through a transportation policy which would put us on the right road so that we could see a more efficient use of oil ten years ahead.

In his speech on June 11 the Minister of Transport suggested heavy subsidization. To date the heavy subsidization has been on Mirabel airport which we are told lost $50 million last year. The Minister of Finance tells us that most of that loss was interest charged on money. Mr. Speaker, who has ever borrowed money without paying interest? It is the cost of doing business. Why did they not consult the airlines before building Mirabel? If they had, perhaps the terminal would not have been designed the way it was or public transit vehicles used to move passengers from the terminal to the planes.

Many mistakes have been made in the past, and not by the transportation industry but by the bureaucrats. I have no axe to grind here. Mirabel exists and the best we can do is make good use of it, but I have recommended a couple of ways in which the service could be improved.

As I say, Mr. Speaker, the bureaucrats made most of the mistakes in our transportation policy, not the companies involved in each mode of transportation. Yet this bill gives more authority to the bureaucrats. Looking to the future as one interested in transportation, how can I say with confidence that our system will be better and more efficient? I cannot, Mr. Speaker. If I knew for certain that the game of musical chairs mentioned by the president of the Canadian Trucking Association was not going to continue, and that sooner or later the Minister of Transport would be educated to the problems and adjust to the conditions that he meets in the area of transportation, I might have some confidence. But the musical chairs will continue, Mr. Speaker. The present Minister of Transport will not be minister very long. In fact if he keeps flying around in government airplanes to bonspiels and electioneering in provincial by-elections, his time as minister will probably be shortened very quickly.

As I travel across the country today, Mr. Speaker, I find people are upset and apprehensive about the future. Transportation plays a greater part in the life of Canadians than it does in any other country. In the United States transportation does not cost as much in goods consumed or produced, as in Canada. They have a great inland waterway which lowers transportation costs. We do not have such a good natural system. The countries of the European Common Market have the Rhine River which lowers their transportation costs; we have the St. Lawrence Seaway which only takes goods to half the country. Transportation will continue to play a very important part in the lives of all Canadians.

Instability in the transportation industry deepens the apprehensions we find in Canada today. Millions of dollars need to be spent on transportation—billions of dollars even to keep the present system functioning. Long range planning is essential, but how can we have that and spend the money necessary without any certainty that the policy which exists today will exist tomorrow? That is how quickly changes could be implemented through this legislation.

● (1620)

The governor in council can change that policy with a flick of the finger, and that is of concern to the industry. When we debated the original National Transportation Act in 1967 we said that the clauses having to do with captive shippers and the public interest would be inoperative. Events have proven us right. If a captive shipper faces a prohibitively high freight rate, he ought to be able to appeal quickly the decision setting that rate. The rapeseed case, which came under the public interest clause and which prairie provincial governments argued before the CTC, lasted two years.

An hon. Member: Four years.

Mr. Horner: I beg your pardon, four years. The CTC was seized of it for two years, and the government considered it for two years. That long delay did not bring salutary effects. We must establish a mechanism which will allow a more rapid disposition of appeals relating to the captive shipper and public interest sections. Lengthy appeals hurt the interest of those appealing. If the parties were concerned about the situation at the beginning of the appeal, imagine how concerned they were four years later when the matter was concluded. The damage was very great.

The Minister of Justice announced on behalf of the Minister of Transport the government's new passenger service policy. What is the government to get in return? Apparently the CPR is being taken off the hook. Part and parcel of the CPR's obligation, in return for its land and money grants for building the railway, is the provision of passenger service across Canada. But the present proposal will take the CPR off the hook, to the great delight of the CPR. What we are to get in return from the CPR the statement does not say. My part of Canada will be greatly interested in the deal, for we want to know what we are to get in return for concessions.

The Minister of Justice said that we are prepared to spend $30 million to improve passenger service between Quebec city and Montreal. I am puzzled about that $30 million matter. I have ridden the trains on the north side and the south side of the river, between Montreal and Quebec. I learned, for example, that last year 40,000 passengers travelled between Montreal and Quebec city on the CPR rails north of the river; something like 170,000 passengers travelled on the CNR rails south of the river, but 900,000 passengers travelled by bus last year between Montreal and Quebec. You would think the government would spend money on the most efficient mode of transportation, or the mode which most people choose. Unfortunately the government chooses to help the service which fewest people use. That is where the government will spend the $30 million.

I thought the CPR route must cover the shortest distance. However, on checking I found that the CPR's route between Montreal and Quebec city is the longest. I fail to understand the rationale of the bureaucrats who have devised this policy. I only use this example to show current thinking, and one could allude to many more unfortunate examples.

I raise the question of the Via Canada service. The deputy minister, Mr. Cloutier, not long ago said in the transport committee that the CPR is to be awarded the run between Montreal and Ottawa. That statement caused railway workers great concern. The minister's news release concerning Via Canada suggests that unions and workers are to be consulted and their views taken into consideration. But that is not what the deputy minister said when he told the committee that the CPR is to run the service between Montreal and Ottawa. The CPR runs two trains daily between Montreal and Ottawa, and the CNR six trains daily. Why award the service to the CPR, especially since this is a matter of great concern to CNR employees?

The minister suggested that when a Via Canada train runs over CNR tracks it will be pulled by a CNR engine, with a CNR crew; when it runs over CPR tracks it will be pulled by a CPR engine, with a CPR crew. The board of directors of the enterprise will be divided among representatives of the government, the CNR and the CPR. I say that conglomerate will not work. You will have jealousies as between both managements and as between managements and the Department of Transport.

Senior employees of the CNR have told me that the Department of Transport wants to run the railroads of this country.

They conclude that the department also wants to be involved in the running of the Via Canada service. I therefore say that there will be conflict among the three management groups. If the government wants to provide a rail passenger service, it should consider this matter carefully. It should not run the service under three managements. If it wants to set up a separate Crown corporation, let it set up a Canadian version of Amtrack to run our rail service. The corporation could get rights of way across Canada, and provide passenger service. This should not be done by the conglomerate. I say that its establishment is fraught with danger, jealousy, and anxiety. In this connection I commend to hon. members a reading of "The Wreck of the Penn Central", a book about the problems having to do with the amalgamation of the Central Railroad and the Pennsylvania Railroad in the United States. That amalgamation was unsuccessful. I submit that the proposal of the Minister of Transport will run into the same problem. It will not lead to the provision of the passenger services which Canada needs and deserves.

I do not see why two cities 200 miles apart cannot be provided with good, clean, frequent passenger service which people will use. The people would use a frequent rail service between Ottawa and Montreal. But they will not use it if the railways do not use the right equipment or if the trains do not run at the right times.

I regret that the bill proposes to give the government all kinds of power. Nowhere do I see provision for checks on that power. One cannot say that parliament checks the government's power; parliament has lost ability to control government expenditures. The CNR has not been before the transport committee for three or four years. Air Canada has not been before the committee for five or six years, and the CPR rarely appears before the committee. Our bureaucrats in Ottawa are studying everything, but nobody says in which direction we ought to go, and that is the trouble with the government, and with this legislation. This bill provides no direction for this country. No wonder the people of Canada are apprehensive about the future. The government has failed to provide leadership in all areas of its responsibilities, and this legislation fails in that regard as well.

● (1630)

People on the prairies are concerned about the Snavely commission, the Hall commission, the rationalization of branch lines, as well as the government's intent to raise tolls on the St. Lawrence Seaway. We built the Seaway and it should serve Canada. I agree it should pay the operating costs, but not the capital costs.

Massive expenditures have to be made on rails. This bill in no way suggests how that should be done. The CPR track between Calgary and Vancouver now operates at 100 per cent capacity. The CNR track from Edmonton to Vancouver is in terrible shape. It may be slightly better than the B.C. railroad, but not much.

This bill creates a climate of instability and insecurity. It does not encourage long range planning or capital expendi-

tures. I know there are some changes to the Railway Act. It will allow the railway to sell debentures in Canada and pay more than 6 per cent. CN recently sold debentures in Europe for more than 6 per cent. I am sure that if the Europeans knew of the uncertainty that exists within this rail policy, they would not be so quick to buy CN debentures.

I am sure this bill will go to committee and we in the opposition will have much more to say at that time. We will want to have the representatives of the CNR, CPR, the trucking associations, and maybe even of the marine association, appear before the transport committee to ensure us that they can operate and expand efficiently under this piece of legislation.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I begin by endorsing some of the remarks made by the hon. member for Crowfoot (Mr. Horner). We have been waiting many years for a significant revision of the National Transportation Act, the Railway Act, and the transportation policy of the government. However, on the day the bill is called for debate in parliament, the Minister of Transport (Mr. Lang) is not here. We on this side fully appreciate that he has to be in different parts of Canada from time to time on official business. However, if that takes priority over being in this place to introduce this vital legislation, or announcing the Via rail passenger corporation, the Minister of Transport is being derelict in his duty and has insulted the members of this House of Commons. Like the hon. member for Crowfoot, I suspect he is more likely in and around Saskatoon and Prince Albert messing around in a couple of provincial by-elections.

I want to say on behalf of the New Democratic Party that we will oppose this "user pay" legislation on the grounds that it endorses the notion of commercial viability as opposed to the concept of transportation as a public utility.

This legislation makes user pay the basis of the government's transportation policy. We take exception to the notion that the public interest should be denied in favour of competition and commercial viability. That is what got us into this transportation mess and has kept us there since the early 1900's, the concept of commercial viability and competition in transportation. Now the government restores the very kind of policy that maintains and strengthens the kind of transportation legislation that got us into this trouble.

A policy that relies on those two concepts, commercial viability and competition, will in effect, as it has done up until now, deny national, regional, social, and economic goals that this country should have. It will deny equity and accessibility to people who live in the outlying areas of Canada. It will shift the burden of cost of transportation, previously shared by the nation as a whole, on to those least able to shoulder the burden.

We submit that transportation must be treated as a public utility because it is something that everyone must use. A comprehensive and fair transportation policy should incorporate the following principles.

Our major modes of transportation should be publicly owned, operated, and accountable to the people and to parliament. Service to the public should take precedence over profitability. Every member of this House knows that all modes of transportation have to be subsidized. There is not a single mode of transportation that pays its own way. This is even more the case in a country like Canada than those countries which are smaller in geography and have densely settled populations.

In a country like ours which has a large geography, northern climate, widely scattered population, the transportation system cannot function properly when it is on the basis of private enterprise, competition, and commercial viability. The former minister of transport once said that competition does not work in transportation. It was not a New Democrat who said that but a Liberal.

We believe the transportation system must serve as an instrument to achieve national, regional, social and economic goals. I am sure members on all sides will agree with that. In fact words similar to that are in this bill.

We also believe a transportation policy must have equality of treatment and accessibility to the various modes of transportation, no matter where in this country people may live or where the goods are processed or manufactured.

People in this country have always been discriminated against because of where they live. Processors and manufacturers have been discriminated against because of where they have been located. Our transportation system has never provided equality of treatment. Central Canada, with the most dense population, for the free enterprise reasons we have had for the past 110 years, has had the best quality transportation services because that is where the main market is located. Users of transportation in central Canada get the best rates and fares. The rest of the country has been faced with inadequate service, discriminatory rates, impossible fares, and schedules that are unreasonable. This legislation does not provide equity and reasonable accessibility to all Canadians, no matter where they live in this country.

An efficient transportation system should be developed replacing competition with co-ordination and integration, so that the most appropriate mode of transportation is assigned its given task. I realize that some of these objectives are stated in the new legislation, but the government's commitment to these announced goals is expressed in terms so tentative, so limited, and so hesitant as to call in question the sincerity and strength of its conversion.

● (1640)

The National Transportation Act of 1967, based on the MacPherson Royal Commission, assumed that competition would guide the organization of transportation.

The former minister of transport, Mr. Marchand, had some second thoughts about the principles of competition. In his policy statement of 1975 he said:

. . . if you look at the size of this country and the distribution of its population you will see that you cannot have a transportation network which is economic everywhere; you cannot have an economic system of transportation to service the north, for example, or to service those regions of the country where the population is very thin. You cannot have an ecomomic system for regions which are remote from the centre.

In spite of these brave words, the actual policy tabled in June 1975 reflected little change from the policy which Mr. Marchand said in 1974 resulted in the transportation policy of this country being "in a mess".

In the new transportation policy of June 1975 competition and commercial viability remained enshrined as the guiding principles of transportation policy in Canada. Either Mr. Marchand had lost a major battle with his cabinet colleagues, or he was less than sincere in his public suggestions of drastic changes in transportation policies in Canada.

Much of the substance of this legislation is vague and general. Considering the minister's past statements on the Crowsnest pass grain rates and rail passenger service, one might be thankful that there were no specific references to these last remaining benefits. But make no mistake, the minister has specific intentions and this legislation will give him the power to carry his "user pay" policy to the painful extreme.

In his news release of Jan. 27, 1977, the minister said the amendments to the transportation legislation in Bill C-33 will provide the Minister of Transport with the legislative means to implement the transportation policy as announced in June, 1975. The June, 1975, policy states that the user shall pay for transportation services:

Generally, where transportation services are mature, the users should be expected to pay for the costs of providing the services.

As far as I am concerned, this means the people of western Canada can say, "There goes the statutory grain rate!" It also means that those in the maritime provinces can say, "There go the maritime freight rate subsidies!" In my opinion they have already been sold out by the four premiers of the Atlantic provinces—two Liberals and two Tories. I don't know what the minister said or did to them, but to my mind they have sold out; they have sold out their own people.

What are the mature transportation services referred to and for which the user is to pay? The policy states that movements in mature transport markets include: eastern forest products, northern Ontario resources, Quebec-Labrador ore, western bulk products, and B. C. forest products.

What about passenger transport, which most directly affects people? The June, 1975, policy states:

A more balanced approach to passenger service is required giving consideration to an eventual objective of full commercial viability, including recovery of infrastructure costs, except in remote areas, where traffic volumes may be inadequate and assistance may be required.

Carrying the user-pay policy to a conclusion means that only the rich or those on expense accounts will be able to travel. It means that those who live outside the central corridor will pay even higher charges than those who live along it. It means continued discrimination against Canadians based on where they happen to live.

[Mr. Benjamin.]

The bill is bad in principle because it strengthens and enhances the principles which were previously in the policy. There is no fundamental change in that policy. In fact, it is made worse. To apply the user-pay principle in a country such as ours would jeopardize the sale of our grain overseas. It would jeopardize the success of industries which could and should be started up in the prairie provinces and in the maritimes. Our transportation must have a relatively neutral effect upon the cost of travel or freight if we are to compete effectively either in markets overseas or in domestic markets which are far from the seat of production.

Parcelling out the national transportation system into commercially viable operations and those which are not, leaving the parts which lose money on the backs of the taxpayers, means eliminating the opportunity to cross-subsidize. Cross-subsidization is one of the ways of sharing the cost of transportation. Profits from operations in a densely populated area can help pay for losses incurred in a sparsely populated part of the country. But, no. This government, with the support of the Tories, wants private enterprise to keep the profitable part, letting them make all the money they can, while allowing the cost of the unprofitable part to be borne by those who use the services and by the taxpayers generally through subsidies. And the people who own the profitable parts of the system will be able to laugh all the way to the bank at the expense of our nationhood.

I agree that users should help pay for the operations of our transport system. The important question then is, what is an appropriate user charge? It seems to me that two things have to be taken into consideration here; (1) the cost of providing the service; (2) the value of the service to the national or regional interest and the goals of equity and accessibility.

The user charges for public transport should be set at a level to render the service accessible. In many cases this level would be below the cost of providing the service.

I suppose that the government's reneging on the promise of $300 million aid to urban transit is in line with its user pay philosophy in transportation. Clearly though, here is a case where the value of the service should be given priority. The cost benefit of that transit aid would include lower energy consumption, decreased need for new highways, reduced pollution, and decreased burden of automobile accidents.

Freight rates for products of our regional industries should be set at a level to give them access to the larger market of the whole Canadian people instead of the restricted market of the region. In many cases this toll would be less than the cost of providing the service.

The nation as a whole should share the costs of transportation because the nation as a whole benefits from it. It allows Canada through its Canadian grain producers to sell grain outside our borders in competition with other exporting nations which raise their grain close to the sea coast or which have access to inland waterways. Without those statutory rates, Canada ceases to become a competitor in the world market for export grains.

● (1650)

When the minister suggests that possibly the benefits of those rates should go to the grain producers in some other way, that is the most nonsensical, stupid, and inefficient method of sharing the cost of transportation that one can imagine. It would be an administrative nightmare, if nothing else. Can you imagine, Mr. Speaker, officials in Industry, Trade and Commerce trying to sort out all the way bills and each farmer's entitlement to some form of direct subsidy out of 180,000 grain permit holders, several million carload lots or partial carload lots? It is simply outrageous. Surely it is simpler and more sensible to continue to pay whatever is the deficit in the cost of transporting grain direct to the transporters, with the requirement that they maintain their trackage, service and equipment.

I do not believe that either of the railways, singly or combined, have the financial capacity to raise the necessary capital to rebuild their systems. This will require massive capital funding from the nation as a whole. Neither the railroad nor private enterprise and financial institutions will ever be willing, and in many cases are unable, to carry that kind of funding.

I should like to discuss some of the objectives and principles contained in this bill specifically, since we are debating the bill on second reading. We take exception to certain provisions within the bill, specifically the proposed section 3(2)(d), which provides that "competition within and between modes of transport should be encouraged where economic and technical factors permit." It was this very kind of competition which got us into the mess we are in in regard to all this nonsense about DC-9's, DC-8's and 727's flying 120 miles from Ottawa to Montreal. Both Air Canada and CP Air have been losing their shirts on that run during the last three years. It is inefficient and wasteful, particularly in terms of energy costs, to continue to do this. It is no quicker than a fast train. In fact at some times of the day it is not as quick as a fast train. But the government wants to maintain the mythology of competition between modes of transportation. This is what has got us into trouble.

The notion of competition in transportation conflicts with our advocacy that transportation should be operated as a public utility. I want to quote what was said by the former leader of our party, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas). In the debate on the National Transportation Act in 1966 he had this to say:

> We will be leaning on a broken reed if we depend on competition to keep transportation rates at a price that is fair and reasonable . . . What about the areas where there are no alternative forms of transportation? The areas in the maritimes, in northern Quebec, northern Ontario and on the prairies . . . These regions will not have the kind of competition which would keep freight rates at a reasonable figure . . . I greatly fear that the removal of restraints and restrictions on the railways with reference to freight rates will mean that regions of Canada are going to pay the shot, and that some of the burden which heretofore had been borne by all the people of Canada is going to fall upon those areas of Canada which can least afford to carry this burden.

Of this legislation, Mr. Speaker, exactly the same thing can be said. If it were logical to have competing railways and competing airlines, it would be equally logical to have competing sewer and water systems, highways, telephone lines, electric lines, fire brigades, police departments—

Mr. Schumacher: And post offices.

Mr. Benjamin: Yes, and post offices. That would be ridiculous. If anyone seriously suggested that kind of competition, they would be locked up. For the government to suggest that kind of competition in transportation, it too deserves to be locked up.

When we talk about transportation under a utility that is publicly owned and controlled, publicly accountable to parliament, with a public utilities board or whatever method you want to use, it is not some socialist dogma. This is what has been done with transportation systems all over the world in countries of all political persuasions; it is not just some NDP or socialist ideology. Private enterprise governments and several variations thereof did this decades ago. For example, under Conrad Adenauer during the 1950's and 1960's the West Germans reorganized their transportation system. So did the Dutch, Belgians, Scandinavians, and French.

I do not completely agree with the comments of the hon. member for Crowfoot in his comments about the Via rail passenger corporation. The trans-European express is run by a separate corporation which owns all its own equipment. It uses different railroad and crews as it passes through five or six European countries. I suggest we could use some of the ideas under that system because it works very well. They are not all adaptable to the Canadian scene, but certainly we do not disagree in principle with the idea of a national passenger transportation Crown corporation, though it is second best; we would rather see all railroads and air lines brought under a national Crown corporation.

We suggest it is not logical, sensible or efficient to have competition and commercial viability in transportation because this will continue to discriminate against people in this country because of where they live. Competition between modes of transportation misallocates resources and wastes them by making inappropriate use of the various modes. It is just nonsense to have trains stopping every five miles; that is a job for buses. It is equally nonsensical to have planes make 200 to 300 mile trips. We are not using the various modes of transportation in a sensible and efficient manner.

May I call it five o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that

the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Winnipeg North Centre (Mr. Knowles)—Transport—Action to improve pensions of railway employees in view of Hall report; the hon. member for Egmont (Mr. MacDonald)—Agriculture—Provision of additional refrigerated railway cars for transportation of potatoes; the hon. member for Dartmouth-Halifax East (Mr. Forrestall)—Regional Economic Expansion—Dismissal of Mr. McNutt, vice-president of MAGI—Government position.

It being five o'clock p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, private bills, notices of motions.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

The Acting Speaker (Mr. Turner): Public bills; Standing Order 19(2) applies. Order No. 12, the hon. member for Simcoe North (Mr. Rynard). Shall the order stand?

Some hon. Members: Stand.

The Acting Speaker (Mr. Turner): Stand at the request of the government.

Order No. 15; shall the order stand?

Some hon. Members: Stand.

The Acting Speaker (Mr. Turner): Stand at the request of the government.

Mr. Landers: Mr. Speaker, on a point of order, there is agreement to deal with Bill C-224, standing in the name of the hon. member for Greenwood (Mr. Brewin).

The Acting Speaker (Mr. Turner): Is that agreed?

Some hon. Members: Agreed.

* * *

DIVORCE

MEASURE TO STIPULATE "BREAKDOWN PRINCIPLE" SOLE BASIS FOR DIVORCE

Mr. Andrew Brewin (Greenwood) moved that Bill C-224, an act respecting divorce, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, the bill which I am putting before the House is based upon the substitution, as grounds for divorce, of the concept of the breakdown of marriage in place of the present concept, which is largely dependent upon proof of what are known as matrimonial offences.

[The Acting Speaker (Mr. Turner).]

There are two major theories on what should be the grounds for divorce. The first is that divorce should be based on fault; that is to say, that a court should determine that one of the parties to the marriage has committed a matrimonial offence, such as adultery, cruelty, desertion and so forth. The second is that when in fact marriage no longer exists for its basic purpose of enabling the parties to live together in harmony and there is no hope of reconciliation, then the marriage should be terminated. That is the breakdown theory which I have advocated. For a long time these two principles have contended with each other. In 1967 and 1968 the Canadian parliament chose the former course, and in substance our present act is based upon the concept of the matrimonial offence, the fault of one of the parties who, if at fault, cannot secure relief himself or herself.

● (1700)

When the matter was discussed by the joint committee of the House of Commons and Senate at the time of the passing of the previous bill, which is now our present act, a minority, which included the hon. member for Peace River (Mr. Baldwin), the hon. member for Fundy-Royal (Mr. Fairweather), Mr. Gordon Aiken who was then the hon. member for Parry Sound, the hon. member for Timiskaming (Mr. Peters), and myself, urged the necessity for the broader reform, namely, the concept of marriage breakdown to replace the existing grounds of divorce. This proposal was fully developed in a report made to the Archbishop of Canterbury in England by a distinguished group of churchmen, lawyers, doctors and sociologists. Also, it was embodied in a book called "Putting Asunder".

The concept of breakdown of marriage as grounds for divorce was then supported by the United Church of Canada, the Anglican Church of Canada, the National Council of Women, the Canadian Mental Health Association, the Canadian Jewish Congress, and the Canadian Committee on the Status of Women. Now it has received powerful reinforcement by a report of the Law Reform Commission of Canada. I think it is an interim report of that commission which recommends that breakdown of marriage be the sole ground for divorce.

I have incorporated in Bill C-224 the main provisions recommended by the Law Reform Commission and the proposals in "Putting Asunder". Before dealing with the provisions of the bill in detail, I should like to make clear the basic point of view which the proposal sets forth. It is an acceptance of the centrality of marriage as the most important institution in society, linked as it is with the whole concept of the family. I have spoken of the centrality of marriage. There are many of us, among whom I am one, who speak also of the sanctity of marriage as being more than a merely human institution, although it is indeed a great human institution. If I may be permitted a more personal note, I speak with conviction on this subject through personal experience of a happy marriage and a happy family life.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Your wife is in the gallery to hear it.

Mr. Brewin: I would say it whether she was here or not.

Mr. Knowles (Winnipeg North Centre): She would see to that.

Mr. Brewin: It would not be a very happy marriage if she could coerce me in what I say in the House.

Marriage has been defined as the voluntary union for life of one man and one woman to the exclusion of all others. I accept this definition and I regard the concept as one of indisolubility, and the purpose of this legislation which I am bringing forth is to advance and not diminish this concept. But it must be recognized by all of us that the hope and expectations of many for permanent union are dashed. Many marriages break down, and when they do serious problems arise, not only for the immediate parties but for the children of the marriage.

It is necessary, therefore, for the state to recognize the existence of the breakdown of marriage and make provisions for the legal ending of what morally is no longer reality. Indeed, some marriages are sources of strife in themselves. The approach of the matrimonial offences theory sets up barriers, and creates an adversary process in the courts which is both expensive and painful. Husbands and wives are often contending with each other. The present system creates these adversary procedures which, as I said, are expensive, provoke bitterness, and encourage—I say this advisedly—adultery, collusion, and sometimes perjury. The present system provides no effective means of encouraging reconciliation. When I say this I speak as one who has had some experience in the courts on these matters.

The present Bill C-224 defines the courts which have jurisdiction and provides that a petition for divorce may be presented when the marriage is broken down and there is no reasonable possibility of reconciliation.

When the husband and wife have lived apart and separate for one year, the marriage is deemed to have broken down. A duty is imposed upon the court to have special regard for the children of the marriage and to consider the possibility of reconciliation. Where in any stage of the proceedings reconciliation appears possible, the court may, with consent of the parties, adjourn the proceedings so that reconciliation can be worked at by the parties, or a person qualified in marriage counselling may be nominated to aid in the reconciliation. The court may refuse a decree if it would be unduly harsh to either spouse or prejudicially affect the making of reasonable arrangements for either spouse and for the custody, care and maintenance of the children of the marriage as might be necessary in the circumstances.

It is sometimes said that this is equivalent to divorce by consent, or divorce at the unilateral will of any of the parties. This is a misreading of the legislation. The proposed act provides that the court cannot grant a decree until two years have passed since the day of the marriage. This would prevent rushing to the divorce courts almost immediately after the marriage without time for proper consideration. There are cases now where divorce is granted on the basis of the committing of a single act of adultery. Under the breakdown concept the commission of a single act of adultery would not in itself justify a divorce unless it had led to the breakdown of the marriage and the breakdown of the reality behind the marriage.

It cannot be too much emphasized that the present system frequently brings the courts into contempt. The proposal we make would remove from the courts the sordid story of adultery and fabrication of evidence which are all too common at present.

In order to make this legislation work, it is clear that a different form of inquiry into the background is required, and we believe that there are those who are trained or could be trained in this field and who could report to the court on the facts of the breakdown of the marriage or whether there was a hope of reconciliation.

It may be asked what, in effect, is the breakdown of marriage. It is a condition or situation in which the life-long union of husband and wife is beyond hope of recovery; where the institution is not honoured, and human happiness and welfare are not being served, and the marriage has become a shell and ought to be declared non-existent.

It is our view that it is not divorce that destroys families, but bad marriages. As the Law Commission report says, the common assumption that liberal divorce laws breed irresponsibility must be challenged. We believe the number of people who marry and divorce without reason constitute only a fraction of our married population. If constructive solutions are to be sought, the answer lies not in our divorce laws but in family life education and marriage counselling.

Social welfare programs that reflect reasonable family policies and promote family cohesion must be developed to deal with such extrinsic facts as unemployment, sickness, and inadequate housing that place undue strain on the stability of marriage and the family unit.

• (1710)

I realize that the great objection many people have to this legislation, consciously or unconsciously, lies in the fact that it breaks new ground, but as the Law Reform Commission report indicates, the trend throughout the civilized world is to introduce marriage breakdown as the sole ground for divorce.

I urge this House to take a stand in favour of a more humane, more rational, and more civilized approach to the problem of broken homes and marriages. Many of the churches and other institutions I have mentioned, as well as the Law Reform Commission, have shown the way. It is up to us as legislators to have the courage to follow this way even if it is to some of us a new concept.

Some hon. Members: Hear, hear!

Mrs. Simma Holt (Vancouver-Kingsway): Mr. Speaker, I congratulate the hon. member for Greenwood (Mr. Brewin),

and I appreciate his introducing this bill in this House. Again, however, I fear that the whole approach to the vast social problems we have with regard to matrimonial law and law involving children's rights is being corrected in a patchwork fashion. I wish the whole of our law could be repaired in one piece of legislation suitable for the society of the late twentieth century.

However, I support this bill completely, and I congratulate the hon. member for Greenwood for his persistence in trying to eliminate, once and for all, the terribly destructive adversary system and in trying to correct the tragedy and pain of marriage failure. Our laws have compounded the destructiveness which exists in the very private matter of marriage breakdown. I agree that marriage breakdown must be the only and absolute ground for dissolving marriages.

I think our matrimonial laws must have been written by self-serving men. Men must take the blame because they authorized all laws, civil and secular, and now we are trying to catch up and correct those laws.

Laws with regard to matrimonial affairs are obsolete, as are many of today's laws. They complicate matters rather than add to the peace and joy of today's life. Our matrimonial laws are simplistic; they are black and white. They must be black and white because people in courts do not seem to be able to think in any other way. It must either be black-white, right or wrong, angel or devil, but no gray or shaded area. That is too subtle for some adjudicators of law to understand.

When the whole tragedy of love going sour occurs, we must have someone to blame. However, both sides could very well be blamed and the whole matter resolved without added trauma. It is an anathema in the late twentieth century to have courts determine who is the matrimonial culprit in an unsuccessful marriage. It is like walking in cold to the middle of a street riot and trying to find the single one who started it.

When the law was changed from the single ground of adultery, the halls outside and inside the court rooms on divorce day in Vancouver, where I worked, were rather like a subdued pilgrimage of children—drawn, pale, and waiting to join that terrible internecine war between their parents. They were obliged to tell a complete stranger, the judge, in a totally strange world of black-robed people how bad, cruel, and brutal one parent was, and how the other in goodness suffered.

One parent is good, the other bad, and child must tell this to the court. I saw this over and over again with despair, because the amendment which corrected the law only made it worse. Children had to testify—under oath in many cases—for one parent against the other. They had to tell family secrets. They had to tell shameful secrets which are terribly disturbing to youngsters. They had to tell what went on between their parents in the privacy of their home.

Internecine war must be the cruelest and most vicious of all wars, and in this war the children are forced to the front line among all the bullets. They never forget. I have known children who have grown to adulthood who never forgot that they lived in that no-man's land of their parents' war, and for the rest of their lives some of them blamed themselves for causing the marriage breakups.

As immature and chauvinistic as the one ground of adultery was, it was better than what happened when blame became broader and had to be proved in law. However, both laws, the old one with regard to adultery and the new one which includes many grounds, were designed by medieval minds, and to say the least they are inappropriate in Canada in 1977.

Worst of all these laws damage all parties who must participate in these sordid charades. I am not saying I want freedom or licentiousness in our human relations, and certainly no one was more vocal than I in damning the type of behaviour which developed in the latter half of the 1960's. Lifestyles during that period deteriorated to a point where anything was right. Morality and discipline in human behaviour was sneered at. Marriage was looked on as a joke, as old fashioned. Doing one's own thing was acceptable and was even touted by some impressive voices from the media and from academe, who also wanted to do their own thing in sex perversion and drugs. They touted this philosophy so that they could have their own gratification.

Marriage and an essential commitment of one human being to another, a lifelong commitment, make people strong, if they can work out that complex partnership. Certainly it is the safest and most ideal framework in which to raise and nurture children. Strong human beings come out of strong marriages, especially those which are not only strong but happy as well. It takes remarkable women and remarkable men to raise children successfully alone without support.

It is in this regard that I say the state should be active, rather than in intervention in the breakup of marriages, in helping people to prepare for marriage and to succeed in marriage. Many have raised children alone quite successfully, but if marriage fails the danger to children should not be increased further by the need to turn one parent into an offender before the law; to force one parent to be bad and to leave the mark of that bad parent forever in the memory of the child. In all likelihood that child will identify with the "evil" of the parent, and somehow believe forever that they, being of that same cloth, are also "evil".

Partnerships break up because it is humanly impossible to have total perfection and compatibility in human relationships. Those which are successful survive because one partner is willing to compromise, to suffer hurt, and to accept less than perfection. On rare occasions each party will adapt to the foibles of the other and love the weaknesses because they love the complete human person they vowed jointly to love, honour and cherish through all life. Some stay together, however, in mutual tolerance, perhaps even in indifference and, of course, there are numerous people who stay together in pain.

But to have the adversary system, the fault system, and to have to go before a court of law to dissolve marriages is absolutely beyond conception in this day and age. Among those who set the original design have been men who perhaps never lived in marriage. Some were men of the church who were celibate, preserving their world for men.

When a marriage is irretrievably broken, and all attempts between the two people and the family involved fail, the state is best served if the psychological and physical battering which follows marriage breakdown and precedes divorce does not happen. Desertion and abandonment have been the solution for some. There are even instances in which a partner seeks escape quickly by murder, foolishly preferring it to the slow anguish of divorce and all the public recriminations.

Love cannot be rehabilitated once contempt, boredom or hate take over. The progression from love to hate can be very speedy, and anyone who dreams he can cure a broken love affair or a broken marriage is certainly in dreamland. People like that have seen too much of Hollywood of the early days and too much of the bad television of today. If somewhere between those extreme poles of love and hate, a final decision could be made rationally, without the rancour, without the violence that too often is as passionate as the early love, both the principals and the children would be safer emotionally and physically.

● (1720)

As it is now, children are too often used for the barter in matrimonial trade-offs. In exchange for money—the maintenance that was not paid—the husband is allowed to have the children for a week end or at Christmastime. Christmas is the popular time for barter. The children soon become wise to a most devious human technique to achieve desires, or even power—manipulating one parent against the other for their personal gain.

The reasons I agree with the hon. for Greenwood are many. The law must be changed to forever end this charade we call divorce and the seemingly inevitable internecine war that so often accompanies it and that so sorely damages the principals, but most of all injures the children who are our future.

There are many cynical lines about marriage and divorce such as: divorce is like matrimony, a fellow has to go through it three or four times before he knows how. There are many lines that can be quoted but, Mr. Speaker, it is a serious business. When marriage breaks it is the most tragic business of all. There are many jokes about it, but it is the tragedy of our time that there is so much divorce which clogs the courts and destroys families and children.

In Vancouver there was a sanctimonious fraud on the bench, now deceased. I should not speak ill of the dead. Nonetheless, I cannot forget how he lined up all the women after a day of divorce hearings, usually a Friday, and lectured them on religion, their duty to their children and their duty to their now departed, divorced mate. It was deplorable, but it indicated the power tripping that I have seen on the part of some lawyers—and a few judges—in the tragedy of divorce.

One lawyer who specializes in divorce does everything to degrade a woman when she comes to his office. He calls her a tramp, a whore, spewing out epithets laced with four-letter words. A psychiatrist might suggest he nurtures his sexual inadequacies by using four letter words over and over again even though the woman is a total stranger. The women come away degraded, beaten, with their already devastated self-esteem totally eliminated. However, the woman endures this despicable tirade because the lawyer has the reputation of winning, and of taking all for his client. But this is all part of what can happen in the long drawn out divorce process, where a lawyer can play around with blame.

To put it simply, perpetrating matrimonial offences in law does many things. First, it damages the children. Second, it forces children to become the catalyst in the court battle; third, as John Barrymore once said, "a paper napkin never returned from a laundry nor love from a trip to the law courts". Fourth, reconciliation by court or by law is impossible; it cannot succeed unless the partners want it to. Fifth, marriage in quiet despair and constant battle makes people less able to function in the general fabric of society and serve in their jobs, occupations or professions. When marriage breakdown occurs, that is devastating by itself. Why then is it necessary for the state to add to the pain of adversary law and matrimonial offence, the court process in which both men and women are strangers in this strange land?

My sixth point is that battles between man and wife are absolutely confidential. What rationale can there be for going public? Did lawyers create the adversary system to keep lawyers rich or perhaps for justification to force these people into the open for the gratification of a society that cannot change what has happened in the privacy of their home? As Oscar Levant put it; "My first wife divorced me on the grounds of incompatibility. Besides I think she hated me." Sometimes one wonders who gave these people more pleasure; the clergyman who married them or the judge who divorced them.

The seventh point is one that is much in the news but has probably happened throughout the century although we have just become aware of it, that is the plight of the battered woman and child. They are no doubt the victims of marriage breakdown. No person should have to come to court to obtain relief from battering in marriage. Nor should she have to prove no fault to escape from such a horrible situation. Cruelty, a ground in law, should be accepted as absolute in such cases and should not have to be debated in a courtroom. As one woman said, "Yes, my grounds were cruelty; he tried to kill me several times."

Human failure is devastating enough without having to expose it in court. It should be resolved quietly, by mutual consent, registering an end to marriage with vital statistics. That is enough. If it is not done by mutual consent, the individual—the parties—will go their own way anyhow and the venom in one marriage will spread to other marriages and other homes.

Adultery and the use of prostitution is another way of solving the problem. Perhaps the state should concern itself with nurturing the marriage and if it fails, let the parties be free to suffer the failure with a certain amount of dignity and with minimal pain.

Everything should be done to prevent divorce by serving and preparing for good marriage. It is the most important partner-

ship undertaken—certainly more important than those based only on making money. Think of all the laws we have now to protect corporations and business when making money is the prime objective—school for eight, 12 or 20 years to prepare for that, but there is no preparation for the most important duty a human being is ever to undertake—marriage. If the partnership fails, there is no restoring it. The adversary attempt at reconstruction is sheer madness. As usual, it is the imagined remedy of men and lawyers. Women have not been active long enough in the policy-making areas of society to clean up the act, but maybe it will be a different world now that they are becoming more involved.

Mrs. Campagnolo: Hear, hear!

Mrs. Holt: The people who constructed our social order, made it too complex, too unjust—an impossible framework in which humans must strive to live in peace.

I am afraid lawyers must take the blame for complicating our lives almost beyond endurance. It is as though the whole of our lives was designed to make lawyers rich and make us fearful. As you know, a man will joyfully pay a lawyer $500 for untying the knot of wedlock, but he begrudges a clergyman $50 for tying it. That is how little regard the man has for a commitment to marriage, and how speedily he wants freedom. It is true now of women as well because they are economically freer to escape the bondage of a bad marriage. It also explains why lawyers are richer than clergymen.

Our whole society seems geared to litigation and is routed through the courts. Marriages should never have to go that way, and certainly children should not have to be the arbiters of the good and bad of their parents.

The male rules for morality nurtured immorality and kept women tied to a separate set of rules for male convenience and service. Thus, if a man engages in adultery he is a gay blade; a woman who becomes involved is a tramp—a whore. If a man engages the services of a prostitute, the woman is charged with the offence while the man goes free. His name is not even recorded in the crime report. The man, who should be the complainant, of course cannot complain because his name would go on the record and his reputation be destroyed. No male who wrote the law would ever want that to happen to one of his. But it does not matter about the woman. Chivalry? No! male self-preservation—by law.

Divorce is of the same design, but now that women have been freed economically by their own ability to make a living, maybe the double standard will diminish.

When marriage fails there is no question that there cannot be recovery for that marriage. I have seen attempted reconciliations but they have never worked. They have merely delayed the inevitable, or the couples and the children have lived together in silent and often violent despair. Many ended up in mental hospitals or certainly as disturbed people.

• (1730)

Love can be a terrible weakening process. After it has started to deteriorate, it can leave its victims physically and emotionally debilitated. We are so easily victimized if we love too much but, worse, devastated if we hate too much. To put it in the words of Helen Rowland, a columnist and author who seemed to have first-hand experience, a grass widow was the angel a man loved, the human being he married, and the devil he divorced. She also described love as the quest, marriage the conquest, and divorce the inquest.

I would wish for our society that which the hon. member for Greenwood proposes—that the inquest be quiet, peaceful, and without search for someone to blame. The litigation route is destructive.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, despite some of the things the hon. member for Vancouver-Kingsway (Mrs. Holt) said about men and lawyers, and that was an arguable point which I could debate with her, I must say that, generally, I agreed with her approach and with the approach of the hon. member for Greenwood (Mr. Brewin).

I agree with the hon. member for Vancouver-Kingsway that the law was made by men. Originally it was made by so-called celibates. The ecclesiastical law for many years was the foundation of our divorce law. In mediaeval ages, and even later, the divorce courts were ecclesiastical courts. Henry VIII changed all that; he had a much more clear-cut way of getting rid of his wives—if I can make a pun. I remember reading a book about some of the oddities of the ecclesiastical law. According to that book, in the early days of the United Kingdom when a man took a wife he took her property and he also took her debts. But if he married her in her shift, he did not have to take her debts. I am sure the hon member for Vancouver-Kingsway will appreciate the dilemma of the woman in ancient days. She had to choose between getting dressed to kill, getting married in a beautiful white wedding dress and letting her husband pay her debts, and getting married in her shift and not letting her husband pay her debts.

I remember, when I came back from overseas after the last war, that I did a lot of divorce work. I was not happy to do it, did not like it, but it was work which had to be done. Many divorces arose because young people had married hastily in wartime and then parted quickly because one of the partners was in the armed services. When they met again they both discovered that their marriage partners were completely different from what they had envisaged. I did many divorces between 1946 and 1950. The divorce rate was fantastically high, compared with what it had been up to that period in our history.

I remember being in a building—it was not really a courtroom—and seeing the presiding judge grant 12 decrees nisi in one hour. Each divorce took five minutes on average. The lawyers knew it was a farce. It was all laid on. The marriage certificate was produced, there were photographs, proofs of service, proofs of the existence of children, evidence to estab-

lish that there was no collusion, evidence to establish adultery and, bingo, that was it. It took five minutes.

I remember the judge having difficulty with a newly minted barrister who was a little embarrassed at having to bring such evidence forward. The judge said to him, "Come on, hurry up. Adultery may be very pleasant to commit, but I have sat here for three days listening to such evidence, and listening to adultery cases is not my idea of a good time." He said, "Prove adultery, and let us end this case." That happened in a building in my town which had been turned into a courthouse. Actually, the building had been used before as a United Church. The new courthouse was being built at the time. One of the two clients I had in this series of divorce cases looked around him and said, "Mr. Baldwin, is this the old United Church building?" I said, "Yes, it is." He said, "My God, that's where I was married." Even though I believe in freedom of information I will not tell you what I charged him for his divorce, but I can tell you that it cost him much more to get his divorce than it had cost him to get married.

I agree with what has been said. I can say, on my experience as a lawyer, as a member of parliament and private citizen, that the reliance on fraud, perjury, hypocrisy, and all the nastiness involved in using the adversary system to prove adultery, bestiality or any of the other grounds which originally were grounds for divorce, is simply criminal in the eyes of society. Yet we persisted in this country for many years in accepting such grounds as the only basis for divorce. Our governments were far, far behind the people.

Finally in 1965 or 1966 a joint committee was set up under the excellent chairmanship of the hon. member for Halifax-East Hants (Mr. McCleave) and Senator Roebuck, a distinguished member of the other place. That committee sat either for one year and a half or two years, heard many witnesses, read the book "Putting Asunder" which had been prepared at the instance of the Archbishop of Canterbury following an inquiry by a judge of the high court of England, a bishop, and one or two other people, and made some good recommendations. They did not go as far as the hon. member for Greenwood and I and others wanted them to go. On the basis of what we had read, heard and seen, we believed then, as we both do now, that marriage breakdown, properly established, should be the basic ground for the dissolution of marriage. But the committee did not go that far. It went half way to meet us.

I can recall that the hon. member for Greenwood, I and one or two other members of the day went to 24 Sussex Drive to see the then prime minister, Mr. Pearson. We proposed that marriage breakdown should constitute at least a major cause, or major ground for the dissolution of marriages. Mr. Pearson was quite receptive to our idea and said he would discuss it with the minister of justice of that day.

Ultimately the new divorce bill was presented in this House, either in 1966 or 1967. We found that not only had the then minister of justice not gone as far as we wanted, but he and his officials had not even gone as far as the committee had recommended. Try as we would, we could not persuade the then minister of justice to change his mind. I suggested at the time that, because of his attitude on social matters, politically the then minister of justice was slightly to the left of Ghengis Khan. That minister of justice became our present Prime Minister (Mr. Trudeau), Mr. Speaker. I have since come to the conclusion that he stands about even with Ghengis Khan.

Putting nasty politics to one side, I wish to repeat what the hon. member for Greenwood put forward: the adversary system is not the system to use in the dissolution of marriages. Adultery, cruelty and desertion are consequences, or the fall-out, rather than the cause of dissolution of marriage. A time may come during a marriage when only the ashes are left, when there is no spark to revive. When that happens it is futile to compel two adult people to go through this forlorn process of manufacturing or creating evidence of adultery and all the rest of it. I think it is wrong. That is why I like what the hon. member for Greenwood has proposed in his bill, because it would provide that a divorce may be granted when there is no reasonable possibility of reconciliation. Generally that does not happen today. If, under the adversary system, the petitioner establishes adultery or such other cause as is contemplated by the act, as far as the court is concerned, it is over. It is finished. The judge is not required to make any investigation into the question of reconciliation. That is quite important.

● (1740)

An experienced trial judge, with long knowledge of human nature derived from sitting on the bench, is probably very capable of determining whether the marriage is completely shot, whether it is kaput, or whether there is prospect of some reconciliation. The mandate to be laid upon a judge by this bill is much better than the situation which exists today.

When people use adultery as a ground for divorce, they often go right through the trial without even a hint of reconciliation being considered. The same applies to the question of children, compensation or alimony, as the case may be.

I go along with the hon. member for Vancouver-Kingsway. It would be excellent if jurisdiction could be combined with the whole matter of matrimonial life and the custody of children in one area or court. Obviously you are not going to get the kind of changes to the British North America Act which would bring this about. However, through the use of delegated authority the attorneys general of the federal and provincial governments could in due course consider this. Through the use of delegated power in the legislation, it is quite legal to transfer to one court or group, call it what you will, the right to deal with all aspects of matrimonial life including, where necessary, dissolution of the marriage, custody of children, and awarding of alimony and maintenance. This would be highly desirable.

I could speak on this for a considerable length of time but I think I have made it clear where I stand. Unless the hon. member for Greenwood has been more persuasive with members on the other side than is usually the case, I have no hope of this bill going beyond this today. However, I urge with all the strength I can that members on the government side take steps to emphasize to the members of the cabinet, the Prime

Minister, and the Attorney General (Mr. Basford) that the public is ready for a reform of this kind.

I am perfectly satisfied that, far from increasing the number of divorces, legislation of this kind will probably lessen them. Using the grounds under the present law, manufactured evidence, and I am sure it exists now as it did 15 or 20 years ago when I knew what was going on, is probably used to obtain divorces without any attempt to provide for a reconciliation. A proper application of the philosophy contained in this bill would go a long distance toward minimizing the number of divorces. It would make certain that when the condition of the marriage had reached the stage where it was quite plain that nothing on God's green earth could save it, it would be dissolved. That is the kind of law we need.

Mr. Robert Daudlin (Kent-Essex): Mr. Speaker, I have some notes I would like to go through. Before I start, however, there are a couple of things which were said by previous speakers with which I would like to take issue.

The hon. member for Peace River (Mr. Baldwin) alluded to the fact that under the present system the judges of our courts have no right, obligation or, in his view, desire to satisfy themselves that there is no possibility of reconciliation in these cases. If the hon. member had practised under the new law, which apparently he has not, he would have had the opportunity to know that before any court in this land can deal with divorce at this time, the first obligation of the judge, before the witnesses are even sworn, is to satisfy himself that there is no possibility of reconciliation.

In all cases and in all the courts in which I have appeared on matrimonial matters, I have never seen a judge fail to discharge that obligation. It might have been cursory. It might have been insufficient in terms of what the hon. member would like to see happen. However, it is required by the present act and, in my experience, it is done.

The hon. member for Vancouver-Kingsway (Mrs. Holt) brought a very pessimistic approach to this House. I would like to add a little positivism from my point of view and experience, having done a substantial amount of family law work before coming to this honourable place.

The hon. member indicated that in no instance had she found that reconciliation ever took place once a marriage was on the rocks, or words to that effect. I would like to suggest to this House that on at least three occasions I have had the courts interject in the middle of the divorce proceedings and challenge both parties in the divorce cases that in fact reconciliation had not been tried enough. I had three that were sent back by judges. In fact reconciliation did take place and they are still together. It may not work as much as we would like, but it is working in some instances. It is not as pessimistic as the hon. member believes.

Like the hon. member for Greenwood (Mr. Brewin), I agree there is a need for change in the divorce law. Having dealt with it, I am satisfied there is room for change. In the area of family law, reform should be introduced only after very careful study. The Minister of Justice (Mr. Basford) expressed this

point of view very well in his speech to the Family Law Section, Ontario Bar Association, in Toronto on January 26. I will not repeat his words. I ask only that hon. members interested in this particular issue look at the text of his speech at that time.

In speaking of the process of reform in which the government is now engaged, I shall assume, Mr. Speaker, that most hon. members are aware of the general nature of the recommendations of the Law Reform Commission of Canada, some of which the hon. member for Greenwood is asking us to enact in his bill. I should therefore like to direct my remarks more to the process of government consultation and the conscious effort to find a national consensus in the field of family law. I am directing my attention to these matters in order to explain why I think that it would be premature at this time to enact the bill proposed by the hon. member.

Following close upon receipt by the Minister of Justice of the Report of the Law Reform Commission on Family Law, the attorneys general met in Vancouver in June to discuss, among other things, family law and the administration of that law in the courts. The ministers agreed that it was important to move quickly to establish unified family courts, and there was a general recognition that both levels of government must move forward toward adopting the concept of marriage as a partnership of equals. During their conference the provincial ministers expressed the view that matrimonial property is exclusively a provincial matter. They agreed to urge their governments to press forward with matrimonial property law reform. There was a feeling that matrimonial property law reform should precede divorce reform.

The view that matrimonial property law reform should precede or accompany divorce reform is a view shared by a number of women's groups. They are worried that, if the grounds for divorce are changed before the matrimonial property laws are changed, then a wife who is economically dependent upon her husband could be deprived of her bargaining power in the dissolution process. I would not want to imply that these women's groups do not want a divorce reform. They are clearly dissatisfied with the divorce law as it now stands, but consider that any reform that would require a woman to support herself after a reasonable period of time must be accompanied by a property division that would reflect her participation in and contribution to the marriage.

● (1750)

By these arguments the federal government should wait and delay its reform of the Divorce Act until the law on matrimonial property is changed. On the other hand, as the Law Reform Commission emphasized, present divorce procedures are unsatisfactory because they are counter productive, that is, they aggravate problems rather than help to solve them. This happens, as the commission suggests, because the Divorce Act embodies the concept of marital offence or faults. To change the ground for divorce from fault to permanent breakdown or irretrievable breakdown, as suggested in the bill proposed by the hon. member, would be to move away from

the adversary approach to divorce and to introduce a greater possibility of conciliatory action. This, perhaps, is an ideal, but if I could get away from my notes for a moment I would suggest to the House that I myself had an unfortunate experience with regard to the way in which the new legislation works out in practice. Where there is deemed to be a breakdown of marriage after so many years of separation, trained social workers are supposed to determine whether or not there has in fact been an irreconcilable family breakdown. I found that many of these trained persons relied on form-type letters to be checked off and signed by the individuals involved, and that they frequently advised the court that there had been a breakdown of a marriage without even having seen the parties involved.

Mr. Brewin: Shame!

Mr. Daudlin: I think that is a crying shame, as the hon. member for Greenwood said. Unfortunately the legislation now proposed could lead to even greater abuses unless we protect ourselves.

The Minister of Justice is well aware of both sides of the issue: the need, on the one hand, for property law reform to precede or coincide with divorce reform and for new courts or court services to be in place in order to permit new divorce procedures to be introduced; and the importance, on the other hand, of pressing forward with the actual divorce reform itself. That is why he said in his speech to the Family Law Section of the Ontario Bar Association to which I earlier referred, and I quote,

I would point out to the remaining provinces, however, and indeed to the legislatures of Ontario and British Columbia (as distinct from the government's of those two provinces), that if, as they say, matrimonial property is a matter within their exclusive jurisdiction, then they have a responsibility to act and to act expeditiously. If the provinces do not move expeditiously to put in place meaningful changes in the law relating to matrimonial property to take account of the economic needs and the rights of both spouses, there will obviously be increasing pressure on the federal parliament to endeavour to try to implement the recommendations, in one form or another, of the Law Reform Commission's report relating to the disposal of matrimonial property. Canadian women should not have to wait much longer for provincial action in this regard.

Before proceeding to discuss the details of the bill proposed by the hon. member, I should like to say a few more words in respect of another matter that I have already touched on—family courts. One of the reasons for proceeding slowly in divorce reform is the need to put into place new unified family courts or family court services in existing courts. If there is to be a movement away from the adversary system toward a more conciliatory approach to divorce, then counselling services in the courts are necessary. Other services such as investigatory services and enforcement services would be useful. If there is to be an automatic enforcement of maintenance orders, then enforcement services will be vital. The development of these courts takes time and is costly.

The federal government is encouraging the provinces in their efforts to create these courts by providing money to enable the joint funding of experimental unified family court pilot projects of various types to test a number of possible alternatives. Discussions in respect of such projects are under way at the present time with the provinces of Ontario, Manitoba, Saskatchewan, and Newfoundland. Further, the government is sharing in the funding of the evaluation of the unified family court pilot project that was undertaken by the province of British Columbia in 1974. It is hoped that from these experiments valuable guidelines will be drawn for the future development of family courts in Canada.

I am sure many hon. members will be aware of the announcement made on February 17 last with respect to the appointment of judges to the first unified family court in the Hamilton-Wentworth area. Some of these problems are highlighted by the fact that, following this announcement, a number of people opposed the appointments saying they had come too quickly, that it would be a disaster, that the family court as presently established could never handle the overwhelming weight of this type of action particularly when this involved property and its disposition.

Speaking directly to the bill introduced by the hon. member for Greenwood, I should like to say that while I think it is premature to attempt to replace the Divorce Act at this time and in this way, I agree with some of the principles upon which the bill is based.

Mr. Knowles (Winnipeg North Centre): Question!

Mr. Daudlin: The bill is inadequate in that it would repeal the Divorce Act but not replace many of the provisions of the Divorce Act that are essential to a scheme of divorce. For example, the bill does not deal with the subject of how the maintenance and custody orders made by a court in one province would be enforced in another province. This is an important problem that must be dealt with in any new divorce act.

Taking the clauses in their order, I would first have to comment that the definition "court" is not adequate. First, it does not reflect the correct names and divisions of the Superior Courts that hear divorces in various provinces. I think the hon. member is probably not aware of the amendments to the Divorce Act that changed these definitions. Also, I do not think that it is necessary to make reference to the county or district courts of the province. In a number of provinces, judges of the county and district courts hear divorces but, in such cases, they do so as local judges of the Superior Court of the province. When acting as local judges of the Superior Court, they have jurisdiction to hear property matters that they would not have jurisdiction to hear if they were sitting as judges of the county or district courts. While, in the future, it may become possible for divorces to be heard in courts other than Superior Courts, at the moment, for constitutional reasons, it would seem better to retain the jurisdiction in the superior courts and provide that cases may be heard by judges of those courts or local judges thereof. Clause 3 gives me some problems also. While I have some sympathy with the idea of granting divorces on the basis of irretrievable or permanent marriage breakdown. I question how the courts would view the words in subclause 3(2). If it were to be necessary to prove that there is "no reasonable possibility of reconciliation", trials

to determine this question would probably continue to be necessary and many divorces that it would be reasonable to grant might be refused.

Subclause 3(3) relieves the onus of proof to a considerable extent by providing that where the parties have lived separate and apart for a year the marriage shall be deemed to be irretrievably broken down. However, nothing in the bill prohibits the parties from commencing an action prior to that year of separation. In those cases, acrimonious trials would probably continue. Spouses would still be coming to the court to make allegations against each other. I think that the hon. member wishes to provide for no-fault divorce and would not, himself, wish to see this new type of trial develop as a result of his bill. In order to avoid this result, it would probably be necessary either to prohibit divorces to be heard before the expiration of a year of separation, or to provide for proof that the marriage has irretrievably broken down to be given by some kind of non-accusatory evidence. I should like to see any bill put forward on the subject of divorce contain some provisions that would reduce the adversary aspects of the divorce proceeding and promote reconciliation and the preservation of the family unit to the extent possible.

The promotion of reconciliation brings me to another problem I find in the bill. I am not convinced it should be necessary for parties to live separate and apart for a year in order to qualify for a divorce. I think this is one of the problems with the present Divorce Act. The requirement for separation inhibits the possibility of reconciliation.

The Acting Speaker (Mr. Turner): Order. It being six o'clock, the hour for private members' business has expired.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

NATIONAL TRANSPORTATION ACT

MEASURE TO REDEFINE OBJECTIVE OF TRANSPORTATION POLICY

The House resumed consideration of the motion of Mr. Basford (for the Minister of Transport) that Bill C-33, to amend the National Transportation Act and the Department of Transport Act for the purpose of defining the objective of the transportation policy for Canada and authorizing the consequential rearrangement of powers and duties relating to transport and to amend the Transport Act and the Railway Act in respect of freight rates and other matters, be read the second time and referred to the Standing Committee on Transport and Communications.

[Mr. Daudlin.]

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, when the debate adjourned at five o'clock I was talking about the illogical efforts of the government, with the support of the official opposition, to retain competition and commercial viability in transportation. I said that if it were logical to have competing railroads and competing air lines, it would be just as logical to have competing sewage and water systems, streets, highways, telephone lines, and power lines. I want to quote a further excerpt from the speech made by the former leader of our party, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), in the debate similar to this one which we had in 1966. On that occasion he said:

> The fact is that I do not believe that free enterprise and the competitive system of transportation can give Canada an adequate transportation policy at a price we can afford . . . in a country of 20 million people, where . . . we are more dependent than probably any country in the world on getting our goods to market over long distances at competitive prices, where we spend more per capita on transportation than probably any other country in the world, I do not think we can afford the luxury of having a free enterprise, competitive transportation policy . . . I believe that what we need is more government control and direction, not less, in the field of transportation.

Those words are as valid today as they were in 1966. Competition between modes of transportation mis-allocates resources, in fact, wastes resources, through the inappropriate use of each mode. When it comes to rates, if a railway rate is too high, why not have the government intervene to regulate the rate? The free enterprise competitive system says that instead you should foster intermodal competition to hold the rate down by building another super highway parallel to a railway line, or subsidizing another railway line, or subsidizing some more airports and air lines.

I hope we will agree that it would be foolish, for example, to promote the trucking of heavy bulk commodities, such as coal, potash, fertilizer, iron ore or grain, over medium and long distances. Not only is it foolish, it is too costly in terms of energy and in terms of the misuse of a particular mode of transportation, namely, trucking. Truck transport of bulk commodities requires four to six times as much energy as rail transport.

Competition between modes of transportation denies the stated objective in the bill of integrating the modes together. For example, a bus company is not going to short haul itself to serve as a feeder to railway lines if it can get a full haul for its own revenues. Instead of intermodal competition, why not intermodal co-ordination? Why not integrate passenger ticket offices, baggage handling facilities and passenger terminals in common facilities? In many cases the facility already exists in former downtown railway stations.

Let me give an illustration, Mr. Speaker. In my own city of Regina, Air Canada established a new downtown ticket office in the new Toronto-Dominion Bank building which is very posh and plush. There are exactly two spaces to park a car in front of that building, and they are in a two-minute zone. If you want to buy an airline ticket, you will have to drive and then park your car several blocks away, if you can find a

parking place. This may give a good image for Air Canada's brass, but it is hardly the place to encourage people to come in and buy their airline ticket.

● (2010)

There is a downtown railway station in Regina with ample parking facilities which are mostly unused. This is where the Air Canada ticket office should be, and where the CN and CP railway ticket offices should be. This is where the terminal for the airport limousine should be, where the taxi stand should be, where the city transit busses should stop, and where the bus ticket offices should be. Instead of that, we have the so called intermodal competition. They all have separate buildings and separate ticket offices, all of which adds to the cost of transportation in our country.

That kind of commercial viability and competition in transportation is sheer economic nonsense. No self-respecting free enterpriser or businessman, in that kind of enterprise or any other kind, would willingly or knowingly resort to such an operation. But as long as you have old line party governments which cling to nineteenth century mythology about competition and commercial viability in transportation, you will have those kinds of boondoggles in every city in this country.

Some hon. Members: Hear, hear!

Mr. Benjamin: As I said before five o'clock, the elimination of competition and commercial viability in transportation is not some socialist dogma. It is not just some ideology of the NDP. It is a fact in countries all over the world with governments of all political persuasion, from the extreme left to the extreme right and everything in between. Canada, and to a lesser degree the United States, remain the only two still clinging to this mythology of competition in transportation. The days of the railroad barons and "maggots" of the 1880's and 1890's are gone.

Commercial viability for a transportation company may deny the economic needs of an individual community or of our nation as a whole. We submit that service to the public and national and regional economic objectives should take precedence over profitability. For example, in freight rates the maximum rate provisions in this legislation are virtually worthless since the maximum ceiling is so high that railway companies may charge whatever they deem suitable.

Let me illustrate with some specific examples where people are discriminated against because of where they happen to live. The agreed charge rate for food stuffs—and I wish the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) were here because the agreed charge rate for food stuffs applies also to Saskatoon—hauled from Toronto to Vancouver is 2.63 cents a ton mile, but it is 3.53 cents a ton mile from Toronto to Saskatoon. An average of seven different agreed charges indicates that the railways are charging 53.4 per cent more per ton mile for like goods hauled from Toronto to Saskatoon than from Toronto to Vancouver.

Mr. Goodale: That is what this bill will eliminate.

Mr. Benjamin: No, it will not, because if the hon. member for Assiniboia (Mr. Goodale) will read the bill carefully he will see that it says "except for competitive reasons". The legislation will not correct that.

Mr. Goodale: Yes, it will.

Mr. Benjamin: If the hon. member will pay attention a little longer, I will give him some examples.

Mr. Goodale: I hope they are more factual than what you have given so far.

Mr. Benjamin: Them is the facts. If the hon. member has kept his nose in the keyhole of the Minister of Transport (Mr. Lang), he has not sniffed out any facts there.

The maximum rate provision for railway rates is two and a half times the cost of service, not one and a half. Here is where the Minister of Justice (Mr. Basford), in reading the speech of the Minister of Transport, was wrong, or at least perhaps he misread the facts in the legislation. That is on small shipments. For large shipments the maximum rate is greater than two and a half times the cost of service. The Minister of Justice, reading the speech of the Minister of Transport, said that that was protection. All I can say is, some protection! The 100 per cent over the cost of service that the Minister of Justice spoke about in the speech of the Minister of Transport is up to 250 per cent which, if my arithmetic is right, is two and half times the cost of service.

Mr. Goodale: There is no protection now, and the bill provides it for the first time.

Mr. Benjamin: The hon. member does not know one end of a box car from another. With that kind of a maximum rate there will be no intervention because they can go to that maximum without intervention, and those who appeal for intervention will not get it because the companies will be within the maximum, which can be two and a half times the cost of service.

Mr. Goodale: But they are over that maximum now. They will have to roll some back.

Mr. Benjamin: Except for competitive reasons, and that is still in the bill. That ruins half the principles.

Mr. Goodale: That is not on the maximum-minimum, Les.

Mr. Benjamin: The other items on freight rates that I want to comment on now are, for example, the prairie rapeseed crushing industry. They face inequities because it is more economical to ship raw rapeseed to central Canada for crushing instead of processing it on the prairies and shipping the processed products. Under the new rates—and I hope the hon. member for Assiniboia will make a speech and tell us how this will be corrected—published by the Canadian Transport Commission for rapeseed products, it costs 62.4 cents more per hundredweight to ship rapeseed products than it does to ship raw rapeseed from Saskatoon to Montreal. The previous dif-

ference was 25.3 cents; now it is 62.4 cents. The answer of the Minister of Transport to this inequity would be to jack up the rate on raw rapeseed so that it would move at a compensatory rate. This would price the western rapeseed products right out of the central Canadian market. They would no longer be competing with corn, peanuts, soyabeans, coconut oil or sunflower oil. It prices western processed rapeseed oil right out of the central Canadian market, let alone the export market.

It is bad enough when this happens under the Liberal Minister of Transport, but this had a lot of help from the Conservatives. They sold out to the government, as usual. I listened very carefully to the hon. member for Crowfoot (Mr. Horner), who did not take any position on the bill one way or another except horizontal. He is neither for or against the bill. This is typical. It is no longer Joe who or Joe what, it is Jack what. On this issue of the processing of rapeseed in western Canada, the minister of transport in Alberta, who happens to be a relative of the hon. member for Crowfoot, not only opposed extending the statutory rate to rapeseed products but suggested that raw rapeseed be taken off the statutory grain rate. That is a lot of help from those Conservatives in Alberta.

The Tories talk motherhood about promoting decentralization and regional industry, but where are they when it comes down to the nitty-gritty of the future of our rapeseed industry in western Canada? They fell into line with profitability and commercial viability and said, "Take rapeseed off the Crowsnest pass rates". Like the Atlantic premiers, the premier of Alberta sold out. The Tories agreed with the Minister of Transport that there has to be competition and that there has to be commercial viability in transportation. The official opposition did nothing but some nitpicking with regard to this legislation. I listened to the hon. member for Crowfoot, and I like the man very much, but he did not take a stand.

● (2020)

[*Translation*]

The Acting Speaker (Mr. Ethier): Order. I regret to interrupt the hon. member but his time has expired. However he could continue with the unanimous consent of the House.

[*English*]

Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Ethier): There is not unanimous consent. The hon. member for Roberval (Mr. Gauthier).

Mr. Benjamin: Mr. Speaker, do I have the floor?

The Acting Speaker (Mr. Ethier): There was not unanimous consent. I recognize the hon. member for Roberval.

Mr. Hogan: Mr. Speaker, may I find out who said no?

[Mr. Benjamin.]

Mr. McKenzie: The member of parliament for Winnipeg South Centre (Mr. McKenzie) said no.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, before beginning my speech, may I say that I disagree with the government leader for having introduced this bill today, not because I am against the introduction of a bill on transportation, but because we were informed only half an hour before the House resumed of the change in the business of the House. Today we were supposed to discuss Bill C-27 on unemployment insurance and we got ready for that. A few minutes only before entering the House, we were told that the government had changed its mind and that we would be discussing Bill C-33 on transportation.

I asked why this sudden change. The answer was that this was because the Minister of Transport (Mr. Lang) was in the House and he wanted to introduce his bill himself, but here we were in for another surprise: the presentation was made by the Minister of Justice on behalf of the Minister of Transport. This demonstrates again the lack of planning on the part of the government in submitting the other leaders in the House an orderly schedule. We are lost in conjectures about the real reasons behind these changes which were made at the very last minute.

Still I am pleased to see this bill introduced because I have a lot to say about the administration of the Canadian National and about the passenger service which these officials seem to discredit. I see some of them up there smiling and conferring. They know they are protected because they sit behind the minister; it is impossible to find the name of a single one or to know their opinion about the Saguenay-Lac-Saint-Jean area.

For the last 15 years I have been struggling in this House to save to some extent what is left of the passenger service in our area. Barely 15 years after the flourishing period of our railway, we were visited by so-called specialists from the large cities; they closed all the passenger stations; they turned express and postal services over to the private sector because it gave them too much work; they dismissed all employees in those services and suppressed two thirds of the personnel entrusted with the maintenance of the railroad track and tripled the clerical work force. They forgot one thing: trains best operate on well-maintained railroad tracks and not on television screens. Even though the contrary may seem true, it was wishful thinking on their part. Today we have a bill dealing with railways and whose first clause reads as follows:

. . . the National Transportation Act is repealed . . .

We spend our time in the House repealing laws to replace them by others which are sometimes less efficient—

"3. (1) It is hereby declared that the objective of the transportation policy for Canada is to achieve a transportation system that

(*a*) is efficient,

(*b*) is an effective instrument of support for the achievement of national and regional social and economic objectives, and

(*c*) provides accessibility and equity of treatment for users, . . .

All that makes me laugh, Mr. Speaker. And we read in the recommendation that it is for the purpose of defining the objective of the transportation policy for Canada and authorizing the consequential rearrangement of powers. The rearrangement of powers and duties relating to transport, now that is important!

Mr. Speaker, when talking about rearrangement of powers and relations in transport, it means another change in the staff. As you see, there will be another rearrangement of responsibilities in the field of transport. In short, what do these proposals mean? More technocrats and bureaucrats who are going to strut about like their predecessors or spend their time sleeping in their sumptuously furnished offices.

We may read the whole bill but at the end at the very last line, Mr. Speaker, we read that the Minister of Transport will decide. What does that mean? It means that technocrats will keep their own preserve in the field of Canadian transport. That is that! Technocrats are never mentioned, they only refer to the minister, but we know very well what it means.

● (2030)

That was a realistic summary of Bill C-33. Mr. Speaker, it would be better for us to keep only the last line of the bill and throw the balance into the wastebasket, because in the end decisions will not be made in the House, but elsewhere. The goal of the bill is to meet the regional needs in an efficient fashion. If I had time to read again the bills on transportation passed since Confederation, I would always find the same goals set out, perhaps with a different terminology. That is a good indication how our high officials repeat themselves.

Then the minister tells us that the bill is aimed at combining the various means of transportation and set up joint public and private services. It has been done for a long time, Mr. Speaker. And I would add that if our public carrier did not have its annual deficits paid by the taxpayers, I mean freight transport, never could it compete with the private sector. As far as freight transportation is concerned, our public carrier was anxious to hide its own administrative incompetence, hence the agreements with its competitor, that is private enterprise.

I wish I had more time to provide you with background information on these freight rates. I should have a lot to say but I prefer to make use of my own time telling you about passenger services generally—since this bill deals also with this—but more specifically in my own Saguenay-Lac-Saint-Jean region. Someone may say that this is not the first time I have raised this issue in the House. However, following the remarks I made in the House the other day, I feel this is an excellent opportunity to tell you about this famous train.

I am afraid someone has called down curses from heaven upon our region, for technocrats have apparently decided to put down or even make us hate the only passenger service which has survived the devastating attacks launched by Montreal officials. Especially in the past 15 years officials have been anxious to prove to the authorities of the country that a railway in the Saguenay-Lac-Saint-Jean area is not profitable. Every trick has been used, such as no adequate maintenance of the tracks and antiquated passenger cars. They have even used the suburban cars of Montreal to provide service between Montreal-Chicoutimi-Dolbeau or still—

An hon. Member: Jonquière.

Mr. Gauthier (Roberval): —Jonquière is also included, so that the tracks are left clear for freight trains while passengers have to wait for hours and hours on a siding because freight trains have priority. We have to say how we are treated in our area. Or the passenger from the Dolbeau-Chicoutimi train must cool his heels for two or three hours at Hervey-Jonction waiting for a train from Abitibi when it would be more logical to proceed directly to Montreal as it has been done each Sunday night for years. But during the week one has to wait for the Abitibi train which must travel to Montreal in two and a half or three hours. As the Abitibi train is always late, we arrive late in Montreal. That's it! Finally, the favorite sport of senior civil servants is to play with schedules. They are interested in schedules, they often play with them. They juggle with them. It is a little like the torment of the drop of water. The latest draft schedule for April 1977 has not been published yet, but I have it. It is concrete evidence of what I just said.

Imagine, Mr. Speaker, that according to that new schedule, any passenger from Chicoutimi, Jonquière, Chambord or Dolbeau will leave Chicoutimi at one p.m. From Dolbeau, he will leave at noon and arrive in Montreal around 11.30 p.m. We might as well say midnight, because there is always a half-hour delay.

When I saw this schedule, I thought it was the height of stupidity. Those people should either go and see a psychiatrist or be confined. They are due for some mental rest. Let's imagine someone going to Montreal on business. Right now he can leave Dolbeau or Chicoutimi at seven in the evening. At 6:30 in the morning he gets into Montreal, does his business, and then at eight or nine o'clock in the evening he is ready to take the train back home. He does not lose time. Two nights aboard a sleeping car or a coach during eight and a half or nine hours. But with the new schedule, the train will leave Chicoutimi at noon and arrive at midnight: so the businessman getting into Montreal at night will have to check in a hotel, spend the night in Montreal and do his business the following day; but since the train leaves for Chicoutimi at seven in the morning, he will have to wait for the next morning train to go back to Chicoutimi. So he will have to take two days and three nights for his business. Anyone can imagine what results this schedule will have. And now, Mr. Speaker, this schedule will become effective on April 1.

● (2040)

Starting April 1, this schedule will be implemented. Never, and I want parliament to note this, never before would any public servants have had the gall to suggest such a ridiculous schedule. We can now imagine what the situation will be for the hundreds of workers who leave each fall for the fruit and vegetable harvest in Ontario, for the 600 to 800 workers, for entire families, who take the train to Ontario. They will reach

Montreal at midnight and they will have to spend the night on the floor of the station waiting for the train next day. With the present schedule, they reach Montreal at 6 or 6:30, which means that they can transfer as soon as they get off the train to another train going to Ontario. This is why, on February 28, I presented a motion in the House to appeal to the Minister of Transport so that this decision may be postponed for six months. My motion, dated February 28, reads as follows:

Mr. Speaker, pursuant to the terms of Standing Order 43, I request the unanimous consent of the House to present a motion dealing with a matter of utmost importance and urgency to the Saguenay-Lac-Saint-Jean area.

As according to the new CN passenger service schedule becoming effective in early April, the only passenger train will be arriving into Montreal at 23:30, as at that late hour all connection with other trains is impossible and as, according to that new schedule, three days and two nights will be needed to spend one business day in Montreal, that waste of time never having existed previously because the same trip is now made during the night, and as the implementation of that new schedule will cause serious prejudice to the travelling public in the area to the extent where the clientele will disappear, I move, seconded by the hon. member for Abitibi (Mr. Allard):

That the Minister of Transport exert immediately the required pressure with the CN president and Mr. Jean-Marie Beaulieu—

—He seems to be in charge there—

—general superintendent, to delay the implementation of the new schedule for six months, with a view to allowing local organizations to present their suggestions in that regard.

Mr. Speaker, I do not know if this time the minister will have the courage to act in the interest of the public, because I suspect premeditation on the part of the public servants who thought up this schedule change to try to prove to the minister that the Saguenay-Lac-Saint-Jean passenger train was no longer necessary because of a lack of customers. We can expect anything these days, especially on the part of those who have nothing to think about in their office except how to do a disservice to others while pretending that they are helping them. With such a schedule, who will want to take the train to spend two nights in a hotel in Montreal? Once again, if the minister wants to meet his objectives and meet the needs of the travelling public, he will have to eliminate certain public servants who are dedicated to destroying everything. One thing encourages me however, and this is the news reported in the newspaper *Le Devoir* of March 1, 1977, and I quote:

Lang Annouces Creation of VIA Rail for Passengers Federal Transport Minister Otto Lang announced yesterday the creation of VIA Rail Canada to operate passenger train services.

In announcing the news, Mr. Lang said the new corporation will be a subsidiary of Canadian National Railways, with plans and budgets subject to government approval.

Creation of the new corporation comes three years after it was first mentioned by the government in the 1974 election campaign.

That is where I started wondering, is he preparing another election campaign?

VIA Rail will take over routes gradually from CN and CP Rail, starting with that part of the network located in the Quebec-Windsor axis. Other lines will follow later.

I hope ours would be turned over immediately.

The Minister of Transport said the government is ready to contribute to capital requirements for trains and track and help with operating losses. Nevertheless, the government is now considering with CN and CP Rail ways to improve performance and minimize costs.

[Mr. Gauthier (Roberval).]

The new company will contract with CN and CP for the operation of passenger trains on existing routes.

The name of VIA Rail president will be known later this week. Already, Frank Roberts, now vice-president of CN's St. Lawrence region, is understood to be the choice.

That is precisely our area. I had heard that Mr. Roberts would be the president of the new corporation. I am very pleased with that, and I ask him to correct the mistakes of his predecessors and give our area a little bit more justice. I am convinced that if a good passenger service is set up between Montreal-Chambord via Dolbeau-Chicoutimi since the run goes well from Chambord to Montreal between 8 and 8:30, at night—I repeat at night—because of the energy restrictions that will soon be mandatory people will be surprised to see how well it will stand up against the competition, even of buses and airlines, because it is proved that rail service is always more reliable. I therefore ask the new president to hold an inquiry in the area and invite all hon. members, who will make it their duty to accept his invitation, to discuss that famous problem of passengers and solve it once and for all.

The problem will never be solved by civil servants in Montreal who barely know the area having gone there only a few times and, mind you, by plane. Mr. Speaker, I promise to ask all companies in the area to use the freight trains, and appeal to all municipal councils, all Chambers of Commerce and local R.D.C.s to prove to the minister and the CN that a passenger service is needed in my area; if it is improved, through both services and schedules, the clientele will triple within a year. Of course, the image of that mode of transport will have to be uplifted because it has been rather battered in the last few years.

Meanwhile, we must keep the current schedule before taking further decisions following the consultations I have suggested earlier. Indeed these consultations could deal with ticket prices, rates for beds—the actual rate is a ridiculous $45—and finally with everything that could attract the clientele and guarantee a satisfactory passenger service. One must never forget that the passenger train is first of all a customer service. It is not a money making industry but government officials are trying to convince the population that it must be a paying proposition. It is not worse than in other regions. The same goes for all other public services whose purpose is to offer the public a better service. Besides, the Canadian Transport Commission has come to the same conclusion and I quote *Le Devoir* of March 1, 1977:

The Canadian Transport Commission has already come to the conclusion that there is not a single profit making trunk line in all of Canada . . .

It seems to me, Mr. Speaker, that we are no worse off than these regions. No better, but no worse! We want the same services as the other regions.

[*English*]

Mr. Peter Stollery (Spadina): Mr. Speaker—

Mr. Benjamin: The hon. member is going to rebel.

Mr. Stollery: —this is a particularly complex subject for an urban member like myself to discuss, but it is important that

we discuss this important bill, C-33, effectively. It concerns rail passenger policy. It concerns not only national transportation policy but amends the Railway Act. It has an effect on the Canadian Transport Commission.

● (2050)

Transportation is an extremely difficult and complicated business for most Canadians. Canadians in the urban centres can never understand why members of parliament spend so much time on matters of transportation. Naturally, they use such things as urban transit, streetcars and buses and they do not understand the special difficulties in the west with regard to moving grain.

Members opposite are making remarks at the moment because they do not have the courtesy to listen to a few of my remarks, although I spent a lot of time listening to theirs. The hon. member who spoke previously spoke for 40 minutes on a rather contradictory speech. We sat here and listened to him. I should think he would let me get on with my few remarks.

Many of the people I represent understand the fact that transportation is one of the things that brought Canada together in the first place. The railway is a part of Canadian history. They know the story of the CPR and the way that railway had to be built in order to bring this country together. Perhaps it is appropriate that this subject be raised again at this time.

There are members in the House of Commons who represent areas in the maritimes which are concerned about better air service. We know of the difficulties in British Columbia with the coastal ferry service. There are many difficulties in Toronto with urban transit, such as the tremendous costs for subway construction and buying the kinds of vehicles needed to run a modern city. Even a few years ago this would not have been considered for the national government. It was a provincial and municipal problem. Now it has become so costly that the amounts of money required can only be provided by a national government.

I can only speak of the Toronto area with some knowledge. We have always understood that transportation in Canada has never been a paying proposition. We have always had to cough up. We have had to pay a lot of money because in this country we do not have the concentrations of population which makes transportation an easy matter to deal with.

We have the problems of freight subsidies, ferry subsidies, rail passenger subsidies, and other subsidies as well. I was looking at some of the figures. In his speech this afternoon the minister pointed out the deficit. Deficits can always be argued because the figures are so hard to obtain. But according to the minister's statement this afternoon, the deficit was $1.6 billion in 1975-76 to operate the Ministry of Transport in all the areas of Canada with which the Ministry of Transport deals.

Now, philosophically, I agree with some of the remarks made by the hon. member for Regina-Lake Centre (Mr. Benjamin). Transportation in Canada is crucial to the unity of this country. I hesitate to use that word which is being thrown around these days. But it is the concern of all of us.

The fact is that transportation is as important in Canada today as it was in 1867. In fact it may be more important. In 1957-58 the whole world started travelling at 550 miles an hour, the speed of a jet plane. As the former minister of manpower and immigration knows, there have been scenes in this House with regard to immigration matters because populations can move around this planet at 550 miles an hour. That is something that has never been seen before and it has to be dealt with in this age.

But originally it was the railway that brought us together physically. Now we have the problem of what form of transportation should be used to bring us together. That is the big question which this House spends so much time discussing.

I have some figures. The cost of operating a railway is phenomenal. I am not using this as an argument not to subsidize the railways, but while the number of passengers declined 1 per cent between 1972 and 1974, the deficit rose 30 per cent. That is the kind of problem with which we have to deal. How do we go about what is needed to run our railway efficiently when the costs are so tremendous?

I was born and raised in Canada. Yet I could not afford to visit the city of Vancouver before being elected to the House of Commons. I imagine that was the case for many members of the House. I think most members get the picture.

The hon. member for Regina-Lake Centre referred to Europe in his speech. We have this habit of talking about how well the railway system operates in Europe and how poorly it operates here. In Europe there are high population concentrations that are fairly close together. They are easily served.

In the 1950's the government of France made a conscious decision to put its investments in the railways. When the French delegation left Paris for the Rome talks in 1958, they took the train. The delegation did not meet at the airport the way we do here. They met at the Gare de Lyons. It is a 15 hours trip to Rome. It is a good trip. The other side of the coin is that you cannot rely on airline service to get you from Paris to Rome. Those of us who have had the experience of European airlines know that their standards are not up to Canadian standards.

● (2100)

We talk about the tremendous railway system they have across the Soviet Union. The Soviet Union must have the best rail line I have ever seen in my life. It is fantastic the way it runs between the Soviet Far East and Europe. They do a tremendous business in trans-shipping. The railway line is several tracks wide for thousands of miles and it is most efficient. Any Canadian who rides it cannot believe that this is what a railway can be like. Of course, if he looks outside the train he notices there are no roads. They do not have any roads, and most Canadians probably feel they would like to have roads as well as a railway, and also they would like to have airplanes as well as a railway.

In Canada effectively we have a choice. We want all of them. We want everything. We want the ferries, we want the roads, we want the airlines, and we want the trains. I think

that in Canada we should have the trains. We have a society with enough experience to find a proper balance between these various modes of transportation.

Something which has become apparent to me over the past few years since I have been here as a member of parliament is that we have given too much power to the Canadian Transport Commission.

Some hon. Member: Hear, hear!

Mr. Stollery: You know, the member for—

An hon. Member: Jack Pickersgill!

Mr. Stollery: The Conservative transportation critic who spoke earlier today gave me the impression that he did not think politicians should make political decisions about transportation in Canada. I think that is crazy. I think that when you have a choice between railways, roads, ferries, and airlines, when you have important services on the east coast, vital services on the west coast, and a large amount of investment to be made, political guidance is needed. We are not talking about just a few thousands of dollars. To my way of thinking, $1.6 billion is a lot of money, it is a heck of a lot of money. Allocating large sums between various forms of transportation has been a national question for more than a hundred years, so when an hon. member suggests to me there should not be political input into the question of how this money should be spent, I just think that is crazy.

Over the last few months we have had experience with Polysar. We have had our experiences with these different agencies which were set up in the 1940's and the 1950's. This is not a problem which is unique to Canada. This is common in many countries. There are only 265 of us. We have to do all the things which have to be done. There are committees, and all members know how busy they are. I guess at some point we decided we ought to establish an independent commission to do this, an independent committee to do that, and a non-political thingamajig to do this, and another mechanism here to do that. And the first thing we know, we have the Minister of Transport standing up in the House of Commons saying "It's a mess, it's awful, and I cannot do anything about it because I don't have the political control necessary to resolve this very difficult question."

We are dealing with a very complex issue, but I think that when I see on the first or the second page of Bill C-33 that we are redefining the objective of the transportation policy for Canada, and when I see this business that we are amending the functions, powers and duties of the Canadian Transport Commission, nothing gives me greater joy. A step is finally being taken to get the kind of control back over the transportation system in this country that the government should have.

Members opposite are talking about Pickersgill in 1966 or 1967. Well, it is 1977 now. They may have forgotten it, but we are living in 1977, so we are prepared to acknowledge that reforms have to be made because we have gone a little bit forward, we have found things that are not right and we are prepared to change them. I think that is perfectly sensible and reasonable.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Liberals have been saying the same thing for one hundred years.

Mr. Stollery: Well, Liberals have been doing things about 100 years. The hon. member opposite says that Liberals have been saying that for a hundred years. It is true, and Liberals have been performing things for a hundred years.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): As the Minister of Industry, Trade and Commerce (Mr. Chrétien) would say, "My eye!"

Mr. Stollery: Liberals have been making things better. Just before I opened my remarks on this area of transportation, the hon. member for Roberval (Mr. Gauthier) spoke about the train service in his area. I take the train quite a lot from here to Toronto. This brings me to the point made by the hon. member for Roberval.

[*Translation*]

The railway issue is under consideration and the hon. member for Roberval (Mr. Gauthier) has dealt with it. I understand perfectly well that story about the time required to go by train from Ottawa to Montreal, but personally I travel by train between Ottawa and Toronto and I remember that three weeks or a month ago there was a snowstorm. We left Ottawa at 5:30 p.m. for a 250-mile ride. Not 120 mile but 250 miles! And we arrived in Toronto at 2:30 a.m. Why? Because . . . I see the hon. member for Davenport (Mr. Caccia) next to me. We have travelled together a few times and we know very well that from here to Belleville the train runs at only 45 miles an hour because CP owns the line and passenger trains always yield to the large freight trains which we encounter because they have priority.

● (2110)

[*English*]

Mr. Ellis: A point of order, Mr. Speaker—

The Acting Speaker (Mr. Ethier): Order. The hon. member for Hastings (Mr. Ellis) is rising on a point of order.

Mr. Ellis: Mr. Speaker, I must bring to the attention of the hon. member that only the track between here and Smiths Falls is CP; from there on it is CN. There is—

The Acting Speaker (Mr. Ethier): Order, please. This is a point for debate, it is certainly not a point of order. The hon. member for Spadina (Mr. Stollery) has the floor.

Mr. Stollery: Mr. Speaker, I am happy to learn that the hon. member knows that, because after all he is the member of parliament for Belleville and that is where the section gang changes on the train. If he does not know it, we are all in a lot

of trouble. He is also a former mayor. I acknowledge that he knows more about Belleville than I do, and it is true that it is CPR to Smiths Falls and CNR from Smiths Falls to Brockville. But it does not matter. The fact is:

[*Translation*]

At any rate, one cannot go faster than 45 miles an hour between here and Belleville, no matter what railway company you may use. The speed is 45 miles and hour. And I know it because I have travelled by train for many years, at least 15 or 20 times every year to go to Toronto. Besides, I would like to see the hon. member travel by train with me one day because I have not yet met him on the train between Ottawa and Belleville.

[*English*]

Mr. Ellis: You know I always ride the engine, Peter.

Mr. Stollery: The hon. member always rides the engine. I ride in the coach so I do not see that.

Mr. Epp: Be careful, we have the engineer back in the chair.

Some hon. Members: Oh, oh!

Mr. Stollery: We seem to have gotten off the track, Mr. Speaker. What I started out to say was that this very complicated question of transportation in Canada has, for the last ten years, been too much in the hands of—

Mr. McKenzie: The Liberals. That is why we are in such a mess.

Mr. Stollery: —of appointed officials. I think this bill is the first step to regain that power over transportation in Canada, and to me it represents a major step forward.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I want to intervene on second reading debate of these amendments for three or four particular reasons. First of all, as has been indicated, these are the first substantive amendments that we have made to the act since it was in front of us about ten years ago. These amendments are overdue. To a lot of us, for the time being it remains, at least on the surface, another piece of ad hocery. I see nothing particular wrong with ad hoc approaches to very complex problems, but I am a little cynical whether or not the amendments proposed by the government will achieve what they are touted as having been designed to achieve.

I am a sort of wait and see-er. We have to proceed with this debate with some degree of caution and try to attract the widest possible dialogue from the different regions of the country and the various economic sectors concerned with transportation. When we are in committee it is absolutely necessary that we have the widest possible opportunity to call witnesses and to pursue our own investigative work respecting the two or three principal suggestions in this particular package.

The first of these is the degree to which the legislation departs from the policies of the last ten years. I am not a great believer in bringing back on to the floor of the House of Commons details about how to run a national transportation system. I think that if we have a valid accusation to make regarding inaction in the last ten years, it is that we have lost political control over the policy of the government respecting transportation problems. If what we are learning from my hon. friend from Toronto is a lesson in the degree to which politicians should be running national transportation systems, then I think he had better get off the train and back on to an airplane, or take a taxi to get back and forth.

An hon. Member: What have you ever done for transportation?

Mr. McKenzie: You have made it a mess. Marchand says it is a real mess.

The Acting Speaker (Mr. Turner): Order, please. The hon. member for Dartmouth-Halifax East (Mr. Forrestall) has the floor and I suggest we listen to him.

Mr. Forrestall: As long as it remains in a mess we will try to help you out and encourage you to do the right thing. If the hon. member wants, I will talk to him about transportation and about how little he has done for New Brunswick. What have you done for Nova Scotia today in the field of transportation?

The Acting Speaker (Mr. Turner): Order, please. I suggest to the hon. member that he address the Chair, please.

Mr. Forrestall: Do you want me to tell you what they have done about the "at and east" rates? Do you want me to tell you about the two or three thousand jobs that we are going to lose?

The Acting Speaker (Mr. Turner): Order, please. I suggest that the hon. member get back on the rails of the National Transportation Act.

Some hon. Members: Hear, hear!

Mr. Forrestall: I will address my remarks to you, Mr. Speaker. If they want to listen, they can. But I don't need chastisement from you, and I certainly don't need it from the people across the floor. We have one or two comments to make on this important piece of legislation. They fouled up the port of Halifax. They fouled up our shipping industry. They will foul up our transportation system. They have done this for the last ten or 15 years, and they sit there and ask what we have done. The absence of any meaningful direction in transportation policy in the last ten years stands as an indictment against the government. It indicates to me, as someone from eastern Canada, the real level of their concern for the hinterlands of this country. They don't care. Traditional Liberal thought in this country has never cared; it has been centralized.

An hon. Member: Oh, come on.

Mr. Forrestall: Go back and read Mackenzie King. Read a little bit of history.

Mrs. Holt: Why is it such a great country? Because the Liberals have run it.

● (2120)

Mr. Forrestall: Yes, they ran it right into the ground. Stand up and tell me that this is not ad hocery. It is a piecemeal approach to a complex problem. You fellows will try anything.

Mrs. Holt: You had the chance and you failed.

Mr. Forrestall: It is you who failed. This is just an attempt to do something. If you want some support for your legislation, listen once in a while.

Mrs. Holt: It is not worth while.

Mr. Forrestall: It just might be that I will support this aberration because, God knows, anything is better than nothing. We have had nothing for ten years. Perhaps it is a step in the right direction, but there are things we want to know about. What is it going to do for the port of Halifax? What is it going to do for the "at and east" rates? Where is all this grand money about which the Minister of Transport (Mr. Lang) tells our Atlantic premiers? All these words mean nothing.

The degree to which this piece of legislation will be affected and will be well received politically by the people in Atlantic Canada will be measured by the degree to which the minister does something with regard to the powers he will give to himself. Before giving him those powers, I want to know what he is talking about. I want to know where the extra funds will come from. I want to know what he is talking about when he says we will not only get rid of ineffective and inefficient subsidy programs, not only will we take that money and give it to the economically depressed regions to upgrade their transportation facilities, but we will find more money. Where is that money coming from and what will he do with it?

He went to the Atlantic provinces and came out of there with the blush of sunshine, praised by everybody about his user-pay principle reversal. How will he forgo that? It shows up here in the bill. The concept is there about avoiding it where economic contingencies come to the fore, and it should be avoided or set to one side. It has been there for a long time. What he is going to do for us, what is he going to do for Canada? All that he is doing here is to take unto himself enormous powers.

Let us go through the principles for a minute or two, the eight or ten principles. It says: the federal government will establish the national policies and the CTC will enforce them. How have we been running transport for the last 30 or 40 years if it has not been that way?

It says that the development and regulation of the transport system will be done in co-operation with all levels of government and the public. Probably I will support this bill on second reading, but before I do I want to hear from the minister—not the Minister of Justice (Mr. Basford) but the Minister of Transport—and from some members from Atlantic Canada. How will they consult with the general public about something as broad and sweeping as that particular principle? I welcome it, it has to be done, but stand up and tell me how you intend to do it.

It says here that competition within and between transport modes will be encouraged where other considerations permit. What other considerations? What are you talking about? What does that mean? Do not ask us to buy something unless you are prepared to tell us what it means and what it is all about.

It says here that conflict between public and private interests will be resolved in favour of the public interests. I am down to paragraph (d). I think Sir John A. Macdonald talked about this 110 years ago. What else is there? A little bit of mother love so far.

It says here that there should be opportunities for both public and private ownership, national, regional, and local carriers, and for Canadian ownership of private carriers. What does that last little tagged-on phrase mean? You have all spoken to your truckers, to people in the transportation industry, and you know exactly what it means. There is enough authority in that one sentence to make a dictator out of the minister if he wants to be one. Why? We will not give it to him until we have heard. That is the purpose of our being here.

It says here that commercial viability for both transportation and related services is an objective. Of course it is a desired and good objective, but stand up and tell me what it means.

It says here: where government policy militates against commercial viability, the benefits and costs involved should be identified and the additional costs assumed by the government. What will that apply to? Will it help our neighbours, the provincial people in Prince Edward Island to move their potatoes to the mainland, or to move other produce into Newfoundland or out to the Madgalen Islands? Is that what it means, and if so how will it happen, because these are the things that are important?

It says here: the market place will determine costs and services where effective competition exists; where it does not, these will be regulated to give users the same protection that the competition will give them. It is not the market place that will protect them. The minister has assumed that right and responsibility himself. He has the power and the authority. When he stands up and tells me what he is going to do, only then will we make a decision on whether or not this is a useful and meaningful step in the right direction. Until he does, let him sit there and think about an area of Canada that cannot survive without an efficient and competitive transportation system.

We do not have a market area of 600,000 people to support secondary manufacturing in industry other than in the primary products such as forestry, fishing, and our coal industry. We cannot make shirts. We do not have enough people to sell them to within reasonable transportation distance. We have to come back up to Montreal or Toronto to get rid of our surplus

production just to maintain the efficiency of our plants, and our plants are not inefficient due to bad management but they are hamstrung by ad hocery. There is nothing wrong with the word ad hoc. It is a good, useful word. Perhaps if it had been employed ten years ago, bit by bit we might have had some semblance of a transportation policy. I say it is ad hoc because it deals with a section of transportation. It refers to air, it refers to water, it refers to the upgrading and improving of the road system. It refers to taking dollars from this system and giving them to another system. Do not tell us all that vaguely without telling us what you are going to do.

One could go on with that for the next hour. There has to be the widest possible input in our discussion with respect to this because, while it sounds good and encouraging to those of us who live in areas totally dependent on transportation, I suggest that it skates awfully close to a very dangerous precipice.

What does the minister mean when he says to us that he is going to do away with subsidies that are inefficient and ineffective? Will he use those subsidies to give more appropriate help to some of the regions of Canada to overcome the disparity?

In the bulletin of the Ministry of Transport of February 8, Bulletin No. 18, at page 3 we are told about the agreements arrived at between the Minister of Transport and the Council of Maritime premiers meeting together with Mr. Morgan of Newfoundland. It reads:

Mr. Lang, Mr. Morgan and the Maritime premiers agreed in principle that improved passenger transportation could best be achieved by providing special assistance for upgrading bus and air services in that region, to be followed by changes to existing rail passenger-services, for which the demand is relatively low—

● (2130)

In the name of all that is holy how can we improve rail transportation by improving air services and bus services? Perhaps we can. We can in Newfoundland because the Bullet has been closed down. All there is from Port aux Basques to St. John's is a bus, and no doubt my friends and colleagues from Newfoundland can wax eloquently about that and about the difficulty that has been caused in that province with respect to its provincial transportation system.

However, leaving that little bit of logic to one side because, after all, this is just a press report, and it obviously was not written by politicians who have the answers to everything—or should have, according to some speakers here this evening—what does the minister mean when he says passenger services can be improved by operating air services and road services? Are we going to get dollars and cents to bring our highways up to Trans-Canada standards so that we can move potatoes from one end of Prince Edward Island to a dockside, so that they can be shipped to a rail siding, or so that the lumber industry and the primary industries of Nova Scotia can get into the woods eight or ten months of the year instead of four or five?

Are we talking about subsidies so that we can get from Bathurst to Port Hawkesbury, or from Sydney to Yarmouth without spending two days doing it? Is that what we are talking about? If it is, we welcome that because, yes, that would be a meaningful step ahead. But we do not hear that. We hear from the minister that he is going to assume the authority to do these things if he so chooses. This afternoon the hon. member for Crowfoot (Mr. Horner) said we should be careful about freight rates when buying boats. They have a habit of kicking you in the teeth. That is exactly what will happen in the Atlantic region, if that is not what is intended.

You cannot raise the expectations of the people or play politics with transportation in Atlantic Canada. It is too serious and important. It is too vital to our lifestyle to take away the "at and east" rates from us, but in the mind of the minister I am absolutely certain he considers that to be an inefficient subsidy. What is he going to do with $3 million or $4 million? What roadway is he going to improve? What bus transportation system is he going to improve? How far would that amount go toward providing an adequate feeder aircraft service in the four Atlantic provinces? Not very far.

On the other hand, that is the vital lifeblood of the Port of Halifax and the Port of Saint John, and of grain elevators stretching all the way back to the Lakehead. We are not talking about a dozen jobs. Hon. members will pardon my anger when people play lightly with the jobs of maritimers. They are too damned scarce in the maritimes today. Unemployment there is too chronically high. Hon. members will pardon my justifiable anger. What is the minister talking about? These are some of the questions which have to be answered.

Where is the minister going to get the subsidies? What is he going to cancel? We know about the "at and east" rates. What else is there? We are going to save $200 million on this joint operation, this management passenger sales team? Are we going to get $5 million or $50 million of this $200 million we are losing? Are we going to be so efficient that we will recover enough money to direct elsewhere? What are we talking about, or is that all we are doing, just talking? Do we have some concrete plans? Do we know what we want to do?

I am sorry the minister is not here. I do not know whether he had to be out in British Columbia to make an announcement. Why could that not have been done in Ottawa on the floor of the House of Commons? We have known about this for a long time, but where are these subsidies coming from? What is going to suffer? We cannot help one part of this country by hurting or harming another section of its economy. We want to know the inefficiencies of those subsidies which are not considered to be effective, or which are considered to be less than effective.

I see nothing in here which moves us ahead. If there is nothing concrete, why are we not talking about restructuring the tax system so that there can be an incentive to encourage Canadian owners of merchant ships which are registered offshore for tax purposes? Why are we not talking about that so that we can at least encourage industry, encourage new jobs, and encourage more work for our shipyards? Those are the things we want to know about. There is nothing in this bill. We have not yet had the benefit of hearing the minister speak to us. There has been one speaker from the government side. He

rambled on about going 45 miles an hour between here and Toronto. Well, hell, he has had ten years to complain about that. Why did he not go to the minister and do it privately to get something done?

Mr. Benjamin: That wouldn't help.

Mr. Forrestall: It probably wouldn't. Until we know what the minister intends to do with this enormous power he is taking for himself and with the right he is giving back to CTC under conditions he will determine and deem to be right in terms of time, structure, and content, this movement back and forth of powers is bound to lead to uncertainty and confusion. And when we have that, we have unrest and an impaired ability to utilize fully the structure because the people simply do not understand it.

We can go on with this reallocation of subsidies program. It sounds great, but until we know what is going to be taken away we are in the dark, and there is not very much we can do.

There are just one or two other items I will touch on because I know there are others who want to speak. They are related more to the institution of the minimum, maximum freight rates, than the discontinuation of the so-called long haul freight rate discrimination which has been built into our system. These provisions are somewhat important, not only to the rail companies, which is obvious, but they also have a serious impact on the trucking industry.

I think we all recognize that shippers who are attempting to broaden their market potential in their part of the country, in other parts of the country and abroad, are going to be very directly affected. As we understand it, the formula set out in the bill is not sufficiently clear to permit the people who will be most directly affected the opportunity at this point in time to make any substantive or in depth comment on whether they will in fact work or whether they will have the long-term effect of working backwards. The present act declares as its goal an economic, efficient, and adequate transportation system, and why not? What else should it have as a goal?

Mr. Benjamin: Motherhood.

Mrs. Holt: Fatherhood.

Mr. Hogan: Atta boy, Simma.

Mrs. Holt: Atta girl.

Mr. Forrestall: Those words have been amended now so that transportation is simply to be efficient and nothing else. That is all it has to be now. After that it has to be an instrument of government development policy. National defence is an instrument of national development and stability. Sir John A. Macdonald thought transportation was an effective instrument of national development 110 years ago, so this is not a new concept. We do not want platitudes, Mr. Speaker; we want programs, and we want to see the details. We want to know what the reallocation will be, how much money we are talking about, how much will go where—road improvements, harbour and port improvements, and so on. That is what we want, not this bland policy. I am prepared to accept what the experts say because I am not an expert.

• (2140)

Mr. Pelletier: We know that.

Mr. Forrestall: Is the hon. member an expert?

Mr. Pelletier: No, and I know it.

Mr. Forrestall: That is my point; we are not experts. This is not the place to cross the "t's" and dot the "i's". I do not think the minister's office is the place for the enormous amounts of responsibility that the legislation would seem to be extending to him. He wants to get the control, to get active, yet he cannot tell us on the floor of this House of Commons in broad general terms what he intends to do under the act. I suspect that at the present moment there are two or three people in the gallery who know exactly what they want to do. The minister has not even bothered to tell his own colleagues what he intends to do.

Perhaps ministerial powers should be looked at very carefully. They may have to be tightened up to ensure an effective use of the power. In effect, the minister could turn any part of the country on or turn it off. But, Mr. Speaker, he is a layman and does not know any more about transportation than I do, although it is likely he receives a good briefing every day. Indeed, he probably has so many briefings that he cannot keep track of them.

Another thing we will have to examine very carefully is the reallocation of subsidies. We want to know where the additional money is coming from and how the consultative process will operate—how the money is to be spent. We will want to be assured that the discontinuance of existing subsidies will not impair the ability of other parts of our economic structure—particularly in the Atlantic provinces—to operate. We must know, for example, that there will be no detrimental effect on the movement of basic materials into Sydney for the Sydney steel plant, and of coal out of the region into the central Canadian market. We cannot make real national progress by doing harm to one segment of the economy even though there may be a sincere intention to assist another segment.

I hope when we get to committee stage the government will permit the widest possible—

Mr. Benjamin: If we get to committee stage.

Mr. Forrestall: That is possible. This bill may never see the committee—it may die somewhere along the way. It was not a matter that was to have come before us at this time and the fact that it is here now is an indication that the government must be bereft of work for us to do. It shows the level of its sincerity in attacking the problem of transportation. The upgrading of airports and harbours and dredging programs—these are all transportation programs. I do not think the people want to hear about transportation programs just from somebody in Toronto. All of us have something to contribute to this problem, something more than just mouthing the motherhood words of the bill.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Turner): The hon. member for Halton (Mr. Philbrook).

Mr. F. A. Philbrook (Halton): Mr. Speaker, I would be happy to yield the floor to the hon. member for Winnipeg South Centre (Mr. McKenzie).

Some hon. Members: No.

The Acting Speaker (Mr. Turner): Order, please. The Chair recognized the hon. member for Halton (Mr. Philbrook).

Mr. Philbrook: Mr. Speaker, I am very pleased to be able to speak on Bill C-33, the transportation bill. First of all I should like to compliment the previous speaker, the hon. member for Dartmouth-Halifax East (Mr. Forrestall) for his usual very sincere and heartfelt representation on behalf of his area and the people there.

Some hon. Members: Hear, hear!

Mr. Philbrook: I hope he sees some progress in that area. I am pleased to speak on Bill C-33, an act to amend the Transportation Act, the Department of Transport Act, the Transport Act and the Railway Act. I should like to say, and I hope hon. members opposite will be pleased, that I intend to speak off the cuff and I intend to speak with some feeling because I have very sincere concerns about the state of transportation in our country and the state of our transportation policy at this time.

This bill has three main objectives, Mr. Speaker—first, to define transportation policy, that is, what to do; second, to define or authorize the rearrangement of powers and duties, that is, who is to decide and who is to do it; third, to amend freight rates and other matters, that is, how to do it better.

I can only agree with these general aims. I imagine most reasonable people believe that transportation anywhere, and particularly in this country, is a tough, urgent proposition. A big sprawling country with empty spaces and few people crowded together make for problems. Other speakers have reminded us that one previous minister of transport described the transportation situation in this country as "a mess". He was probably right, although this was often misquoted. It was a reference to the system and not to a sincere and well liked former minister.

The transportation problem has grown like Topsy. We are at the stage now where we have some urgent problems that have to be taken firmly in hand. Even the department is described as huge and sprawling, with a series of competing empires within one department, all in competition with each other. It has been described as a man-eater, and many people say it should be split into several different departments. The question is how to do it and who should do it.

Support for even a reasonable bill like this, a bill which could do some good if carried out well, has to be conditional on some other things—on previous commitments and on the order of business for the government which must be logical, reasonable, and honest. Members like myself support this bill. I certainly would not want to suggest that what the newspaper headlines mention will happen. I do not think there will be a revolt by backbenchers. We, on this side of the House, support our party's leadership. We support the government.

● (2150)

Some hon. Members: Hear, hear!

Mr. Philbrook: I say that in a general sense. When we come right down to it, our prime duty on particular issues is to support our constituents, and I intend to do it. I have no difficulty at all identifying with the constituents of Halton in their concern about the issue of transportation. My constituents feel strongly about transportation; they need help. Being an urban constituency, or a suburban riding, we need help, particularly in the area of commuter transit.

Mr. Benjamin: Read your election platform.

Mr. Philbrook: I am coming to it. As a private member I shall do all I can to make sure my constituents get that help. In 1974 the Liberal party showed leadership in transportation. I prefer to think of that as a sincere, imaginative effort, Mr. Speaker. That leadership was shown in the 1974 election campaign promises, which I feel must be kept, one way or another.

Some hon. Members: Hear, hear!

Mr. Philbrook: We have followed up these promises by bringing in the national transportation policy in June, 1975; the rail passenger policy on January 29, 1976; the program to improve inter-city passenger transport by rail, on January 21, 1977; and assistance to provinces and municipalities for urban transit, on January 21, 1977. Clearly we have done all this in an effort to carry out original election promises. They are an indication of the direction in which the government wants the country to go.

In the two and a half year life of the present parliament, what has happened to those exciting and imaginative election promises? I would say, little has happened in commuter transit, and in other areas as well. Toronto has sometimes been labelled Hogtown. Perhaps it deserved the label in the past, for its tendency to take more than its share of wealth. That name does not apply to Halton, lying half way between two great cities, Toronto and Hamilton. Somehow, in the consideration of transport questions areas like mine tend to be overlooked. Nevertheless, I still feel—and perhaps I am biased—that suburban areas still count for a great deal in this country.

Some hon. Members: Hear, hear!

Mr. Philbrook: Suburban life is the butt of a good deal of humour. Nevertheless, there are real difficulties connected with suburban living, and most Canadians are forced into that kind of life. Most jobs are in the city, but most of the places where we live are not in the city. Our people live in the

suburbs. Mr. Speaker, rush hour traffic is terrible to endure and we must do something about it. The other day I myself was caught in rush hour traffic. Actually I was late for a TV interview on commuter transit and my experience brought the point home to me, especially as I had not undergone such an experience for a number of years.

On paper, the program which the government has put forward looks great. It includes provisions for transit, urban and commuter, for STOL systems for our small, outlying cities; for freight which, God knows, are urgently needed; for western grain, and so on. It could be called the Magna Carta of Canadian transportation. So far as I am concerned the bill is of top priority, for transport in Canada is the glue which holds Canada together, is the lifeblood which nourishes it.

Mr. Benjamin: This bill is going to undo the country.

Mr. Philbrook: We hope not.

The idea underlying the original transportation concept involves more than the mere spending of money, although of course it also involves the spending of money. The concept is in two parts, for besides providing better transportation for Canadians it will also bring industrial benefits. For example, there would be the opportunity to provide more jobs in Canadian industry. GM buses would be built in London, Ontario, and Hawker-Siddeley rail cars in Thunder Bay. The policy would enable us to get in on the ground floor of a home grown, indigenous industry, analagous to the American automobile industry. We missed our opportunity with that industry.

We need more industry in this country and our new transport policy will give us the opportunity to create more Canadian jobs, real manufacturing jobs, and not makeshift jobs like those you get under the LIP program, Canada Works, and so on.

Some hon. Members: Hear, hear!

Mr. Philbrook: The hon. member for New Westminster (Mr. Leggatt) spoke on these questions. I agree with what he said. Makeshift jobs are fine for the short term, but they are not our ultimate aim. The creation of more industry and more jobs would also give us greater opportunities for export. We would import less and enjoy a better balance of trade. The policy would lead to a greater use of Canadian national resources in Canada. We should use them here instead of shipping them to other countries which manufacture goods for sale back to us at inflated prices.

The policy will mean greater Canadian control of our own economy, the opportunity for boosting this country's secondary industries, including manufacturing, processing and "value added" items. In other words it will put us right in the ball game, right in line to fulfilling our human and economic values.

This policy offers us the opportunity for more Canadian research, development, and design. It is not merely a money saver and job creator; it is an opportunity to offer our young people more interesting jobs and greater opportunities. Certainly one of the great purposes of this bill, which follows on the election promise, relates to energy conservation and lowering of pollution. We shall conserve energy as we use less the private car and airplane, and rely more on public transportation, particularly trains.

Finally, I suggest that the purpose of this policy goes beyond the provision of transportation. It would provide the general economic stimulus which this country definitely needs.

May I call it ten o'clock and resume tomorrow afternoon, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

TRANSPORT—ACTION TO IMPROVE PENSIONS OF RAILWAY EMPLOYEES IN VIEW OF HALL REPORT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when I posted for tonight's late show my question having to do with the report of railway pensions by Dr. Noel Hall, I assumed that because we were debating Bill C-33 today the Minister of Transport (Mr. Lang) would be here and prepared to answer my question. Since he is not with us I presume that a parliamentary secretary will answer for him, and I dare to hope that his answer will be even better than the answer we might have got from the minister.

I addressed my first question on this matter to the Minister of Transport on Friday, January 28, as recorded on page 2493. It had to do with the fact that the Hall report on railway pensions had finally been published, and since it virtually threw the question of the improvement of railway pensions back to the companies and to the government, I asked the Minister of Transport if he could tell us what steps the government was going to take to try to improve railway pensions. The Minister of Transport answered that the government would take a hard look at the Hall report.

I then asked the minister if he would do something about the specific recommendation made by Dr. Hall calling for the pensions of CPR employees to be brought up to the level of those of the CNR. That, of course, did not get an answer that day.

● (2200)

I returned to the subject on Wednesday, February 23, as reported in *Hansard* at page 3338. On the general question, I got the same reply I had received earlier, namely, that the government was not yet in a position to give me an answer as

to what it was going to do about the Hall report. His exact words were these:

> We are continuing to look at what is a very complicated matter.

When I asked the Minister of Transport whether he had had any talks with the CPR about the recommendation made in respect of that company's pensions, he said that he wanted to have a position on the whole matter before talking to someone outside the government.

I think it is interesting that Your Honour is the occupant of the chair tonight. With your railway interest, you must have tried to figure out what the Hall report is all about and why we had to wait two years for it to be produced.

In all frankness, I have to say that railway workers and railway pensioners across this country are somewhat disappointed in this report. It contains a great deal of information in terms of facts, figures, and statistics. It is true that Dr. Hall finds railway pensions terribly inadequate, especially in the case of those already retired and who have had little or no indexing of their pensions. Dr. Hall does make the recommendation that the CPR ought to bring the level of its pensions and the level of that company's indexing up to that of the CNR. He proposes a kind of heritage fund to do something about the inadequate funds of all retired railway workers. However, in terms of anything specific, he literally throws the ball back to the companies and the government. Therefore it is appropriate that questions should be asked of the government as to what it is going to do about the whole matter.

As my previous questions of January 28 and February 23 have indicated, I see this under two general headings. One, there is the specific proposal made by Dr. Hall that the CPR should come into line with the CNR. The other aspect is the whole problem of all railway pensions in Canada.

Dr. Hall says there is no question about it, that those already retired are having a rough time because their pensions have not been indexed. He even goes so far as to say in one paragraph of his report that unless private pension plans can do something about keeping pensions up with the cost of living, their days are numbered.

I shall probably have to raise this matter a good many times judging from the length of time it has taken to get any action. My point tonight is to try to get from the parliamentary secretary an indication of what the government is going to do.

Railway workers and retired railway workers are getting a bit cynical. When the Minister of Labour (Mr. Munro) appointed the Hall commission two and a half years ago, they accepted that in good faith. I think the Minister of Labour also acted in good faith. However, when two and a half years later the workers and pensioners are handed a report that really does not recommend anything significant, they wonder if the whole operation has just been another snow job.

The government can set aside that cynicism. The government can answer the charge that it is a snow job by saying it now intends to do something. It is not good enough for the Minister of Transport, on the two occasions I put the question to him, simply to say it is a complicated matter, and that the government will have to take a hard look at it. Pensioners have been waiting a long time for an answer that you, Sir, as a railroad worker, would like to see.

The Acting Speaker (Mr. Turner): I am sorry to interrupt the hon. member but the time allotted to him has expired.

[*Translation*]

Mr. Jacques Olivier (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I thank the hon. member opposite for raising this matter. Unfortunately he will no doubt agree that this is an issue of such significance that it cannot be comprehensively dealt with in three minutes. He knows that the 277-page report of the industrial board of inquiry on Canadian railway companies pension funds, as submitted by Dr. Noel A. Hall from the University of British Columbia, was published on January 20, 1977 by the Minister of Labour (Mr. Munro).

The report deals at length with Canadian railway pension funds, a complex and difficult matter. Indeed its highly technical nature made it extremely difficult to arrange for its French translation, which accounts for the delay in publication. During his exhaustive enquiry, Dr. Hall reviewed a number of issues connected with railway pensions. Possibly the most urgent that arose in the course of the study was inflation's repercussions on current pension funds. All along his report, Mr. Hall clearly stressed the need to avoid making recommendations when the parties involved are capable of solving issues of problems within the frame work of the established system of free collective bargaining. The improvement of railway pension funds is one of the areas the solution of which is the responsibility of the parties involved, in Dr. Hall's view, through consultations and collective bargaining. Mr. Hall stresses that unions and companies alike have shown they are capable of dealing with most of pension matters.

In the circumstances, it would seem the government should not intervene in areas that would hinder healthy collective bargaining relations. I should refer to the significant improvements made to railway pensions since 1973, when railway pensions became open to collective bargaining for the first time. To help the parties involved solve the highly complex question as to how pensions should be protected against dollar erosion, Dr. Hall assessed a number of methods for ensuring cost of living escalation under railway pension funds.

The choice of a method, however, is left entirely to the parties involved namely labour and management, in order that their pension and other general priorities may be met. In his study Dr. Hall proceeded at length to compare railway pension funds to other systems.

Mr. Speaker, it clearly stands out from that comparison that in many respects railway pension plans can be favourably compared with the best plans in both public and private sectors. However Mr. Hall did make specific recommendations aimed at achieving more uniformity between the provisions of the pensions plans of the two large railway companies. The government agrees with the hon. member of the opposition

that it is a desirable goal. As for the fiduciary provisions, the plans were found . . .

[*English*]

The Acting Speaker (Mr. Turner): I regret to inform the parliamentary secretary that his allotted time has expired.

AGRICULTURE—PROVISION OF ADDITIONAL REFRIGERATED RAILWAY CARS FOR TRANSPORTATION OF POTATOES

Mr. David MacDonald (Egmont): Mr. Speaker, while the Minister of Agriculture (Mr. Whelan) is not here this evening I presume his parliamentary secretary will be answering this question, I am delighted to see the Parliamentary Secretary to the Minister of Regional Economic Expansion (Mr. Lumley) here, as well as some officials from the Department of Transport still in the gallery, because the matter I have to raise clearly pertains to all three departments. It is not new, but it is of fundamental concern to those who come from the two provinces of New Brunswick and Prince Edward Island.

Perhaps we are fortunate, too, inasmuch as the parliamentary secretary has his roots deep in the province of New Brunswick and I am sure he is very much concerned about the subject I propose to raise, as is his colleague, the hon. member for Madawaska-Victoria (Mr. Corbin), who has also raised this matter in the House from time to time. I am sure he shares the view that something decisive should be done with respect to the railway situation affecting the movement of potatoes from eastern Canada.

While I was reviewing the background to this situation today with citizens of Prince Edward Island, we were shocked to discover that the movement of potatoes by rail from Prince Edward Island has been handled for many years entirely by foreign carriers and that the railroads of this country have never supplied any of the cars which have moved potatoes from the island to the central Canadian markets.

● (2210)

I suppose it is another very clear indication of the kind of long-term discrimination which has existed for eastern Canada that we have had to depend so heavily and totally upon the American railroads to supply us with rolling stock necessary to move our potatoes to market. Perhaps we would have gone along in this dependent state into the indefinite future had it not been for the fact that the Americans decided that it was no longer in their interests to carry on with this particular situation. Over the past few years we have seen a very rapid deterioration both in the quality and number of railroad cars available to move our potatoes to central markets.

I was very much encouraged by the comments of the Minister of Agriculture last fall when he made a commitment on one or two occasions to the effect that he was going to make a recommendation to cabinet with respect to ordering somewhere around 800 to 1,000 of these insulated boxcars. However, what disturbed me, not back on January 26 when the motion was put down for an adjournment debate, was the response of the minister yesterday. In response to my question on whether or not the memorandum was still going forward he said, as reported at page 3464 of *Hansard:*

—if they would give an absolute assurance—

He is talking about the P.E.I. potato marketing board and the New Brunswick potato growers.

—that they will use these cars and guarantee a certain usage of them—

He went on to include not only the potato growers in the maritimes but the horticultural producers in western Canada, and said he would do something with respect to pursuing the need for more cars. I found this an incredible response, because surely the Minister of Agriculture must know that the absolute decline in the number of rolling stock is exceedingly serious. We have somewhere in the neighbourhood now of 1,000 cars, yet it was only four or five years ago that we were servicing the same situation with 2,500 cars. In fact ten years ago we had well over 4,000 cars.

What the minister was saying was that this year almost all the early orders were going to the export market. So unusually for us, because of the great demand in the European market, many railroad cars sat idle for two months longer than normal before they got rolling some time in December. There was also a change apparently in the United States with respect to the previous per mile charge. They are now renting these cars on a per diem basis, so Canadian National was upset about paying for unused stock.

That the minister would use such an excuse bothered me, because it appears that he may now be prepared to wriggle out or slip away from his earlier commitment, something that I would find both intolerable and unacceptable, and is certainly not in any way dealing with the realities of the situation. In view of the present experience respecting the sale of maritime potatoes to European markets, the minister must know very little about the long-term situation with respect to potato marketing in eastern Canada. Or if he can predict when Europe will be hit with the next drought, I am sure the P.E.I. potato marketing board would be delighted to have him on their staff as a full time weather adviser because that kind of information would be most valuable to them.

I can accept, as I am sure all members can, that there has to be a definite balance between rail and the growing use of highway trailers. Obviously this has not been worked out. But given the existing situation where more of both are desperately needed, surely the minister could get production going now. I say this particularly in view of what has happened with respect to the order for grain cars placed at three plants across Canada, but particularly the one placed at the Trenton Car Works. This was referred to earlier in the House by my colleague from Madawaska. Hawker-Siddeley has called back 630 employees to work on the 688 railroad cars which have been ordered for carrying grain. But this is less than half of their total number of employees and, as they have indicated, they could still very actively use an order of this kind to guarantee further employment for about 400 workers who are still out of work, and for whom a job and a return to employment would offer tremendous incentive, and would deal

directly with the very high unemployment situation which exists in the Atlantic provinces.

I hope that the minister's parliamentary secretary tonight can assure us that there is no holding up or fooling around with this situation, because I would remind him that last year the minister asked the eastern potato producers to put their own house in order, especially to have more organized marketing, before he could help them in a substantial way. It would be a poor show on his side of the bargain if, after the spectacular success of the potato producers in the export market in Europe, he would not move immediately to deal with our long-term domestic situation and give us an assurance that we would have these domestic rail cars ordered and in place, or else, quite frankly, we will see the real collapse of the transportation system as it affects both P.E.I. and New Brunswick in terms of servicing the market in the next two or three years.

I know the parliamentary secretary will want to take this question seriously and give that kind of strong assurance to the eastern potato producers.

Mr. Irénée Pelletier (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I am pleased to have this opportunity to respond to the hon. member for Egmont (Mr. MacDonald) on a question which has been of prime concern, not only to the Minister of Agriculture (Mr. Whelan) but, as the hon. member has said, to several other members of the House for some years, especially members from the Maritime provinces, including the hon. member for Madawaska-Victoria (Mr. Corbin) who has on different occasions, I believe, spoken to the minister on this problem. I have noted the keen interest in this subject which has been indicated by members on both sides of the House.

When it became apparent that there were deficiencies in the transportation system for Maritime potatoes, an interdepartmental committee was established by the government to consider all aspects of this very important question. This committee has made significant progress and has kept ministers advised on their findings as they were developed. However, before committing the government to significant expenditures for the purchase of a fleet of new refrigerated railway cars, we must be certain that this would be the best means of assuring the industry of the most efficient means of transportation in future years. Therefore, the consideration that has been given to this question has involved not only whether additional railway cars may be required but also whether the expenditure of government funds in this area would be of the greatest benefit to Maritime potato producers in the years ahead. I am sure hon. members are aware of the advances offered in transportation by such modes as truck transport and containerization.

It has become clear that not only may there be deficiencies in the equipment presently available for the transportation of potatoes, but a very major problem has been the inefficient use of railway cars which are already available. For instance, it has been estimated that a more orderly system of scheduling cars would serve to reduce greatly the problems which now exist during the peak periods of the shipping season. Also of concern are the storage and loading facilities at the port of Saint John.

It must also be realized that 1976 was a year of good crops and has been most unusual in the export opportunities which have become available to Canadian producers because of the drought experienced last year in Europe. It is unlikely that this volume of exports can be maintained in spite of the efforts of the Potato Exporters' Association in this respect. Therefore it is necessary to assure that railway cars are not purchased solely on the basis of peak demand.

In summary, I would like to assure all hon. members that the government is giving considerable attention to this very important issue and is quite aware of the time constraints which exist.

REGIONAL ECONOMIC EXPANSION—DISMISSAL OF MR. McNUTT, VICE-PRESIDENT OF MAGI—GOVERNMENT POSITION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question or two further to the question that has been raised in the House by me and other members in recent months with respect to the operation of the so-called MAGI joint federal-provincial equity investment group in the Halifax-Dartmouth area.

• (2220)

What basically prompts me to bring this question out at this time is that MAGI, which started with great hopes and expectations and which is an equity corporation prepared to take certain risks—not necessarily investing in losing ventures but prepared to take equity positions—is a good idea. That is essentially what I am saying. It is a concept we badly need in metropolitan areas such as Halifax and Dartmouth.

It is an idea which got off to a very bad start. From the time it was announced in October, 1972, 38 days before that general election, by the then minister, Mr. Marchand—

Mr. MacDonald (Egmont): Good timing.

Mr. Forrestall: Great timing—nothing has happened. It was funded with $20 million, as the parliamentary secretary knows. It received no actual cash until sometime in 1975. In the intervening period between 1972 and 1975 there appeared to be a fairly substantial difference of opinion between the federal authority and the provincial authority as to how this would be operated. It was to have control of the appointment of the chief executive officer and of the board of directors.

That was done, MAGI got some money, and the only thing we know it has done to this point has been to invest in a cruise ship which for tax evasion purposes has gone off to the tax haven of the Bahamas for registry purposes, thus avoiding Canadian laws, the Canadian tax situation, and so forth.

The concept is a good one, too good to lose. When I am out making a noise about it, it is not because I want to kill it. Quite the opposite, I want to restore it to some vigorous health so that there can again be a viable instrument for the development of our economic climate in metropolitan areas. What

concerns me it that the business community no longer trusts MAGI. It has lost its faith in it. Of the thousands of applications and inquiries made with respect to equity positions we understand that only a handful, perhaps two or three, have been proceeded with by the corporation.

Mr. Scott McNutt was removed from his position and put in charge of the Workmen's Compensation Board. Why? What is going to happen to the chairman and chief executive officer of MAGI, Mr. Haysom, who held a $75,000 a year position?

What happens to MAGI when these people are summarily removed without any reason given publicly? My basic questions arise out of the fact that what does happen, of course, is that there is a loss of confidence, and the business community does not use MAGI. These questions have to be answered, and they have to be viewed in a public forum of some type.

I wonder if the parliamentary secretary could briefly comment on two or three things. First, can he comment on the impact of the minister's visit to Nova Scotia a week or ten days ago? Can he comment on what role the minister played, if any, in the change of the senior executive officer and other changes which seem to be taking place? Indeed some changes have already taken place. Would the minister consider a reference to the Standing Committee on Regional Development of some MAGI matters so that the committee would at least be able to review this matter either publicly or in private? Even if it were done in private, the business community would at least know its elected representatives had an opportunity to review the matter, and if there is cause to go further in the investigation and make it public, that could be done as well. Failing that, would the minister cause himself to become fully informed? He should in a public way reassure members of the House that all is well with MAGI. Failing that, we should be informed if the minister would make a reference to the Standing Committee on Regulations and Other Statutory Instruments in order that we may be satisfied that MAGI is operating in direct response to the statute that was passed.

Going slightly further, I should like to know whether the parliamentary secretary could comment this evening on the proposed expansion of MAGI, and whether the minister intends to introduce amendments which would change the concept of MAGI and permit it to operate in another way. Failing any of those things, would the minister urge upon his counterpart and his colleagues in the province of Nova Scotia the urgency, as he would see it after investigating the situation, for the matter to be referred to a standing committee of that legislature with clear instruction for MAGI to be open and frank—

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member but his time has expired.

Mr. Ed Lumley (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, needless to say we are gratified to hear not only from his comments tonight but from news stories in his riding that the hon. member for Dartmouth-Halifax East (Mr. Forrestall) thinks the concept of MAGI is good and that he does not want to lose this type of venture equity.

I am sure that when the standing commitee meets, the hon. member will have an opportunity to question the minister on some of the points he raised tonight particularly as a result of the minister's meeting with the premier of Nova Scotia. Unfortunately I am not aware of the specific details of the minister's meeting with the premier, but it was reported after that meeting that the premier thought the proposed expansion of MAGI to other areas of the province deserved consideration. Based on the hon. member's comments tonight, I am sure that he and his party will endorse such a concept.

As the hon. member indicated, I am advised that Mr. Scott MacNutt has accepted the post of chairman of the Nova Scotia Workmen's Compensation Board and has resigned from the vice-presidency and board of directors of MAGI. As the hon. member was informed in answer to a question he raised two or three weeks ago, it is important to put the role of this government with respect to MAGI into proper perspective. It has a management, a board of directors, and shareholders like any other Corporation. It is intended to function much as an ordinary private corporation, and make profits.

The essential difference with MAGI is that its two shareholders are governments. They are not ordinary shareholders. In this regard the MAGI agreement of September, 1972, is quite specific. The agreement states: "The parties are not to intervene in the day-to-day management of the corporation." The shareholders have been careful in ensuring that this has been observed. The day-to-day decisions are and will continue to be made by the board of directors and by management acting for the board. The shareholders do, however, have a unique responsibility for ensuring that the corporation operates within its mandate, that it is well run, and that it conducts itself in a manner which is proper for a corporation whose shareholders are governments.

It is not the role of the shareholders to examine in detail the individual investment decisions of the corporation and to be involved in day-to-day operations. It is their responsibility to ensure good general management, that MAGI carries out its general mandate, and that the investment policies of MAGI are sound. The House may be sure that the minister will be careful to fulfil this role in his communications with the other shareholders and with the board.

The Acting Speaker (Mr. Turner): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at two o'clock p.m.

Motion agreed to and the House adjourned at 10.30 p.m.

APPENDIX

TABLE 1: CIVIL AVIATION INFRASTRUCTURE COSTS AND REVENUES CANADA 1956-1973[1]

(In Millions of 1973 Constant Dollars; Rate of Cost of Capital: 6 Per cent)

Year	Annual Costs						
	Depreciation	Cost of Capital[2]	Total Capital Costs	Current Operations and Maintenance Costs	Total Costs	Annual Revenues	Total Revenues as a Percentage of Total Costs (Per cent)
	($M)	($M)	($M)	($M)	($M)	($M)	
	1	2	3=2+1	4	5=4+3	6	7=6/5
1956	24	23	47	89	136	24	18
1957	27	24	51	97	148	24	16
1958	29	27	56	116	172	29	17
1959	34	29	63	125	188	30	16
1960	36	33	69	134	203	32	16
1961	44	40	84	138	222	39	18
1962	46	43	89	139	228	39	17
1963	46	44	90	139	229	40	17
1964	51	51	102	154	256	50	20
1965	51	51	102	156	258	51	20
1966	51	51	102	160	262	51	19
1967	51	51	102	177	279	63	23
1968	53	52	105	171	276	76	28
1969	53	52	105	171	276	86	31
1970	54	53	107	183	290	92	32
1971	58	56	114	193	307	96	31
1972	62	59	121	207	328	103	31
1973	67	64	131	223	354	111	31

[1] Totals may not agree due to rounding.
[2] Includes opportunity cost of land.
Source: Haritos, Z., *Transport Costs and Revenues in Canada,* Canadian Transport Commission, Ottawa, 1973, p. 7; Ministry of Transport, *An Interim Report on Inter-City Passenger Movement in Canada,* Ottawa, June 1975, p. 75; and special calculations by the author to provide a breakdown of costs for the years 1969-1973.

TABLE 2: ROAD COSTS AND REVENUES CANADA 1956-1973[1]

(In Millions of 1973 Constant Dollars; Rate of Cost of Capital: 6 Percent)

Year	Annual Costs						
	Depreciation	Cost of Capital[2]	Total Capital Costs	Current Operations and Maintenance Costs	Total Costs	Annual Revenues	Total Revenues as a Percentage of Total Costs (Percent)
	($M)	($M)	($M)	($M)	($M)	($M)	
	1	2	3=2+1	4	5=4+3	6	7=6/5
1956	318	267	585	591	1177	800	68
1957	342	291	633	572	1205	890	74
1958	365	318	683	601	1284	938	73
1959	379	356	735	637	1372	980	71
1960	427	400	827	612	1439	1019	71
1961	470	446	916	625	1541	1143	74
1962	515	487	1002	657	1659	1189	72
1963	566	524	1090	706	1796	1266	71
1964	625	567	1192	739	1931	1382	72
1965	693	617	1310	787	2097	1419	68
1966	760	665	1425	802	2227	1430	64
1967	823	716	1539	853	2392	1526	64
1968	884	755	1639	875	2514	1805	72
1969	881	814	1695	913	2608	1870	72
1970	944	871	1815	978	2793	1863	67
1971	991	915	1906	1026	2932	1943	66
1972	1037	958	1995	1075	3070	2028	66
1973	1078	996	2074	1117	3191	2041	64

[1] Totals may not agree due to rounding.
[2] Includes opportunity cost of land.
Source: Haritos, Z., *Transport Costs and Revenues in Canada*, Canadian Transport Commission, Ottawa, 1973, p. 15; Ministry of Transport, *An Interim Report on Inter-City Passenger Movement in Canada*, Ottawa, June 1975, p. 76; and special calculations by the author to provide a breakdown of costs for the years 1969-1973.

TABLE 3: CIVIL MARINE INFRASTRUCTURE COSTS AND REVENUES
CANADA 1956-1973[1]

(In Millions of 1973 Constant Dollars; Rate of Cost of Capital: 6 Percent)

Year	Annual Costs						
	Depreciation	Cost of Capital[2]	Total Capital Costs	Current Operations and Maintenance Costs	Total Costs	Annual Revenues	Total Revenues as a Percentage of Total Costs (Percent)
	($M)	($M)	($M)	($M)	($M)	($M)	
	1	2	3=2+1	4	5=4+3	6	7=6/5
1956	93	148	241	113	354	77	22
1957	91	149	240	114	354	73	21
1958	90	150	240	120	364	73	20
1959	113	170	283	125	408	85	21
1960	112	194	306	138	444	86	19
1961	114	199	313	144	457	92	20
1962	117	200	317	150	467	92	20
1963	121	202	323	153	476	94	20
1964	122	202	324	157	481	106	22
1965	122	201	323	166	489	113	23
1966	127	202	329	180	509	117	23
1967	132	206	338	181	519	110	21
1968	137	210	347	177	524	110	21
1969	141	214	355	178	532	108	20
1970	139	225	364	179	543	109	20
1971	141	230	371	183	554	111	20
1972	144	235	379	186	565	112	20
1973	146	240	386	190	576	110	19

[1] Totals may not agree due to rounding.
[2] Includes opportunity cost of land.
Source: Haritos, Z., *Transport Costs and Revenues in Canada*, Canadian Transport Commission, Ottawa, 1973, p. 11; Ministry of Transport, *An Interim Report on Freight Transportation in Canada*, Ottawa, June 1973, p. 19; and estimates for the year 1970, 1971 and 1973 by the author.

TABLE 4: NATIONAL RAILROAD SYSTEM COSTS AND REVENUES
CANADA 1956-1973[1]

(In Millions of 1973 Constant Dollars; Rate of Cost of Capital: 6 Percent)

Year	Annual Costs						
	Depreciation	Cost of Capital[2]	Total Capital Costs	Current Operations and Maintenance Costs	Total Costs	Annual Revenues	Total Revenues as a Percentage of Total Costs (Percent)
	($M)	($M)	($M)	($M)	($M)	($M)	
	1	2	3=2+1	4	5=4+3	6	7=6/5
1956	275	358	633	2270	2903	2099	72
1957	281	371	660	2168	2828	1949	69
1958	304	387	691	2004	2695	1737	64
1959	315	392	707	1944	2651	1744	66
1960	322	394	716	1827	2543	1577	62
1961	325	391	716	1784	2500	1519	61
1962	321	385	706	1764	2470	1504	61
1963	314	376	690	1768	2458	1533	62
1964	316	372	688	1847	2535	1657	65
1965	323	372	695	1867	2562	1681	66
1966	329	376	705	1875	2580	1741	67
1967	337	379	716	1850	2566	1785	70
1968	344	376	720	1717	2437	1777	73
1969	359	375	734	1685	2419	1841	76
1970	354	384	738	1677	2415	1931	80
1971	350	390	740	1720	2460	1870	76
1972	355	395	750	1750	2500	1900	76
1973	358	405	763	1785	2548	1877	74

[1] Totals may not always agree due to rounding.
[2] Includes opportunity cost of land.
Source: Haritos, Z., *Transport Costs and Revenues in Canada*, Canadian Transport Commission, Ottawa, 1973, p. 19; Ministry of Transport, *An Interim Report on Freight Transportation in Canada*, Ottawa, June 1973, p. 19; and special tabulations for the years 1971, 1972 by the author.

HOUSE OF COMMONS

Wednesday, March 2, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

FINANCE

REQUEST FOR COMMITTEE STUDY OF CANADA'S INTERNATIONAL RESERVES AND DECLINE OF DOLLAR—MOTION UNDER S.O. 43

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I rise under the provisions of Standing Order 43 to move a motion on a matter of urgent and pressing necessity. Whereas figures released today by the Department of Finance indicate that Canada's foreign reserves have fallen by $573 million since the end of last year, and whereas those same figures indicate that our U.S. dollar reserves have declined by $565 million while the Canadian dollar has fallen to a 95-cent range, I move, seconded by the hon. member for Dauphin (Mr. Ritchie):

That this House ask the government to make a reference to the Standing Committee on Finance, Trade and Economic Affairs so that a full review of Canada's activities with respect to its international reserves and the falling dollar may be made.

Mr. Speaker: The provisions of Standing Order 43 require the unanimous consent of the House for the presentation of such a motion. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

ATOMIC ENERGY

ELLIOT LAKE, ONT.—HOMES CONTAMINATED BY RADON GAS—MOTION UNDER S.O. 43

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I seek leave to move a motion of urgent and pressing necessity under the provisions of Standing Order 43. In view of the new discovery by the Atomic Energy Control Board that over 260 homes in Elliot Lake are contaminated by radon gas, of which 14 need corrective action to prevent a health hazard to their inhabitants, and in view of the delays by AECB in commencing clean-up operations because of lack of funds, I move, seconded by the hon. member for Cape Breton-East Richmond (Mr. Hogan):

That the cabinet authorize the expenditure of sufficient funds to clean up the radiation hazard now faced by hundreds of Elliot Lake residents.

Mr. Speaker: The provisions of Standing Order 43 require the unanimous consent of the House for the presentation of such a motion. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

FEDERAL-PROVINCIAL RELATIONS

REQUEST THAT GOVERNMENT FURTHER NATIONAL UNITY—MOTION UNDER S.O. 43

Mr. Armand Caouette (Villeneuve): Mr. Speaker, I rise under the provisions of Standing Order 43 to ask for the unanimous consent of the House to discuss a motion on an important matter of urgent and pressing necessity.

Considering that the recent statements by the Prime Minister (Mr. Trudeau)—who said that the separation of Quebec would have disastrous effects for the province—are not likely to promote a logical discussion on the advantage Quebec can draw from its presence in Confederation, appealing as they do to feelings like fear and panic, I move, seconded by the hon. member for Roberval (Mr. Gauthier):

That the House urge the Prime Minister (Mr. Trudeau) to stop trying to scare Canadians and instead administer the country in such a way that the people of Quebec have the impression that it is really worth being part of Canada.

Mr. Speaker: The House has heard the terms of the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; therefore the motion cannot be put.

* * *

INDUSTRY

SUGGESTED MODIFICATION OF LEGISLATION REGARDING SHOE INDUSTRY—MOTION UNDER S.O. 43

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, pursuant to the terms of Standing Order 43, I request the unanimous consent of the House to discuss a very important economic matter.

The Minister of Industry, Trade and Commerce (Mr. Chrétien) received lately a telegram from the Canadian Association of Footwear Manufacturers in which they say, among other things, that 55 per cent of the Canadian footwear market was being supplied through imports, thus putting on unemployment insurance more than 25,000 workers from one of the oldest Canadian industries.

I move, seconded by the hon. member for Roberval (Mr. Gauthier):

That the Committee on Finance, Trade and Economic Affairs examine this situation as soon as possible in order to amend the Textile and Clothing Board Act so that the footwear industry can be also covered by the board to have quotas imposed upon footwear imports.

Mr. Speaker: The House has heard the motion of the hon. member. Under the terms of Standing Order 43, the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

ORAL QUESTION PERIOD

[*English*]

ANTI-INFLATION BOARD

BOARD ROLL-BACK RECOMMENDATION RESPECTING MONTREAL FLOUR MILLS—GOVERNMENT POSITION

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is for the Minister of Labour. I wonder if the minister could confirm that he has intervened or intends to intervene with the Anti-Inflation Board to request that the AIB reconsider a roll-back recommendation involving Montreal flour mills; and if he has or intends to, would he explain the specific reasons for this intervention?

Hon. John C. Munro (Minister of Labour): Yes, Mr. Speaker, I met with the CSN a week or so ago in Montreal. At that time they had drafted a proposal to go to the cabinet for reconsideration, but on reflection they drafted grounds on which they were basing an appeal to the AIB for reconsideration. They asked if I would take those grounds to the Anti-Inflation Board and have the board review them. This I did this morning.

Mr. Clark: Is it the policy of the Minister of Labour, in his capacity as Minister of Labour, to intervene on behalf of aggrieved unions in cases other than this particular one; and if not, will he indicate to the House how he intends to distinguish the precedent he has set this morning from a pattern of intervention in the activities of the AIB?

[Mr. Rondeau.]

• (1410)

Mr. Munro (Hamilton East): Mr. Speaker, I think an accurate description of the role I played this morning was one of mediation in a labour dispute and people not working. I would advise the Leader of the Official Opposition that not only have employers come to me in my capacity as minister, but unions asking if I would make certain things clear to the AIB and in an unofficial way I have been a channel of communication to the AIB over a protracted period of time. I see nothing inconsistent in that role and the role of Minister of Labour.

Mr. Clark: A further supplementary question, Mr. Speaker. Does the minister see nothing inconsistent in his role as an intervenor and his role as a member of the final appeal authority to which decisions of the AIB have to be appealed? That clearly is a case of conflict of interest, and we want to know whether the minister intends to continue to be both advocate and judge in cases relating to anti-inflation measures.

Mr. Munro (Hamilton East): The short answer, Mr. Speaker, is no, depending on the type of interpretation the Leader of the Official Opposition wants to put on the word "intervenor". I see nothing—and I reiterate—inconsistent with my putting certain views of parties who feel they want their position clarified before the board, and letting the board make their decision.

INTERVENTION OF MINISTERS IN DECISIONS OF AIB

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, may I put a supplementary question to the Prime Minister? Is it the policy of the government that a minister of the Crown who sits as a member of a body which is the final appeal authority from decisions of the Anti-Inflation Board should be acting as an intervenor in the direct way in which the Minister of Labour acted this morning; and does the Prime Minister, if he approves this behaviour by his minister, intend to request that ministers who act in that way will absent themselves from decisions by the cabinet when cabinet acts as the final appeal authority?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I understand the concern of the leader of the opposition. He is raising a really difficult question. I think the relevant words in the answer of the Minister of Labour are that he did not act as an advocate; he acted as one who was conveying information and representation. In this sense I have had to make the same decision myself, Mr. Speaker, and I reached the same conclusion as the Minister of Labour. I have been asked by many people, members of parliament, members of the private sector and, indeed, I have been asked by provincial premiers; incidentally, not of my party—

An hon. Member: There are not many left.

An hon. Member: You are not kidding.

An hon. Member: How many are left—one?

Mr. Epp: Nova Scotia is your western frontier.

Mr. Paproski: It is Wednesday, March 2, and it is Ottawa.

Mr. Trudeau: It is really difficult to follow a train of thought, Mr. Speaker, but I think they get the drift.

Mr. Clark: The Prime Minister has told us that he has been asked to intervene. Has he intervened?

Mr. Trudeau: Yes, Mr. Speaker.

Mr. Clark: Mr. Speaker, in what cases has the Prime Minister intervened? What were the special circumstances that allowed him to intervene in a case before a tribunal regarding which he is the presiding officer of the appeal board of that tribunal?

Mr. Trudeau: Mr. Speaker, I thought I had answered the question by confessing that I had made the same assessment of the situation as the Minister of Labour.

An hon. Member: You made the same mistake.

Mr. Trudeau: Members of the House are free to judge that it is a mistake.

An hon. Member: We did.

Mr. Trudeau: I repeat, I was asked to convey information, not to advocate or plead or even enjoin in any way, but to convey feelings to the AIB and I thought it was within my duty as a member of parliament to do that, particularly when requested by provincial premiers, Mr. Speaker.

FUTURE POSITION OF GOVERNMENT RESPECTING AIB DECISIONS

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my supplementary question is also directed to the right hon. Prime Minister and arises from his answer to the House this afternoon in response to the question of the leader of the opposition. Can we now determine, since the cabinet is the final court of appeal for AIB decisions, that the cabinet gives full approval to any minister who intervenes with the AIB on anyone's behalf, be it management, labour or any other part of the economy? Since the Minister of Labour has set a precedent in this regard, will the cabinet, being the last court of appeal, support such interventions in future no matter where they originate?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in answering the previous question and this one I am trying too be as candid as possible. I realize that by invoking my own practices perhaps I am sticking my neck out.

Mr. Alexander: Right.

Mr. Trudeau: I don't mind, because I know you guys don't have a very sharp axe.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): We shall see. We will use a club.

An hon. Member: We could use the other end.

Mr. Trudeau: Sure. You know where to put it, too.

Some hon. Members: Oh, oh!

Mr. Hnatyshyn: What happened in caucus this morning?

Mr. Paproski: Why don't you straighten your tie, too?

Mr. Trudeau: Of course, I cannot speak for the Minister of Labour. This is the first I have heard of this particular incident. I do not know in what way he talked to the AIB. But I do know that when people asked me to make that kind of representation, I made it very clear that they were asking me to talk to a quasi-judicial tribunal and I would not want to do it in any way that influenced their judgment. Also, I have enough confidence in Mr. Pepin and enough experience with his ability not to be swayed by any intervention, on the basis of the experiences I am referring to, to know that I was perhaps rendering a service to the people who wanted me to make a point, sometimes for political reasons, sometimes for reasons of substance.

Some hon. Members: Oh, oh!

Mr. Trudeau: Therefore I did transfer these demands which were made of me to Mr. Pepin.

* * *

FEDERAL-PROVINCIAL RELATIONS

COST-SHARING IN MASS TRANSPORTATION SYSTEMS FOR MUNICIPALITIES—GOVERNMENT POSITION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I am certainly glad that the Prime Minister made it clear that the Liberals distinguish always between their politics and their substance.

Some hon. Members: Oh, oh!

An hon. Member: We can see right through you, too.

Mr. Broadbent: Mr. Speaker, if the claque would be quiet for a minute, perhaps I could ask my question.

Some hon. Members: Oh, oh!

Mr. Broadbent: Considering that shortly before the election of 1974 the Prime Minister promised the city of Toronto that if the Liberal party were re-elected it would guarantee to the municipalities some $290 million to be spent on mass transportation under specifically allocated cost-sharing programs, and in view of the statement the Minister of Finance recently made in the House, that "the government had reluctantly come to the conclusion that it could not extend financial assistance to municipalities in this field," I ask the Prime Minister if the

Minister of Finance stated government policy. If so, does the Prime Minister not believe that this 100 per cent shift in government policy contributes substantially to the feeling of cynicism about politics in this country, regardless of the substance involved?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the leader of the New Democratic Party may not be aware that I answered this particular question about a week ago when I indicated that the matter was still before cabinet.

Mr. Broadbent: Mr. Speaker, I think the Prime Minister is referring to his comment as reported on page 3423 of *Hansard* for February 25. He said:

—the matter of metropolitan urban transportation is before cabinet now.

My question has to do with the specific commitment made in 1974 in which many details were outlined as to how the federal government was to cost-share this important municipal need. I understood, as did several others, that the Minister of Finance said that the government had categorically changed its mind about that specific commitment. Is this the case, or has the government left that specific commitment open for review?

● (1420)

Mr. Trudeau: The latter, Mr. Speaker.

Mr. Broadbent: Mr. Speaker, the Prime Minister in that answer has clearly repudiated what the Minister of Finance said in the House. Is the government now reconsidering its 1974 election promise? Will they soon make abundantly clear to the municipalities and the provinces what their intentions are so that they can get on with the very serious and costly job of urban transit planning?

Mr. Trudeau: Mr. Speaker, that was the whole point of my answer last week, that the government was not reconsidering it but that it was considering it.

* * *

[*Translation*]

ADMINISTRATION OF JUSTICE

POSSIBLE DISPUTE RESPECTING SECTION 2 OF CRIMINAL CODE AS IT APPLIES TO QUEBEC—GOVERNMENT POSITION

Mr. Armand Caouette (Villeneuve): Mr. Speaker, my question is directed to the Minister of Justice.

Can the minister tell us if he is aware of the statement of his Quebec counterpart to the effect that the latter intends to challenge the constitutionality of Criminal Code section 2 defining the jurisdiction of the Attorney General of Canada? If so, can he tell us what he intends to do to avoid a distressing constitutional debate on the matter?

[*English*]

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I am not sure that I caught correctly that it was my provincial counterpart in Quebec. If so, I am not aware of any such statement. There is a case in Alberta in which that very same issue has been raised.

[*Translation*]

Mr. Caouette: Mr. Speaker, I should like to put a supplementary to the minister and I thank him for his answer to my first question.

Can he tell the House whether he is willing to initiate a meeting with the Quebec minister of justice to discuss the matter with a view to determining, as the minister said, whether in fact he is the one who made that statement?

[*English*]

Mr. Basford: Mr. Speaker, I would be delighted to meet with my counterpart from Quebec if he made such a statement. The view of most of the attorneys general, and we have discussed this on many occasions, is that there is, or should be, no prosecutorial role for the Attorney General of Canada. That is a position I do not accept.

* * *

EXTERNAL AFFAIRS

ATOMIC ENERGY OF CANADA LTD.—AGENCY PAYMENTS TO FOREIGN COMPANIES

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, I have a question for the Secretary of State for External Affairs. In view of the many requests of the public accounts committee for governmental help in tracing agency payments made by AECL and Italimpianti, AECL's partner in Argentina, and the undertakings by the minister's colleagues, the Minister of Energy, Mines and Resources, the Minister of Finance and the Secretary of State for External Affairs that everything possible was being done, why has no request been conveyed to the government of Italy for assistance when, according to this week's *Financial Post*, Dr. Nicola Marvelli, the public prosecutor of Genoa, Italy, has completed a comprehensive investigation into Italimpianti's payment in anticipation of a request from Canada but that so far no request has been forthcoming from Canada. Why has no such request for governmental assistance been conveyed by the minister, his department or his government to the government of Italy?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, I have explained to the hon. member before, and I repeat now, that we will make those requests on the basis of a request from the hon. member, the chairman of the committee. I have a letter, which I believe is dated February 28, in the case of the Italian request. In any event, it was processed yesterday. All previous requests from the hon. member are in work. Whether we have had any replies or not, I am not sure at the moment. I will be glad to make inquiries. The question really is whether we should proceed on our own initiative. I have already explained that to the chairman of the committee. I would think the best procedure to follow is for

him, through the committee, to make representations. I undertake, as we have done up until now, to put these forward as quickly as possible.

REQUEST COMMITTEE BE APPRISED OF DETAILS OF AGENCY PAYMENTS

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, I will direct my supplementary question to the Minister of Energy, Mines and Resources. Mr. Lucien Secouri, the head of Italimpianti—for our purposes, anyway—has spoken to a Canadian journalist in Italy and to others. He has stated that some of the agency payments "found their way back to Argentina". Why was not this information obtained either by the minister or by AECL and conveyed to the committee long before this? Why do we have to rely on the news media to give out this information?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): I am grateful to the hon. member for the information he has conveyed to me and I will make a point of raising this matter with Mr. Secouri. As the hon. member knows, a letter went to Mr. Secouri asking for information.

REQUEST FOR RESULTS OF INVESTIGATION BY SWITZERLAND INTO AECL AGENCY PAYMENT

Miss Flora MacDonald (Kingston and the Islands): My supplementary is addressed to the Secretary of State for External Affairs. Is he or his department aware that the regional public prosecutor in Lugano, Switzerland, has opened an official investigation into AECL's $2.4 million payment to Intercontinental General Trading and the role of Italimpianti's Swiss bankers? Has the minister, on behalf of the Canadian government, made a request to the government of Switzerland for the results of that investigation and, if not, will he undertake to do so immediately?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): The first answer is yes, I am aware of it. Indeed, I acknowledge that it is thanks to the information provided to me by the chairman of the public accounts committee, and since that information was contained in his letter to me I have transmitted that letter in total to the Swiss authorities. Whatever information the Swiss authorities have and are prepared to provide, they will presumably make available. But we did put in all of the detail which was in fact in the letter I received from the chairman of the public accounts committee.

Mr. Bill Clarke (Vancouver Quadra): A supplementary arising out of the same news report. I should like to ask whether the Minister of Energy, Mines and Resources has now decided to hold an inquiry to determine why Atomic Energy of Canada paid its half of the $5 million fee without having first obtained evidence that Italimpianti had paid its $2.5 million, in spite of the fact that the president, Lorne Gray, had advised that his board would not approve payment without such evidence?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I am doubtful whether a question of that kind is in order at this point, given the fact that the public accounts committee is dealing specifically with this subject. The hon. member sits on that committee and I am surprised he has not put that question to the officers of the corporation concerned.

Mr. Baker (Grenville-Carleton): It has been put. Now we are asking the minister.

* * *

ATOMIC ENERGY

ELLIOT LAKE, ONT.—REQUEST FOR REPORT ON RADIUM CONTAMINATION OF HOMES

Mr. Bill Jarvis (Perth-Wilmot): My question is addressed to the Minister of Energy, Mines and Resources. It relates to the program of retesting for radium contamination at Elliot Lake showing, I believe, about 214 contaminated homes compared to about 60 last year. Could the minister tell the House when he will be in a position to make a report on the most recent findings by way of a statement on motions or the tabling of a report dealing with this retesting program by AECB?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I would like to take advantage of the hon. member's question to provide an answer. I would like to do so right now, but I do not have all the facts before me at the present time. I can assure him there has not been any increase in the number of houses suspected of being radioactive or requiring remedial action. I can assure him also that the clean-up is proceeding. Proposals are being sought right now from engineers for purposes of project management, and I would expect an appointment to be made very shortly. As to the precise number of houses affected, my information is that there has been no increase. If the hon. member has any further questions he wishes to put to me, I would be pleased to try to answer them.

Mr. Jarvis: The minister is likely aware that the United Steelworkers union local in Elliot Lake has called for a public inquiry or public hearings with respect to this situation. Will the minister, on the basis of information he has received to date, tell us if he is seriously considering that request?

Mr. Gillespie: Mr. Speaker, not as far as a full-blown formal inquiry is concerned. But if the hon. member has any information he believes I should have, and which I have not seen, I hope he will put it forward. I am most anxious to provide as much information as possible to the community, to the steelworkers, the union workers and the people of Elliot Lake with respect to the situation and the clean-up. the Atomic Energy Control Board which has been managing the task force clean-up, which involves co-operation on the part of most federal government departments, the Atomic Energy Control Board and provincial government departments, has

opened an office in Winnipeg. I expect that particular activity to continue. If there is any further information that we can provide, I will be very pleased to consider it.

● (1430)

RADIOACTIVE CONTAMINATION IN AREAS OF ONTARIO—REQUEST FOR REVIEW OF PROBLEMS BY GOVERNMENT

Mr. J. R. Ellis (Hastings): A supplementary question, Mr. Speaker. Using the guidelines which have produced these results in Elliot Lake, would the minister review the problems in Deloro where a man recently died, in Port Hope where we have had some other problems, and in Bancroft where uranium is now being produced in quantity?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I would be very pleased to review the situation. Again, if the hon. member has any new information that I am not in possession of or which the Atomic Energy Control Board is not in possession of, I would ask him to send it. Quite clearly, this is the kind of situation which is under continuing review. The Atomic Energy Control Board has been very much involved in the clean-up at Deloro. They are very much aware of the situation in Bancroft. They have been involved in the management of the clean-up of the Port Hope radium refining wastes. If there are any new developments which the hon. member knows about which have not been made public, I would ask him to provide the information.

Mr. Cyril Symes (Sault Ste. Marie): A supplementary question, Mr. Speaker. With regard to the radon gas radiation in Elliot Lake, a week or so ago the Atomic Energy Control Board stated publicly that it did not have enough funds to carry out a thorough clean-up operation for all the homes affected. I wonder whether the minister can assure the House that adequate funds will be forthcoming for AECB and, if so, when?

Mr. Gillespie: Mr. Speaker, I answered a question almost precisely the same as this last week. I indicated that the federal government would be prepared to put up its share, but because of the nature of the radioactivity, of the natural outcropping, we would be looking to the province of Ontario or its agencies to pick up its share.

Mr. Symes: A final supplementary, Mr. Speaker. Since the health of residents is affected here, I think it is crucial that they know when funds will be forthcoming for the clean-up, and that is my question. Can the minister assure us that the funds will be forthcoming immediately, rather than prolonging the delay that has already been experienced?

Mr. Gillespie: Mr. Speaker, I do not think the question is whether the funds will be forthcoming, that being the reason for any delay. The most important thing—I have always made this clear—is that the clean-up will continue, and continue regardless of who pays.

[Mr. Gillespie.]

REQUEST FOR PUBLIC INQUIRY INTO USES OF NUCLEAR ENERGY IN CANADA

Mr. James Gillies (Don Valley): Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. Would the minister agree that, given all these new cases which have been reported, and all the widespread confusion about the operation of atomic energy in this country, the time is now ripe for him to accept the recommendation of the leader of the opposition for a public inquiry into the use of nuclear energy in this country?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I received a letter from the leader of the opposition further to the questions that he put to me last week, and he detailed a number of points. I have since replied to him. I believe there may be a role in the form of a parliamentary committee hearing. I suggested to him that the appropriate place to put these questions would be to the standing committee on natural resources which has already received a reference from this House dealing with the whole question of an energy strategy for Canada.

* * *

NATIONAL DEFENCE

RENTAL POLICY FOR ARMED FORCES PERMANENT MARRIED QUARTERS

Mr. Hugh A. Anderson (Comox-Alberni): Mr. Speaker, I have a question for the Minister of National Defence. The minister advised the House some time ago that he would review the question of rental increases for permanent married quarters. Would the minister state the results of these considerations, and is he in a position to announce what rental policies will apply to members of the armed services; and if no decision has been reached, would he give every consideration to those who serve Canada so ably?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, I am unable to give a final report at this time. This is a matter that is under personal attention. We are trying to work out an arrangement, which is in conformity with the present restraints program that we are asking people to observe, which will be satisfactory and acceptable to all members of the armed forces and a fair arrangement altogether. This is a matter that is getting my urgent attention, but it is a question of working out satisfactory rentals which reflect the realities of the day and the needs of the services.

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POLYSAR CORPORATION

ALLEGED KICKBACKS—REQUEST FOR DETAILS CONCERNING WESTERN COMPANY

Mr. Gordon Towers (Red Deer): Mr. Speaker, I have a question for the Prime Minister. In view of the fact that testimony in the public accounts committee by Mr. Justice

Aylesworth and Polysar president Ian Rusk supported the allegations made by the then auditor general, Maxwell Henderson, in a 1973 letter to the Prime Minister, and revealed that kickbacks in the form of cash or tax rebates went to a Canadian company based in western Canada, but Polysar officials did not give its name, will the government, as a major stockholder in Polysar, through its control of CDC, instruct Polysar to reveal the full details, including the name of this company, to enable the committee to fulfil its responsibility to parliament by calling relevant witnesses to give that evidence?

An hon. Member: Say yes, you will.

Right Hon. P. E. Trudeau (Prime Minister): Yes, I will when I know what the question is. I am a little puzzled. The House is asking me to comment on matters that are now before a committee of this House, before that committee has reported to the House. I have not read the record and I obviously have not assisted on the committee. I am told that the committee or some witness was rather critical of Mr. Henderson for his conduct in this whole matter, but I am in no position to judge until I have read the report of the committee, and therefore I will not comment on the proceedings before the committee.

Mr. Towers: Mr. Speaker, I have a supplementary question which I will address to the Minister of National Revenue. As Mr. Justice Aylesworth stated that the size of the rebates went far beyond what could be considered a volume rebate which could have been used to evade taxes and foreign exchange regulations, will the Minister of National Revenue ascertain whether or not the Canadian government has been defrauded?

Hon. Monique Bégin (Minister of National Revenue): I will certainly make sure of that, Mr. Speaker.

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TRANSPORT

DEBT ON ST. LAWRENCE SEAWAY SYSTEM—REQUEST FOR STATEMENT OF GOVERNMENT POLICY

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question that I should like to direct to the Minister of Transport. Can the minister indicate to the House whether he will later on this afternoon call a press conference for the purpose of advising the government's position with respect to the eradication or wiping out of the $840 million-odd debt on the St. Lawrence Seaway system and in regard to the doubling of the existing tolls for the 1978 shipping season? If so, I wonder whether he would indicate why he feels that the House of Commons, on motions, would not have been a good place to make such an announcement?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I will be making an announcement later today about the intentions of the government with regard to the existing debt and accrued interest in relation to the Seaway, and also describing the nature of the discussions that we are having with the United States in connection with Seaway tolls. As for the question about where to make the announcement, there are so many matters involving transportation which are happening all the time in such an action-filled area that I would be making statements every hour of the day.

Mr. Forrestall: I wonder whether I might direct a supplementary question to the minister. I see he is smiling. When one wipes out $1 billion and has something to do with the area that suffers as a result, one wants clearly to understand the situation. Is it the position of this government that the debt will be completely removed and that there will be a provision to accommodate the debt, which is about $642 million, plus $200 million interest on the debt; or is this a position from which we will enter into further bilateral discussions with the United States respecting the future tolls situations. In other words, are we acting unilaterally in this matter, is it a firm position, or is it a position from which we will go forward and have further discussions with the United States?

Mr. Lang: Mr. Speaker, as far as the debt is concerned, there are two parts to the debt, the accrued interest which it is not intended to treat as a current liability and in due course to remove, and the balance of the debt, the initial construction cost, which it is intended to convert into equity. In that sense, we would wipe it out, but that is hardly a wiping out in the literal sense. It is our objective to have a Seaway tolls structure which covers operating and maintenance costs and, in addition, provides at the present time a very small extra amount such as, for instance, a 1 per cent return on the equity.

● (1440)

Mr. Forrestall: I have a final supplementary question, Mr. Speaker. I appreciate your accommodation, because this is a matter involving $1 billion. I wonder if the minister would undertake to do one of two things, either to have some reference of this matter, beyond the scope of the estimates now before the standing committee, to the standing committee or, short of that, table in the House the documents which would give us a better understanding of the internal pressures that this will have on the direction of the movement of grain, the degree to which it will force grains through the west coast ports which will reach Vancouver when we are not physically geared for it—in short, the studies which have led to the obvious and firm position the government has taken on this matter.

Mr. Lang: Simultaneous with the timing of the press conference, which is called for 3.30 this afternoon, I have given instructions to have delivered to all members of the House of Commons information on the nature of the steps being proposed, discussions which are under way, and also some background information such as the hon. member requests in relation to the impact of toll changes upon goods moving through the Seaway, and relativities between tolls as they are proposed and as they have been over the last 20 years.

Oral Questions

AGRICULTURE

SHORTAGE OF VETERINARIANS—GOVERNMENT STEPS TO ALLEVIATE—NEW VETERINARIAN COLLEGE

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, my question is for the Minister of Agriculture. In view of the fact that the latest information indicates that the health of animals branch of Agriculture Canada is still short some 144 veterinarians, have the minister and his department undertaken any active program to recruit veterinarians to fill these vacancies, because although the reputation of the department is impeccable, the morale on the whole could stand improvement and one concrete way to improve it would be to relieve the work load?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, it may sound insignificant, but I know we hired an extra one yesterday.

Some hon. Members: Oh, oh!

Mr. Whelan: We are trying to do our very best to find qualified veterinarians to fill the vacancies at present, and I am doing everything, even to going to Treasury Board for more money to fulfil this most important obligation we have to that part of society.

Mr. Mitges: Can the minister tell us whether a decision has now been made to build the new veterinary college and, if so, can the minister tell us where the college will be built?

Mr. Whelan: The independent committee has recommended that the college be built in Charlottetown, but that was with the understanding that the four provincial premiers in the east would agree. If I remember the minutes correctly, the premier of Nova Scotia thinks it should be located there, so they do not have full agreement.

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TRANSPORT

DISTRIBUTION OF GOVERNMENT FUNDS FOR NEW TRANSPORTATION POLICY

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, my question is directed to the Minister of Transport. I would like to ask the minister if his policy is now an over-all policy, and will he extend the same largesse of government funds and forgiveness to other facilities owned by the Department of Transport directly or indirectly which have had trouble to make ends meet on a revenue basis?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I will simply take note of the description of the policy involved here and the hon. member's word "largesse", and frame it and send it to some of his colleagues from other parts of the country but sitting on the same side of the House with him.

[Mr. Lang.]

ST. LAWRENCE SEAWAY—CONVERSION OF PART OF DEBT INTO EQUITY—EFFECT ON CANADIAN OWNERSHIP

Hon. Robert L. Stanfield (Halifax): Mr. Speaker, arising out of the statement by the Minister of Transport that part of this debt was being cancelled by simply being converted into equity, I should like to ask the minister whether the ownership by the government of Canada in this obvious institution is thereby going to be increased, or is this a mere kind of accounting sophistry for which one could go to jail if it were not the government doing it?

Some hon. Members: Hear, hear!

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, rather than sophistry, it faces up to the real issue which his predecessor, as leader of the Conservative party, ignored completely and was a legal obligation to deal squarely and according to the law with the debt and equity structure or debt and infrastructure of the Seaway. It is quite plainly depicting the picture accurately. It is, in our view, absolutely ridiculous to carry an item as a debt, drawing interest, and then be in no position to claim or pay or even seek payment of that interest. Instead, therefore, we will very plainly and openly say that instead of treating that as a debt, it will be treated as equity. We will, therefore, measure what it is in terms of a return on investment, we will set a target, and that we will then receive. We are targeting, at this point, a 1 per cent return on that equity. I would like the hon. member and other hon. members opposite to get together with the hon. member for Carleton-Charlotte on the one hand, and the hon. member for Crowfoot on the other hand, to tell me whether 1 per cent is too high or too low.

Some hon. Members: Hear, hear!

Mr. Stanfield: I ask the Minister of Transport simply whether he will openly say, as he seemed to be doing lately, that he was cancelling the debt, or whether he is going to do what he seemed to be doing previously, that is, trying to hide behind the operation through some kind of manipulative conversion into equity when the government of Canada now owns the whole thing anyway?

Mr. Lang: Mr. Speaker, with respect, I would say that I was trying to be very careful and accurate with the hon. member for Dartmouth-Halifax East in that I said that if he wanted to call that action a cancelling of a debt, he could do so. However, it was being carried as equity on the books and would return a certain amount on that equity, which we are saying now is 1 per cent. As I said, if we said more than that I know that many hon. members opposite, particularly from the west and central parts of the country, would say that that would be unfair and an unnecessary imposition on the people in that region. It is, in fact, a modest return of course, but it is also necessary to recognize that when in transportation policies we are trying to move from the present position to an ideal one—

Some hon. Members: Oh, oh!

Mr. Lang: —the transformation, the impact, the resulting correction in the conduct of a lot of people is so great, because of the failure of many in the past to face up strongly to the political issues involved, that it will take many years and we will have to proceed slowly, rather than attempting to make the transformation to the ideal forthwith.

AIR PASSENGER SERVICE IN ATLANTIC AREA—REQUEST FOR EARLY IMPLEMENTATION OF POLICY

Mr. Maurice Harquail (Restigouche): Mr. Speaker, my question is for the Minister of Transport. It has to do with the air passenger service in Atlantic Canada. Following the minister's meeting with the council of maritime premiers, can the minister inform the House what specific plans there are for early implementation of the air passenger service for the citizens of Atlantic Canada?

An hon. Member: An excellent question.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the question of air travel did arise only briefly in the discussions which I had with the Atlantic premiers. The discussion concentrated on a couple of fairly urgent railway and highway matters. Therefore, no definite decision was taken about further action in relation to air services.

ST. LAWRENCE SEAWAY—GOVERNMENT TREATMENT OF DEBT

Mr. Les Benjamin (Regina Lake Centre): Mr. Speaker, I have two questions. I should like to direct the first one to the Minister of Transport. I appreciate the fact that he makes many announcements and that he cannot make statements in the House on every one of them. In view of the fact that the announcement he made yesterday and the one the made today involve well in excess of $1 billion of public funding as well as decisions on user charges, does he not consider it important and serious enough to warrant making a statement on motions in parliament and presenting the case to parliament before he does it at a press conference?

• (1450)

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am not sure whether that question is hypothetical or philosophical, but it would take a long time to answer.

STATEMENT OF POLICY MADE BY MINISTER OUTSIDE HOUSE

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I would like to direct a question to the Prime Minister. The Minister of Transport made a major announcement of government action in Vancouver yesterday regarding the Via Rail Passenger Corporation.

Some hon. Members: Hear, hear!

Mr. Benjamin: The minister's excuse was that no statement on motions could be made because he was in Vancouver. Today he is in Ottawa. Will the Prime Minister instruct the Minister of Transport to make a statement on motions in this House on a matter involving over $800 million of St. Lawrence Seaway debt, and the doubling of the St. Lawrence Seaway tolls, which is of sufficient importance for the minister to make a statement in the House, and to cease his contemptuous treatment of parliament and the arrogant manner in which he treats this chamber? He should make his announcement in the proper place and at the proper time.

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, like other ministers in the House, the Minister of Transport has about an hour every day to answer questions, and I think that with a little bit of ingenuity the hon. member could get the information he wants, but—

Some hon. Members: Oh, oh!

Mr. Benjamin: Mr. Speaker, I would like to inform the Prime Minister that we have yet to get a word from the minister—

Some hon. Members: Oh, oh!

* * *

[*Translation*]

AIRPORTS

REQUEST FOR INQUIRY INTO AIRCRAFT CRASH AT SUGLUK, NORTHERN QUEBEC, AND IMPROVED SAFETY REGULATIONS

Mr. Gérard Laprise (Abitibi): Mr. Speaker, my question is directed to the Minister of Transport.

My question deals with the recent crash of a DC-3 at Sugluk in northern Quebec. Can he tell us whether he has ordered an inquiry into that accident which cost four lives, and can he also tell the House whether prior to it, he had received complaints about the shortage of equipment necessary to ensure proper operations at the Sugluk airport, and whether he intends to hold an inquiry, at the same time, on all the other airports in northern Quebec?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I have not yet had a report on the circumstances or any possible complaints in connection with this matter. I can tell the hon. member, however, that our airport construction program is going forward in the area concerned. During the course of last summer we purchased the necessary equipment for airport construction throughout the northern Quebec region. Meetings were held in the region about the priorities and airport needs of Sugluk. They were put in the second category, and that will be the second airport of eleven being constructed under this new construction program.

Oral Questions

EXTERNAL AFFAIRS

PRIME MINISTER'S DISCUSSION ON HUMAN RIGHTS WITH PRESIDENT CARTER

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Prime Minister and it is with respect to the meetings he had last week with President Carter. I believe that during the course of conversations President Carter raised the matter of human rights with the Prime Minister, and specifically the question of his letter to a Soviet dissident, and he looked forward to the Prime Minister's response. Did the Prime Minister indicate to President Carter his agreement with the initiative of the President and his support for this, or did he offer any indication of what his action, as the head of the Canadian government, affecting human rights might be?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, the question of human rights was discussed at some length between us, and when the President discussed his approach to this problem I congratulated him and indicated I was somewhat envious of his ability to get results by speaking directly. I told him that in the past we had used something called a more diplomatic approach and that we had some success with that approach, but that perhaps the more direct approach would be more successful and I was anxious to compare results with him. We agreed that before the Belgrade conference reviewing the Helsinki conference we would, through our officials, indirectly attempt to assess which is the more effective approach, the direct approach or the diplomatic representation approach.

However, I repeat that I think it is more satisfactory, from the point of view of the particular country which has a grievance, to say so out loud and very clearly. It is much more rewarding in terms of self-satisfaction. But the question of whether it produces better results is one which we will attempt to assess together.

Mr. MacDonald (Egmont): With respect to President Carter's comments later in the week stating that he was not limiting his concern about human rights only to the Soviet Union and other communist countries with respect to the action followed by Secretary Vance to announce the Carter administration decision to cut foreign aid commitments to Argentina, Uruguay and Ethiopia, a precedent-setting administrative decision, is the Prime Minister aware of this move by the American administration, perhaps from his talks with President Carter, and is consideration being given to similar Canadian initiatives to reduce our economic support for countries which consistently and in a gross way violate human rights?

Mr. Trudeau: I do remember this question being commented on by the previous secretary of state for external affairs. I think it is fair to say that until now we have not made it a condition of our assistance to starving people in the third world that their governments be above reproach.

Miss MacDonald (Kingston and the Islands): What is Argentina?

[Mr. Lang.]

Mr. Trudeau: That has been our general approach. I am interested in what the hon. member says about the new approach of Secretary Vance and I will be looking forward to seeing how many non-democratic countries they will be aiding through their aid program, if indeed the hon. member has the message right.

* * *

MANPOWER

ACCESS OF TOBACCO FARMERS TO OFFSHORE LABOUR

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, I have a question for the Minister of Manpower and Immigration arising out of an exchange on Monday of this week. I asked him a two part question and he neglected to respond to one part. I would like again to ask the minister if he can assure us that tobacco farmers will be given the same access to offshore labour as farmers of other crops.

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, in keeping with our agreement with the province of Ontario, I wrote to the provincial minister of labour stating our suggestions and recommendations about the conduct of the offshore labour situation this year, and until I receive an answer from her I would prefer not to comment.

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FISHERIES

ALLEGED DUMPING OF PART OF SOVIET CATCH—GOVERNMENT POSITION

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Fisheries. In view of a recent news report which quotes a Soviet sea captain, who received the Lenin Order for serving 16 years in the Soviet trawler fleet, stating that only one-third of the Soviet fishing catch of 13 million tons reaches consumers, while the rest is dumped into the sea or destroyed, I would like to ask the minister whether he is aware of this fact and, if so, have he or his officials discussed this matter with Russian officials whose fishermen are required to land so many pounds of fish, according to the established state plan, whether they are adult, half grown or fish from spawning stock? Also, will this problem be taken under consideration when next year's quotas are set some time this month, as I understand it, for fishing within our 200-mile zone?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, the quotas for 1978 are not to be set this month. Second, if the allegations reported by the hon. member are accurate, they are certainly a direct contradiction of everything I was told and shown when I went to the Soviet Union.

Mr. Munro (Esquimalt-Saanich): What is surprising about that?

Mr. LeBlanc (Westmorland-Kent): If anything, I was impressed by the utilization Soviet processors made of their fish, contrary to some of our own wasteful practices.

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ADMINISTRATION OF JUSTICE

REPORTED INEFFECTIVE SURVEILLANCE OF THERAPEUTIC ABORTIONS—GOVERNMENT ACTION TO CORRECT

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, my question is for the Minister of Justice and it has to do with the Badgley Report on abortion. Inasmuch as the Badgley report emphasized that the management and surveillance of therapeutic abortion procedures in hospitals has been ineffective and has lacked direction, what instructions has the minister given the provinces with regard to monitoring the work of abortion committees to ensure that there is an even application of the law which specifies that abortions are permitted for health reasons and not for economic and social reasons, and would he table in the House the instructions he has given to the provinces.

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I trust that the hon. member appreciates that I am not in a position to instruct the provinces. That is a matter for provincial ministers of health. I made it clear the day that the Badgley committee report was published that following an opportunity by provincial governments and provincial ministers of health to study the report, my colleague the Minister of National Health and Welfare and I, either directly or through our officials, would be meeting with provincial health officials.

● (1500)

Mr. Friesen: Mr. Speaker, the minister has made several statements outside the House that he has no intention of taking the subject of abortion outside the Criminal Code. Would the minister make that statement inside the House?

Mr. Basford: Mr. Speaker, if the hon. member would read *Hansard* he would see my previous answers.

Mr. Speaker: The hon. member for Northumberland-Durham (Mr. Lawrence) on a question of privilege.

Mr. Lawrence: Mr. Speaker, I have a short question of privilege about the growing tendency of the ministry either to evade or not give factual answers to questions put on the order paper, and I seek your assistance and help. On November 18 I put two relatively simple questions on the order paper, to the minister—

Mr. Speaker: Order, please. When questions on the order paper are called I will hear the hon. member for Northumberland-Durham (Mr. Lawrence) on that point. The hon. member for Oshawa-Whitby (Mr. Broadbent) on a question of privilege.

PRIVILEGE

MR. BROADBENT—FAILURE OF MINISTER OF TRANSPORT TO MAKE POLICY STATEMENTS IN HOUSE OF COMMONS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I rise on a question of privilege, and do not do so lightly, and do not do so in this House at all frequently. It pertains to what has become the persistent practice of the Minister of Transport (Mr. Lang) to ignore his serious responsibilities to the House of Commons and, therefore, directly to the people of Canada.

Some hon. Members: Hear, hear!

Mr. Broadbent: Members of this House do not object if ministers make statements outside the House infrequently on minor matters of policy, but when a minister of the Crown, twice within a period of 72 hours, deliberately ignores parliament—I will explain why I say he deliberately ignores parliament and make that point clear in a second—when he made a major statement in British Columbia, 48 hours ago, on transportation policy concerning passenger services primarily, and this afternoon he is scheduled, not in another province or at a distance but in Ottawa, to have a press conference at which he is going to announce another major policy decision of the government of Canada, then we object. This time it affects another significant part of our transportation system, and in both cases hundreds of millions of dollars of taxpayers' money are involved.

In both cases major policy alternatives have presumably been considered by the government and normally would be commented upon by opposition parties on this side of the House. Therefore I say that the minister is systematically avoiding his responsibilities to the House—two days ago in Vancouver and today in Ottawa—by making announcements of government policy outside the House.

What can be the reason for this, Mr. Speaker? The only reason is that the minister is trying to manipulate the news media; the only reason is that the minister knows that if he makes a statement on policy outside the House of Commons he is directly accountable to no one and he is not questioned here in the House.

The reply by the Prime Minister (Mr. Trudeau) to a question near the end of the question period, in which it was seriously suggested that the Prime Minister exercise his responsibility by directing the Minister of Transport to make his 3.30 p.m. announcement here in the House instead of across the street was, to put it mildly, deplorable.

Some hon. Members: Hear, hear!

Mr. Broadbent: The Prime Minister said to a member that if he exercised a little ingenuity he might have been able to get the question out that he wanted to ask.

How can a member on this side of the House—or as happens from time to time a backbencher on the other side of the House—ask a serious question about a complex matter when the details have not been presented in the House?

Mr. MacEachen: Tomorrow.

Mr. Broadbent: The reply of the Prime Minister was at best disingenuous and, at worst, a contempt of parliament.

Some hon. Members: Hear, hear!

Mr. Broadbent: Mr. Speaker, if you rule that I have a prima facie case of privilege I will move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the failure of the Minister of Transport to make important announcements concerning national transportation policy in the House of Commons be referred to the Standing Committee on Privileges and Elections.

Some hon. Members: Hear, hear!

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am sure the rules are clear that there is a good deal of discretion in deciding what statements of a policy nature are to be made in the House and thereby interrupt the regular and very important legislative business of the House—

Some hon. Members: Oh, oh!

Mr. Lang: —to which we do not devote enough attention, and certainly because of the opposition not enough effective attention. It is that discretion which rests with the minister. In this particular case hon. members obviously paid no attention, or remember very little of what was said in this House in terms of policy statements. The announcement of our intention to set up a special corporation for railway passenger services was announced in this House in a policy statement made in January, 1976.

Some hon. Members: Hear, hear!

Mr. Lang: That statement clearly laid out the two possible routes we would take in attempting to put that corporation in place, and the announcement was made on Monday when I was in Vancouver at a transportation seminar—and therefore I think in a very appropriate place to make the statement about passenger travel. I believe statements in the west and statements in the Atlantic region are important too.

Some hon. Members: Hear, hear!

Mr. Lang: If the hon. leader of the New Democratic Party (Mr. Broadbent) looks at the January statement he will find it contained quite a number of elements on which specific action will be taken. It would not be my intention in regard to the others either to be back here at the time when tenders were called for those trains that we referred to as wanting to purchase, when the tenders are in and offers accepted. These will not be made in the House. They are ongoing matters which happened in that case to be reflected in a policy statement which was made in this House.

As far as the Seaway question is concerned, what I will be announcing today is what the intention of government policy is in relation to these matters. They will come before the House in appropriate ways for legislative action. If this House would spend some time on legislation instead of playing the games that the opposition delight in playing—

An hon. Member: Who is playing games?

Some hon. Members: Hear, hear!

Mr. Lang: —then we would have more legislative action and not have to depend on executive action. In fact, the question of the Seaway to which I am referring this afternoon will be before the House in the form of an item in the estimates where, of course, it will be open to the House to discuss it in full.

Some hon. Members: Hear, hear!

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I listened to what the Minister of Transport (Mr. Lang) used as an excuse for running around the rule changes that were made and agreed to by all parties in this House in regard to statements by ministers. The minister himself said that he made a statement that there were one or two possible alternatives that he had spoken about in January. If the government has made a fundamental choice then it should announce it in this House.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): The second matter which he and all ministers should know is the philosophy behind the rule changes which deal with the question of statements by ministers in this House of Commons. What happened? The fact of the matter is that there had been a steadying increase in the tendency of ministers to make important public announcements on changes of policy or what have you outside the House.

After a long period of study the Standing Committee on Procedure and Organization decided to make some changes because at least that committee recognized the importance of the House of Commons in terms of public announcements—much more important that the ill-defined and ill-directed discretion of ministers like the Minister of Transport. They provided a procedure whereby a minister would make his important statements in the House. Surely if it is important enough to set up a meeting outside this House at 3.30 this afternoon, and at a meeting the day before yesterday in a distant place, it is equally valid to say that the statement is important enough to be made in this place.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): The committee provided as well for the attendance of members of this House who are interested in the various subject matters covered by ministerial statements. It is the responsibility of members, on behalf of their constituents and in line with their responsibilities in parliament and as members of committees, to answer the minister, perhaps suggest alternatives, comment, and set forth other positions. It is important that they have the right to question.

● (1510)

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): And the Prime Minister's suggestion is ridiculous. Why should we have to second guess and do a lot of other similar things about important questions?

I raised this question before with respect to a statement made by the minister outside the House involving a wheat sale to China. I objected and then the minister said this was an ongoing matter. I suppose, on reflection, he was right. But I suggest that he has brought forward this time some highly questionable changes which will affect the entire transport system of this country, which will affect transport by rail and by sea. One cannot say that this question is not fundamental, and it ought not to be regarded in the same way as a wheat sale to China.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): I suggest that the Leader of the New Democratic Party (Mr. Broadbent) has brought forward a valid question of privilege and I hope Your Honour will accept it as such. It is an important point, particularly important now when members of the government are prepared to talk about parliament being televised. I suggest that they should talk in parliament before there is television coverage of our proceedings.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): Otherwise government members, supported by the Prime Minister, would really be riding roughshod over the spirit of the rule changes which were introduced in this House after a great deal of debate. I commend the leader of the NDP for bringing the motion forward. We support it, and hope the Chair will support it as well.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, if I may comment on what the hon. member for Grenville-Carleton (Mr. Baker) said with respect to the question of privilege raised by the hon. member for Oshawa-Whitby (Mr. Broadbent), may I say that I would narrow the question down even more, to that of the opportunity of members of parliament to question in a meaningful way the minister, question the policy, and question the full impact of the announcement he is about to make this afternoon.

I have examined the legislative program for the balance of this week and note that the matter now before the House has no relationship at all to the announcement which is about to be made. Later, when estimates are examined before standing committees, there will be an opportunity indirectly to question Seaway authority officials with respect to their operations for the coming year. The announcement being made is not relevant to his year at all. Rather, it would be more applicable to operations in 1978 and beyond.

I suggest to you, Sir, you who are our senior officer, that our privileges have indeed been called into question, have indeed been impaired when announcements have been outside the House. Such a course deprives those of us with constituency responsibilities and a continuing interest in significant matters about to be raised of the opportunity to question as soon as possible the policy decision.

A policy decision of substance is to be announced this afternoon. It will not have the benefit of opposition comment, at least not for possibly five or six weeks, by which time the matter will have passed from the minds of the general public. We therefore would be remiss in our responsibilities to the public if we did not ask questions, if we did not try to sort out what is intended. In view of all this I suggest that my privileges have been affected seriously, and I hope Your Honour will give serious consideration to the motion presently before the House.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like, in a moment, to address myself to what I realize is your problem, namely, what to do with the motion presented by the hon. member for Oshawa-Whitby (Mr. Broadbent). Before I do that may I underline what already has been said.

It seems to me that when we re-wrote the rules of the House, particularly with respect to the making of statements by ministers, we put this phase of our procedure in a special category. I completely agree with the hon. member for Grenville-Carleton (Mr. Baker) that there is a difference from what used to be the case, precisely because we have in our Standing Orders now a provision which permits opposition spokesmen to comment on statements made in the House by ministers. I would argue that since this is written into the rule book—and it is an interesting rule in the sense that there is a whole paragraph of explanation and not just a heading—it is implied that this is the place where ministers ought to make important statements.

All of us recognize that governments must make many routine announcements. Most of them are made by way of press releases, and not even by way of formal statements outside the House. But surely it is in keeping with the way we drew the rules that important statements of policy should be made here, in the House of Commons.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): The place to make such statements is in this House, so that spokesmen for each opposition party may comment thereon, and also so that members may question the minister.

The minister says that this matter is to be covered in an item in the supplementary estimates which will be tabled later today. It is interesting to have that leak as to what is to be in the supplementary estimates. However, the estimate for this item will not have a statement attached to it. It will have a line or paragraph devoted to it, and a sum of money set down, but there will be no explanation which will let us know what it is all about.

I also point out that those supplementary estimates will not be discussed on the floor of the House of Commons. The motion for the reference of all supplementary estimates to standing committees has already been supplied to us, although we do not yet have a copy of the supplementary estimates. Therefore the suggestion the Minister of Transport (Mr. Lang) makes, that there is some sort of opportunity for discussion, is completely wide of the mark.

To suggest, as the Prime Minister (Mr. Trudeau) did, that members can get at this sort of thing by asking questions ignores the fact that we do not yet have the statement before us. In order to ask pertinent and intelligent questions, surely we need to know what the proposal is which the government is to make. I therefore suggest, on all counts, that important announcements such as the one the Minister of Transport made in Vancouver, and such as the one he proposes to make across the street this afternoon, ought to be made here, in the House of Commons.

Now I come to the problem that arises in these circumstances, the problem with which Your Honour must deal. As the First Commoner among us, you have many privileges and a great deal of authority, but one authority Your Honour does not have is that of compelling a minister to make a statement, or of compelling anyone to say anything. If it appears that that is what we are asking you to do, if it were a case of our asking you to rule that the Minister of Transport must rise and make a statement, you would say of course that you do not have that authority. That is why I emphasize the words of the motion proposed by the hon. member for Oshawa-Whitby.

He does not ask you to rule that the Minister of Transport must get up and say something in the House, today. He asks Your Honour to agree that there is a prima facie case of privilege for our contention that, given the way the Minister of Transport is handling important announcements concerning national transportation policy, the matter ought to be referred to the Standing Committee on Privileges and Elections.

● (1520)

In other words, whether the Minister of Transport is insulting parliament and doing all the things we think he is doing is not something on which we ask Your Honour to rule. We are prepared to let the House take that decision on the basis of a study of the matter in committee. I underline the fact that that is what is before the Chair this afternoon. It is not a request or a demand that you force the Minister of Transport to speak, but a request that you recognize the prima facie case that we have for feeling we have been insulted or offended and, therefore, that the action or inaction of the Minister of Transport on the floor of parliament ought to be referred to the Standing Committee on Privileges and Elections.

I hope, therefore, that you will find that in those terms the question of privilege which my leader raised is a prima facie one and that you will permit the presenting to the House of the motion he has offered to move.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I would like to add my brief comments to those that have been made on this question of privilege. In my view the insulting manner in which we have been treated on two occasions in the last 72 hours is a great deception.

I became a member of this House having served in two very distinct ways, thinking I was doing a service to my country. I thought there was another way. I thought I would find here a meaningful forum for the consideration of national matters. I find instead, and this needs to be underlined, that this government and the ministers of this government have decided to treat this House with absolute disdain and contempt. I suggest to you, Mr. Speaker, and through you to the members of the government that perhaps this is one of the reasons, a reason about which we all feel very deeply, we have the situation there is today in the province of Quebec and in the rest of Canada.

Some hon. Members: Hear, hear!

Mr. Frank Maine (Wellington): Mr. Speaker, there are two sides to any question. I would also like to see some of these statements of ministers made in the House. However, we should look into the whole problem of the responsibility of this House with regard to utilization of time.

The opposition are the architects of their own demise when they irresponsibly use the time of this House for a filibuster, as did the hon. member for Nickel Belt (Mr. Rodriguez) recently. Because of situations like that we are getting no work through the House. The government has the responsibility to get legislation through this House. We must make the best utilization of time. We must therefore look at the proper form and the rules of this House in order that we will have a more responsible use of the time of this House, rather than the lengthy speeches with so little content that we so often have.

Mr. Speaker: Order, please. The hon. member for Oshawa-Whitby (Mr. Broadbent) has raised, by way of a question of privilege, the failure of the Minister of Transport (Mr. Lang) to make important announcements concerning national transportation policy in the House of Commons. He has asked that if the Chair finds a case has been established that the question be put to the House as to whether that failure ought to form the substance of a motion of referral of the failure to the Standing Committee on Privileges and Elections.

It has been clear, and the hon. member clearly understood and the hon. member for Winnipeg North Centre (Mr. Knowles) just pointed out, that there is a total absence of authority to be enforced by the Chair, or in the regulations of the House, to compel the minister to make a statement, just as there is a total absence of authority to compel an answer to be given by a minister during question period for the reason that the satisfaction of that kind of compulsory order would be most difficult to define and describe.

However, the question that is before me now is not whether it is preferable that the minister make such a statement or statements in the House, or preferable that parliament be

given priority in respect to the making of these statements over press conferences.

The question before me is whether or not, within the definition of questions of privilege, the failure of a minister, either now or at any time, or the action of a minister in choosing to make a statement outside the House instead of inside the House, can ever constitute a question of privilege within the definition as we know it.

There is a tendency to refer to the establishment of a prima facie case of privilege. With respect, I think that that language is slightly misleading. What really is being sought is the action of the Chair in agreeing to withhold the putting of other questions or taking of other business in order to put the question which is moved, or which would be moved, as a priority matter, giving it that special priority because it relates to the privileges, either individually or collectively, of members of this House. Therefore the question for the Chair is: does this question so fundamentally relate to the privileges of the members of the House, within the definition of privilege as we know it, that it ought to enjoy immediate priority and that the Chair ought to put the question forthwith for a decision by the House?

The precedents are directly against that in respect to the actions of ministers in choosing, as they are of course entitled to do at any time. It is not appropriate for the Chair to make any comment on whether that is preferable. The only question is whether the minister has a discretion to choose to make statements outside or inside the House.

Not only is it clear that any minister would enjoy that discretion, in fact the language of the Standing Order says particularly that, when the procedures of the Standing Order are to be taken advantage of, a minister of the Crown may make a statement inside the House. That is the language that is used. His discretion, therefore, is not only, as always, to take whatever action he wants outside the House; the discretion even is one of an option for the minister to use the House for that purpose.

There is no need to repeat the language of the precedents. We did that when the matter has been raised previously. The language of the precedents is very clear. Nothing in the Standing Orders in any way interferes with the minister's discretion. The point, I think, has been fully amplified. It has been well and thoroughly discussed. It does not in any way change the precedent.

I should add one other matter. Although it does not constitute a question of privilege and therefore enjoy priority, that is not to say that the motion cannot be put forward in other ways, this or any other motion criticizing any act of a member.

Sometimes when such motions do not qualify within the four corners of a question of privilege, there is a tendency to believe the House is rejecting them out of hand. That is not the case. There are other ways of bringing motions before the House. A question of privilege gives a motion very special priority and, therefore, is defined within very narrow limits. Within those narrow limits I must find that the conditions of privilege have not been met in this particular instance.

ROUTINE PROCEEDINGS

[*English*]

TABLING OF DOCUMENTS

RULING BY MR. SPEAKER

Mr. Speaker: Before moving to the presentation of reports, I should indicate that two days ago the hon. member for Don Valley (Mr. Gillies) raised a point of order as to whether, during the question period on that day, in using the following language the Minister of Finance (Mr. Macdonald) had referred to or cited a document in such a way as to be compelled by the precedents to table the document. The answer of the Minister of Finance to the question of the hon. member for Don Valley appears at page 3460 of *Hansard* and reads as follows:

> Mr. Speaker, as I have indicated previously to the House and outside the House, we now have under way a process of discussion with the provincial governments and with other major economic decision makers on a possible date for the termination of the controls. I should say that, more than a possible date, it is a range of dates and an analysis lying behind each of them. The documents or statements referred to over the week end appear to have been taken from some of the working papers that have been under discussion with the provincial governments. As I said, those papers indicated a range of possible dates commencing next October 14 and running into the next year for the possible termination of controls. No decision on this point has been taken by the government as yet. We have not had a full and definitive response from the provincial governments as yet.

The precedents to be referred to, as to whether or not that constitutes a sufficient quoting or citing of a document to demand the tabling of it, are clearly recorded at page 2441 of *Hansard* for January 27 of this year. Again I would refer to the very clear and explicit language used by my predecessor, which is always of great assistance:

> ● (1530)
>
> In fairness, looking at the matter as objectively as I can, I do not see how it is possible for the Chair to make a ruling at this point that a document which has simply been referred to but has not been directly quoted should be tabled in debate.

That language is quite explicit, and in the circumstances I cannot find that the hon. member for Don Valley has a valid point of order which would compel the tabling of the document.

* * *

TV AND RADIO BROADCASTING OF PARLIAMENT

First Report of the Special Committee on TV and Radio Broadcasting of Proceedings of the House and its Committees—Mr. Speaker.

Estimates

[*Editor's note: For text of above report, see today's Votes and Proceedings.*]

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if the House would give its consent I would move concurrence in the report to which you have referred, later this day. I understand there has been the usual consultation between House leaders and that there is agreement that there will be no debate with respect to the report.

Mr. Speaker: Unanimous consent will be sought when motions are called.

Mr. Lawrence: It should be read.

[*Later:*]

Mr. Speaker: Order, please. The hon. parliamentary secretary has given an indication that he would seek unanimous consent at this time, on motions, to move a motion on concurrence in the committee's report. Is there unanimous consent?

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent.

* * *

BUSINESS OF SUPPLY

SUPPLEMENTARY ESTIMATES (D), 1976-1977

A message from His Excellency the Governor General transmitting Supplementary Estimates (D) for the financial year ending March 31, 1977, was presented by Hon. Robert K. Andras (President of the Treasury Board) and read by Mr. Speaker to the House.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, pursuant to Standing Orders 58(15) and 59(1), I move that the Supplementary Estimates (D), 1976-1977, tabled this day, be referred to the several standing committees of the House as follows—

Mr. Baker (Grenville-Carleton): On a point of order, Mr. Speaker, the hon. gentleman has been kind enough to supply me with a list of the references to committees of particular estimates. I have had an opportunity to go over them and they are, I think, quite satisfactory. We could dispense with the reading of the list and it could appear as part of the record of the day as though it had been read.

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. Speaker: Does the House agree then that the motion will be handled in the usual way and that the text of the motion which has been provided to the parties be printed as though read?

Some hon. Members: Agreed.

[Mr. Speaker.]

[*Editor's note: The motion above referred to is as follows:*]

That the Supplementary Estimates (D), 1976-1977, tabled this day, be referred to the several Standing Committees of the House as follows:

To the Standing Committee on Agriculture

Agriculture Votes 15d, 20d and 45d

To the Standing Committee on Broadcasting, Films and Assistance to the Arts

Secretary of State Votes 1d, 5d, 15d, 20d, 40d, L62d, L76d, 85d and 95d

To the Standing Committee on External Affairs and National Defence

External Affairs Votes L17d, L18d and 30d

National Defence Vote 5d

To the Standing Committee on Finance, Trade and Economic Affairs

Finance Votes 1d, 14d and 20d

Industry, Trade and Commerce Votes 1d, 10d, L38d, 55d and 77d

National Revenue Votes 1d and 5d

To the Standing Committee on Fisheries and Forestry

Environment Votes 5d, 10d and 15d

To the Standing Committee on Health, Welfare and Social Affairs

National Health and Welfare Votes 25d, 30d and 50d

Urban Affairs Votes 15d, 21d and 30d

To the Standing Committee on Indian Affairs and Northern Development

Indian Affairs and Northern Development Votes 5d, L20d, 25d, 35d, 70d, L81d and 84d

To the Standing Committee on Justice and Legal Affairs

Solicitor General Vote 5d

To the Standing Committee on Labour, Manpower and Immigration

Labour Vote 1d

Manpower and Immigration Votes 1d, 5d, 15d and 20d

To the Standing Committee on Management and Members' Services

Parliament Vote 5d

To the Standing Committee on Miscellaneous Estimates

Privy Council Votes 1d and 15d

Secretary of State Vote 105d

Supply and Services Votes 5d, L10d, L11d, 20d, 25d and 27d

To the Standing Committee on National Resources and Public Works

Energy, Mines and Resources Votes 1d, 5d, 7d, 8d, L15d, 35d, L45d and L62d

Public Works Votes 10d, 20d, 40d and 52d

To the Standing Committee on Regional Development

Regional Economic Expansion Votes 10d, L15d and 31d

To the Standing Committee on Transport and Communications

Post Office Vote 1d

Transport Votes 10d, 20d, 25d, 30d, 40d, 52d, 65d, 96d, 97d and L116d

To the Standing Committee on Veterans Affairs

Veterans Affairs Votes 5d, 15d, 30d, 35d and 45d

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

HOUSE OF COMMONS

MOTION TO ADJOURN

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, in view of the refusal of the minister to make a statement in this

House on an important matter, I move, seconded by the hon. member for Timiskaming (Mr. Peters):

That this House do now adjourn.

Some hon. Members: Hear, hear!

Mr. Hnatyshyn: Call in the press gallery!

Some hon. Members: Oh, oh!

Mr. Speaker: All those in favour of the motion will please say yea.

Some hon. Members: Yea.

Mr. Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Speaker: Call in the members.

The House divided on the motion (Mr. Benjamin) which was negatived on the following division:

● (1540)

(*Division No. 24*)

YEAS

Messrs.

Alexander
Andre (Calgary Centre)
Baker (Grenville-Carleton)
Bawden
Benjamin
Blackburn
Brewin
Brisco
Broadbent
Cadieu
Caouette
Clark (Rocky Mountain)
Clarke (Vancouver Quadra)
Crosbie
Crouse
Darling
Dick
Dinsdale
Douglas (Nanaimo-Cowichan-The Islands)
Ellis
Elzinga
Epp
Firth
Forrestall
Friesen
Gauthier (Roberval)
Gilbert
Gillies
Grafftey
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hnatyshyn
Hogan
Holmes
Howie
Huntington
Hurlburt
Jarvis
Johnston
Jones
Kempling
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
Laprise
La Salle
Lavoie
Lawrence
Leggatt
MacDonald (Egmont)
MacDonald (Miss) (Kingston and the Islands)
Macquarrie
Malone
Masniuk
Matte
Mazankowski
McCain
McCleave
McKenzie
McKinnon
Mitges
Munro (Esquimalt-Saanich)
Murta
Neil
Oberle
Orlikow
O'Sullivan
Paproski
Patterson
Peters
Ritchie
Roche
Rodriguez
Rondeau
Rynard
Saltsman
Schellenberger
Schumacher
Scott
Skoreyko
Stevens
Symes
Towers
Wenman
Whiteway
Whittaker
Wise
Woolliams
Yewchuk—90.

NAYS

Messrs.

Abbott
Anderson
Andras (Port Arthur)
Andres (Lincoln)
Appolloni (Mrs.)
Baker (Gander-Twillingate)
Basford
Béchard
Bégin (Miss)
Blais
Blaker
Blouin
Boulanger
Breau
Buchanan
Bussières
Caccia
Campagnolo (Mrs.)
Campbell (Miss) (South Western Nova)
Campbell (LaSalle-Émard-Côte Saint-Paul)
Caron
Clermont
Collenette
Corbin
Corriveau
Côté
Cyr
Daudlin
De Bané
Demers
Dionne (Northumberland-Miramichi)
Douglas (Bruce-Grey)
Drury
Duclos
Dupont
Dupras
Duquet
Fleming
Flynn
Foster
Francis
Gauthier (Ottawa-Vanier)
Gendron
Gillespie
Goodale
Goyer
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harquail
Herbert
Holt (Mrs.)
Isabelle
Jamieson
Joyal
Lalonde
Landers
Lang
Langlois
Lapointe
Leblanc (Laurier)
LeBlanc (Westmorland-Kent)
Lee
Lefebvre
Lessard
Loiselle (Chambly)
Loiselle (Saint-Henri)
Lumley
MacDonald (Cardigan)
MacEachen
MacFarlane
MacGuigan
Maine
Marceau
Marchand
Martin
McIsaac
McRae
Milne
Munro (Hamilton East)
Olivier
Ouellet
Parent
Pelletier
Penner
Philbrook
Pinard
Portelance
Poulin
Railton
Raines
Reid
Robinson
Rompkey
Rooney
Roy (Timmins)
Roy (Laval)
Sauvé (Mrs.)
Sharp
Smith (Saint-Jean)
Stanbury
Stewart (Cochrane)
Stollery
Tessier
Trudeau
Turner
Whelan
Yanakis
Young—110.

● (1620)

Mr. Speaker: I therefore declare the motion lost.

QUESTIONS ON THE ORDER PAPER

[*English*]

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 499, 748, 1,171, 1,264, 1,333, 1,334, 1,545 and 1,726.

Mr. Speaker: Order, please. Did the parliamentary secretary announce question No. 1173? I wonder if perhaps he can re-read the numbers.

Mr. Goodale: Mr. Speaker, that might be the easiest way. The following questions will be answered today: 499, 748, 1,173, 1,264, 1,333, 1,334, 1,545 and 1,726.

Order Paper Questions

[*Text*]

TENDERS FOR RIFLE RANGE/TARGET PRACTICE FACILITIES, DRUMHELLER, ALBERTA

Question No. 499—**Mr. Schumacher:**

1. Did the Department of Public Works call for tenders for the erection of a rifle range and/or target practice facilities at the Drumheller Penitentiary in Drumheller, Alberta and, if so (a) what company was the successful bidder (b) what is the cost of constructing and equipping such facilities (c) for what purpose?

2. Is this the only facility of its kind attached to any penitentiary in Canada and, if not (a) where are the others located (b) what is the purpose, in each case (c) what was the cost of construction, in each case?

3. Are there plans to include such facilities at any other institution now in operation, or to be erected in the future and, if so, what is the location in each case?

4. In each case where such a facility now exists, is in the process of construction or is planned, by what degree of security is each institution designated and how many individuals are permitted to make use of each facility?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Public Works and the Solicitor General as follows: 1. Yes. (a) Greene Construction Limited, MacCormack Landscaping Limited; (b) $201,566; (c) The purpose of the facility is to provide training and maintain proficiency in the use of rifles and side arms for employees of the Canadian Penitentiary Service.

2. Yes. (a), (b) and (c) Not applicable.

NOTE: At present, some of the institutions are using range facilities owned by the Department of National Defence, major police forces or rifle range associations.

3. It is planned to construct similar facilities at the existing and planned institutions or groups of institutions as shown in the following statement.

4. The designated security of each institution and the number of personnel permitted to make use of each facility exclusive of outside law enforcement agencies is indicated in the following statement.

Region	Rifle range Location	Institutions to use facility		Security Degree	Number of Staff Use facility
		Existing Institution	Planned Institution		
Quebec	Ste. Anne des Plaines, Quebec				1330
		Archambault Institution		Max.	
		Regional Reception Centre, Ste. Anne des Plaines		Max.	
		Laval Institution		Max.	
			Maximum no. 1	Max.	
		Correctional Development Centre, Ville de Laval		Max.	
		Leclerc Institution		Med.	
			Medium no. 1	Med.	
			Medium no. 2	Med.	
		Correctional Staff College		N/A	
	Cowansville, Quebec				330
		Cowansville Institution		Med.	
			Medium no. 3	Med.	
Ontario	Department of National Defence, Barriefield, Ont.				
		Kingston Penitentiary		Max.	
		Millhaven Institution		Max.	
		Collins Bay Institution		Med.	
		Joyceville Institution		Med.	
		Correctional Staff College		N/A	

NOTE: The Canadian Penitentiary Service is going to build a rifle range in Barriefield, Ontario, at its own cost on premises owned by the Department of National Defence.

Prairie	Prince Albert, Saskatchewan	Saskatchewan Penitentiary		Max.	170
	Stony Mountain, Manitoba	Stony Mountain Institution		Med.	170

[Mr. Goodale.]

Region	Rifle range Location	Institutions to use facility		Security Degree	Number of Staff Use facility
		Existing Institution	Planned Institution		
Prairie	Innisfail, Alberta	Bowden Institution		Med.	170
	Drumheller, Alberta	Drumheller Institution		Med.	170
Pacific	Abbotsford, B.C.				640
		British Columbia Penitentiary	Maximum no. 1	Max.	
		Matsqui Institution		Max.	
		Mountain Prison		Med.	
		Correctional Staff College		Med.	
				N/A	

OPENING OF VISITOR CENTRE—FORTRESS OF LOUISBOURG NATIONAL HISTORIC PARK

Question No. 748—**Mr. Muir:**

1. What was the date of the official opening of the Visitor Centre at the Fortress of Louisbourg National Historic Park and who was responsible for organizing the function?

2. (a) Who made the decision as to who would (i) be invited (ii) take part in the ceremonies (b) what are the names and positions of those who took part in the ceremonies?

3. Were the Members of Parliament for the constituencies on Cape Breton Island involved in the ceremonies and, if not, for what reason?

4. Was there a special seating arrangement for Members of Parliament and Senators representing Cape Breton Island in Parliament and, if not, for what reason?

5. (a) Was the Premier of Nova Scotia accorded a special role in the ceremonies and, if so, for what reason (b) were the provincial leaders of the two other political parties invited and accorded a special role in the ceremonies and, if not, for what reason?

Mr. B. Keith Penner (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. Sunday, August 15, 1976. Parks Canada, Department of Indian Affairs and Northern Development was responsible for organizing this function.

2. (a) (i) The Minister of Indian Affairs and Northern Development; (ii) The Minister of Indian Affairs and Northern Development. (b) Rev. W. B. DeCourcey, Parish Priest, Louisbourg; the Hon. G. A. Regan, Q.C., Premier of Nova Scotia; the Hon. Judd Buchanan, P.C., M.P., the then Minister of Indian Affairs and Northern Development; Dr. Peter B. Waite, Nova Scotia member of the Historic Sites and Monuments Board of Canada; the Hon. C. L. Gosse, M.D., Lieutenant-Governor, Province of Nova Scotia; His Honour Guy Hiltz, Mayor of the Town of Louisbourg.

3. Mr. Andy Hogan and Mr. Robert Muir, Members of Parliament representing the constituencies of Cape Breton-East Richmond and Cape Breton-the Sydneys were invited, their constituencies being closely related to the Fortress. Mr. Hogan, the Member of Parliament for the constituency of Cape Breton-East Richmond, the riding in which Louisbourg is located, was invited to be a member of the Platform party.

4. No. However, seating was reserved for all invited guests, including Members of Parliament. At ceremonies of this kind, it has never been the practice to identify special areas within that reserved seating for particular groups or categories of guests.

5. (a) Yes. The Premier of Nova Scotia, the Hon. G. A. Regan, Q.C., was asked to speak on behalf of the people of the Province of Nova Scotia. (b) No, as they did not officially represent the people from the riding in which the Park is located and the Premier was officially representing the people of the province of Nova Scotia as a whole.

MOUNTAIN CLIMBING—KLUANE NATIONAL PARK

Question No. 1,173—**Mr. Yewchuk:**

Are mountain climbing parties in Kluane National Park required to (a) obtain a permit for the expedition (b) apply for a permit three months in advance (c) have at least four members (d) provide a complete list of members (e) furnish medical certificates, signed by a doctor, for each member (f) provide a complete itinerary (g) provide a complete list of personal and community equipment (h) appear at a ranger station for personal inspection (i) identify blood type for each member (j) possess a radio to call for help, or arrange for a regular aircraft flyby and, if so, in each case, for what reason?

Mr. B. Keith Penner (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Requirements for mountain climbing parties in Kluane National Park are set out in Section 23 of the National Parks Act. (a) Yes. Climbers must check in and out with the Park Warden Service when attempting a climb of any difficulty. Control is achieved by issuing permits. (b) No. This is a guideline. (c) No. This is a guideline. (d) Yes. This is for control purposes. Members are named on permit so park management knows exactly who is on the mountain. (e) No. This is a guideline. (f) Yes. In the event that rescue operations are necessary, this information would provide a starting point in search efforts. (g) No. This is a guideline. (h) There is no need to appear at Park Warden stations. This is a guideline. (i) No. This is a guideline. (j) No. This is a guideline. Depending on the degree of the climb, different degrees of preparedness are encouraged. All climbers are urged to adhere as fully as they can to the guidelines, but for the most severe climbs, such as Mount Logan, all of the guidelines should be adhered to. The primary purpose is concern for the safety of the climbing party. Following these guidelines aids in the prevention of costly and, in many cases, dangerous search and rescue operations.

Order Paper Questions

CON-ACT PROGRAMS

Question No. 1,264—**Mr. Stanfield:**

1. Did the Department of National Health and Welfare's Non-Medical Use of Drugs Directorate and/or Non-Medical Use of Mood Altering Substances Programme (a) receive requests for funding, applications for funding and/or Reports from the CON-ACT PROGRAMS and, if so, on what dates were requests, applications or reports received (b) receive from the Halifax office of the Directorate, reports regarding the CON-ACT PROGRAMS and, if so (i) on what dates were the reports received (ii) did the reports recommend support of the program (c) request and/or receive research proposals to evaluate the CON-ACT PROGRAMS and, if so (i) what individuals and groups submitted research proposals (ii) was a research proposal approved (iii) who received the Department's approval to conduct an evaluation of the programme (iv) what were the costs incurred to evaluate the programme (v) has the Department received the evaluation of the programme?

2. Did the Department of National Health and Welfare's Non-Medical Use of Drugs Directorate and/or Non-Medical Use of Mood Altering Substances Programme support the CON-ACT PROGRAMS by way of grants, contributions or awards and, if so (a) in what amounts were the grants, contributions or awards made and on what dates (b) is the Department considering additional support of the programme and, (i) if so, for what reason (ii) if not, for what reason?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. (a) CON-ACT submission (first) received February 6, 1975. Appraisal of CON-ACT Workshops at the Springhill Medium Security Institution from the National Parole Service in Truro, received March 20, 1975. CON-ACT submission (second and final) received April 23, 1975. (b)(i) Report of CON-ACT received from Halifax October 6, 1975. (ii) The report from Halifax recommended funding of the CON-ACT programme. (c) The Non-Medical Use of Drugs Directorate, Department of National Health and Welfare, received two research proposals to evaluate the CON-ACT programme. (i) The individuals who submitted a research proposal were: Janice Todd; Dr. H. V. Gamberg. (ii) Yes, a research proposal was approved. (iii) Dr. H. V. Gamberg received the Department's approval to conduct an evaluation of the programme. (iv) Costs: Contract to develop research methodology from February 16, 1976 in the amount of $4,900. Research contribution for the period August 1, 1976 to March 31, 1977 in the amount of $18,640. (v) From the contract, the Department received: an interim report, April 29, 1976; a final report, June 30, 1976. The evaluation report from the research contribution will be submitted at the end of the funding period.

2. (a) The CON-ACT programme received a contribution for the period January 15, 1976 to August 15, 1976 in the amount of $24,290. (b) The department is not considering further support of the programme. (ii) At the time when the Non-Medical Use of Drugs Directorate recommended funding of the project, it was agreed with the programme that the period of funding would be seven months. The purposes of support for the project were threefold: 1. To assist in the financial stabilization and in the diffusion of an effective rehabilitation programme. 2. To promote the preventative potential of CON-ACT. 3. To evaluate the rehabilitative process within CON-ACT. Evaluation of the programme is currently underway and will be completed by March 31, 1977.

[Mr. Penner.]

CBC—APPEARANCE OF MINISTER OF HOUSING AND LABOUR FOR NOVA SCOTIA ON CBHT, HALIFAX

Question No. 1,333—**Mr. McCleave:**

Since the earliest date this year on which it has been possible to keep records, what has been the experience of the six o'clock evening news broadcast and other items of information on CBHT Halifax regarding the appearance of the (a) Minister of Housing and Labour for Nova Scotia (b) honourable Member for Halifax-East Hants by (i) actual voice tapes (ii) pictures with text (iii) interviews (iv) any other means?

Hon. John Roberts (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: (a), (b) (iii) The Minister of Housing and Labour for Nova Scotia was interviewed for CBHT news and current affairs programs 18 times during 1976, the hon. member for Halifax-East Hants three times. (i), (ii), (iv) Nil.

CBC—INTERVIEW BETWEEN LINDEN MACINTYRE AND MR. MCCLEAVE, DECEMBER 10, 1976, ON "HERE TODAY", CBHT, HALIFAX, N.S.

Question No. 1,334—**Mr. McCleave:**

1. (a) How many persons called CBHT (Halifax) following the interview between Mr. Linden MacIntyre and the honourable Member for Halifax-East Hants on Friday, December 10, 1976, on "Here Today" to request that the tape of such interview be held (b) who were such persons (c) on whose behalf did each profess to speak?

2. Will each such person be allowed to pay the cost to the taxpayer?

Hon. John Roberts (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. (a) One. (b) Not identified by name. (c) Caller indicated he was a member of the Nova Scotia Department of Housing and Labour.

2. No cost is involved. Tapes are held in conformity with CRTC regulations.

ENERGY, MINES AND RESOURCES—EMPLOYEES RECRUITED FROM PRIVATE EMPLOYMENT AGENCIES

Question No. 1,545—**Mr. McKenzie:**

1. Has the Department of Energy, Mines and Resources obtained (a) part-time (b) full-time employees from private employment agencies in (i) British Columbia (ii) Alberta (iii) Saskatchewan (iv) Manitoba (v) Ontario (vi) Quebec (vii) New Brunswick (viii) Nova Scotia (ix) Prince Edward Island (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies (b) average hourly rate paid to employees (c) total amount paid by the Department in (i) 1975 (ii) 1976?

Mr. Maurice Dupras (Parliamentary Secretary to Minister of Energy, Mines and Resources): The Department of Energy, Mines and Resources reports as follows: 1.

		(a) Part time Employees	(b) Full time Employees
(i)	British Columbia	nil	nil
(ii)	Alberta	nil	1
(iii)	Saskatchewan	nil	nil
(iv)	Manitoba	nil	nil
(v)	Ontario	392	261
(vi)	Quebec	nil	nil
(vii)	New Brunswick	nil	nil
(viii)	Nova Scotia	17	5
(ix)	Prince Edward Island	nil	nil
(x)	Newfoundland	nil	nil

2. One hundred part time employees and four full time employees were paid from supplementary estimates. All others were paid from main estimates.

3.

(a)	1975	1976
Alberta	$5.46	$6.56
Ontario	$5.82	$6.39
Nova Scotia	$4.76	$5.40

Other provinces not involved. (b) Unable to supply the average hourly rate paid to employees as payments were made by employment agencies. (c) (i) 1975, $536,304; (ii) 1976, $518,407.

AGES OF UNEMPLOYED PERSONS ON GOVERNMENT TRAINING COURSES

Question No. 1,726—Mr. Herbert:

In approximate five year periods, what are the ages of unemployed persons that have been sent on government training courses in the past three years?

Hon. Jack Cullen (Minister of Manpower and Immigration):

Canada Manpower Training Program[1]
Full Time[2] Trainees Started
Who Were Unemployed Prior
To Training By Age Group
1973-74 To 1975-76

Age Group	1973-74 Number	1973-74 Percent	1974-75 Number	1974-75 Percent	1975-76 Number	1975-76 Percent
Under 18	2,396	2.4	2,346	2.6	3,362	2.9
18-19	13,775	13.8	13,172	14.6	17,503	15.1
20-24	34,439	34.5	31,757	35.2	40,570	35.0
25-29	17,469	17.5	15,879	17.6	20,980	18.1
30-34	10,182	10.2	8,932	9.9	11,707	10.1
35-44	12,777	12.8	10,826	12.0	13,446	11.6
45-54	6,788	6.8	5,774	6.4	6,723	5.8
55-64	1,797	1.8	1,443	1.6	1,623	1.4
65 and Over	200	0.2	90	0.1	—	—
TOTAL	99,823	100.0	90,219	100.0	115,914	100.0

[1] Institutional training only, not available for industrial training.
[2] Not available for part time training.

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if questions 729, 1,037 and 1,199 could be made orders for returns, those returns would be tabled immediately.

Mr. Speaker: Is this agreed.

Some hon. Members: Agreed.

[*Text*]

AIB PERSONNEL

Question No. 729—Mr. Coates:

1. What is the total number of employees involved in the operations of the AIB under salary arrangements and the number who have other forms of contractual arrangements with the Board?

2. Of those who are salaried employees, how many receive salaries of $25,000 a year or more and, in each case, what are their names, positions and actual salaries?

3. Of those who have contracts of one form or another, what are their names, positions and actual amounts of the contracts where the contracts are for more than $20,000 annually and, in each case, what is the length of the contract?

Return tabled.

BOOKAGENTS HANDLING GOVERNMENT PUBLICATIONS

Question No. 1,037—Mr. Bawden:

1. Is the government going to increase the number of bookagents in the private sector now handling sales of government publications because of the closing of the Information Canada Bookstores?

2. What are the (a) names (b) addresses of the official bookagents which handle government publications?

3. What requirements have been set by the Department of Supply and Services for a bookstore to become an official bookagent for government publications?

4. What instructions did each of the Information Canada Bookstores located in (a) Halifax (b) Montreal (c) Ottawa (d) Toronto (e) Winnipeg (f) Vancouver give to customers who inquired about where they could purchase government publications after November 5, 1976?

Return tabled.

ENGLISH AND FRENCH LANGUAGE TRAINING COURSES

Question No. 1,199—Mr. Schumacher:

1. For each year 1970 to date, by department, how many public servants (a) enrolled (b) completed (c) dropped out of (i) English (ii) French language training courses?

2. For each year 1970 to date, what was the total cost to the government for language training for public servants in (a) English (b) French courses?

3. For each year 1970 to date, how many non-public servants (a) enrolled (b) completed (c) dropped out of federally paid for second language training in (i) English (ii) French and, by groups, how was their eligibility to take such courses determined?

4. For each year 1970 to date, what was the total cost to the government for language training for those individuals who were not directly employed by the Public Service?

Return tabled.

[*English*]

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

Mr. Lawrence: Mr. Speaker, I raise this question on the first opportunity I have been given to raise it. My question may be a question of privilege relating to the growing trend of the government's to give either not correct answers or not factual answers in respect of questions placed on the order paper.

On November 18 last, if my memory serves me right, I placed a simple question on the order paper relating to the total amount of money going from the government to the province of Quebec and the total amount coming back from the province of Quebec to this government. Yesterday, Sir, I received an answer to this question, an answer from the government, stating that such information was not available. Coincidentally, last night when I watched the CTV television news there appeared a program giving exactly that type of information I had requested.

On inquiring of the CTV news, I learned that the information had emanated from *Maclean's* magazine which, in turn, had obtained the information from the government. Sir, I put myself entirely in your hands, because I do not know how further to proceed. Is it not a question of privilege when a member of parliament, using acknowledged and correct procedures to obtain information from the government, is refused that information and finds that the media can get exactly the same information far more easily than he can? Is that not a question of privilege, Sir?

Mr. Speaker: Order, please. I shall recognize the minister in a moment. I am smiling, because the matter is difficult enough when definite arguments are raised concerning a question of privilege and I must determine the existence of a question of privilege. But the hon. member is asking me if there is a question of privilege, and that puts me in a much more difficult position.

Mr. Lang: Mr. Speaker, I rise as acting Minister of Finance. That information from the department had followed upon some press reports which had been noticed.

Mr. Peters: Fly across the road and make a speech.

Some hon. Members: Oh, oh!

Mr. Lang: I am informed, Mr. Speaker, that the information—

Mr. Peters: Go across the road and make that speech.

Mr. Lang: —which was allegedly supplied by the Department of Finance was public information from which certain persons drew their own inferences and conclusions.

Mr. Peters: Go across the road and say it.

[Mr. Schumacher.]

Mr. Lang: —is information which the department does not substantiate.

Some hon. Members: Oh, oh!

Mr. Peters: Fly across the road and say it on television.

Mr. Speaker: Order, please.

Mr. Benjamin: Mr. Speaker, I rise on a question of privilege.

Mr. Speaker: Order, please. Is the hon. member for Regina-Lake Centre rising on the same question of privilege?

Mr. Benjamin: No, Mr. Speaker, it is another one.

Mr. Speaker: Order, please. The hon. member for Northumberland-Durham (Mr. Lawrence) has not actually raised a question of privilege but has asked whether a question of privilege exists. Of course it is open to the hon. member, on the basis of preliminary information, to pursue the matter, and if he feels that he is justified in raising it again in the light of that information, which may give him further grounds to argue, perhaps that can be done at a later time.

MR. LANG—ANSWER BY MINISTER OF TRANSPORT

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, my question of privilege arises from part of an answer which the Minister of Transport (Mr. Lang) gave today. He suggested that every member of the House would get a copy of the statement he is to make today at the press conference he is to hold. Apparently that statement was neither important nor serious enough to be made in this House. To my knowledge, no member of this House has a copy of that statement, including the Prime Minister (Mr. Trudeau). Certainly I do not have it, and the office of my leader does not have it.

There is a point in our procedures when Your Honour calls for the tabling of documents. I wonder if the minister would now cease his insolence and arrogance, and let members of the House have a copy of the press statement he issued. It concerns the $800 million transfer of debts and the doubling of Seaway tolls which the government has been agonizing and procrastinating about for three or four years. We have been trying to get answers for three or four years. He does not deem it important enough to answer us in this House. Can the minister table his announcement which he felt more important to be in the hands of newspaper reporters before reaching members of the parliament of Canada?

● (1630)

Some hon. Members: Hear, hear!

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I understand that it is on its way to members' offices. I trust it will arrive there. I do not have copies with me. With the permission of the House, I will undertake to have it tabled just as soon as I can have it sent over from my office.

Mr. Speaker: Order, please. Without seeing the document or having it more accurately described, it is not clear whether a press release or something of that sort constitutes the kind of document contemplated in the Standing Order. If the House gives its consent, the minister has undertaken to table the document. Is there unanimous consent that the minister shall have leave to table the document referred to, later today?

Some hon. Members: Agreed.

Some hon. Members: No.

[*Later:*]

Mr. Brisco: Mr. Speaker, I rise on a point of order. I was not certain whether Your Honour interpreted your call for unanimous consent to the tabling of the document as having received unanimous consent. If that was Your Honour's interpretation, I want it clearly understood that I said no.

Some hon. Members: Oh, oh!

Mr. Speaker: The hon. member for Kootenay West (Mr. Brisco) raises a valid point of order. I again say that the minister has given an undertaking to table the document. Without seeing the document, I cannot tell whether it is in the realm of the minister to table it. That is why I asked for consent to be sure. Consent being withheld, we are back to square one, so to speak.

Mr. Clarke: Mr. Speaker, my point of order arises out of the questions not answered by the parliamentary secretary. Two questions that I have had on the order paper will be celebrating their fourth anniversary on the tenth of this month. I want to bring that to the attention of the parliamentary secretary. Also, I have another question that has been around quite long. I had information from the Postmaster General (Mr. Blais) that he had answered the question on January 24. That answer has yet to appear in the daily reports of the parliamentary secretary and I would like to see if he can find it.

Mr. Goodale: Mr. Speaker, it would be helpful if the hon. member could give the numbers of the questions. Without the numbers, it would be difficult to trace the particular questions to which he refers. I would simply draw to his attention that I am not personally aware of two questions that are four years old that have not been answered. I can assure him, as I have said on other occasions, that we endeavour to answer each and every question as quickly and conscientiously as we can. We will continue to do that. If hon. members have a particular concern or a particular urgency attached to a question, I hope that either in the House or other ways they will draw that to my attention so that I can personally see that their particular question is dealt with as quickly as possible.

Mr. Clarke: Mr. Speaker, if I might be permitted to give the parliamentary secretary the two numbers, they are 1019 and 1032. I thought I made it clear it was four months they were going to celebrate on the order paper, not four years. The other one is question 1453, which the Postmaster General indicated he had signed the answer to in January.

Order Paper Questions

Mr. Blais: Mr. Speaker, I rise on the same point of order. As you will know, Mr. Speaker, my department probably receives the most questions. The answers are given as expeditiously as possible. In this particular instance I was under the impression that we had answered the question. I subsequently informed the hon. member that I was mistaken and that we had not. We are trying to expedite the answer as quickly as possible.

Mr. Herbert: Mr. Speaker, I rise on a point of order. An extremely important question to my province has been on the order paper since October 13, question No. 333. I would be very glad if the parliamentary secretary would give attention to that one. It is extremely important that we have this information as early as possible.

Mr. Rodriguez: Mr. Speaker, I rise on the same point of order. I have had a question on the order paper since October 22, 1976, with regard to the number of employees in various sections of the Post Office. It had previously been on since July 1975. I placed it on the order paper again in the new session. The question is still unanswered. I think that the parliamentary secretary is derelict in his duty in not ensuring that these kinds of questions are answered.

Mr. Goodale: What is the number?

Mr. Rodriguez: I said question No. 775. Get your ears open.

Some hon. Members: Oh, oh!

Mr. Symes: Mr. Speaker, I rise on the same point of order. I would like to draw to the attention of the parliamentary secretary two questions I have had on the order paper since November 15, 1976, Nos. 1055 and 1056, concerning Reed Paper Company and the complicity of the government in providing grants to that company which has polluted the Wabigoon and English River systems.

Mr. Goodale: Mr. Speaker, on the point of order, perhaps it is simply the rather peculiar spirit that seems to exist in the House today. This kind of a procedure with respect to questions on the order paper is not a particularly productive one in the sense of encouraging answers. As I said a few moments ago, and I think it has been demonstrated by the rate of returns on these questions so far in this session, it is our intention and desire to answer the inquiries which hon. members present on the order paper as quickly and efficiently as we possibly can. I pointed out on other occasions that the rate of return in answering questions in this parliament has been very high. I suggest it is the highest that has ever existed.

Be that as it may, this kind of exercise in this House is not a particularly constructive use of House time. I simply repeat, if hon. members wish to draw to my attention in other ways the urgency attached to a particular question or the fact that they have an inquiry that has been outstanding for some time, I will be pleased to undertake to them in a personal way to pursue their inquiries and get the answers for them as quickly as possible.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I hope that the parliamentary secretary will re-read what he said just a few moments ago when he talked about the peculiar atmosphere in this House. He is wrong. The atmosphere which we have seen exhibited today is not peculiar. We have unhappily now become accustomed to seeing questions not answered, delays in answers to questions on the order paper, and a whole host of other things.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): I am not suggesting that all of the blame should fall on the shoulders of the parliamentary secretary. He is led by others. That is the problem.

The other matter that concerns me is with regard to the answer given by the parliamentary secretary, and I want him to read it very carefully. He may not have meant it. He may want to correct it after he has read it. He implied a threat that if we continue asking legitimate questions, such as about old answers to old questions, that might affect the production of answers.

Mr. Goodale: I never said that.

Mr. Baker (Grenville-Carleton): The parliamentary secretary denies that. I would ask him to read very carefully what he said with respect to this matter. I hope he is not suggesting it is improper for a member, whether on the government side or on the opposition side, whose question has been left unanswered for weeks or months, to stand up and ask when the answer will be forthcoming.

● (1640)

Some hon. Members: Hear, hear!

Mr. Hnatyshyn: The parliamentary secretary has asked us to let him know what questions we want answered. I put down a question on October 13, question No. 487, which I consider to be one of special importance, and I hope the parliamentary secretary will give this matter his immediate attention and try to obtain the answer for me rather than waste the time of the House and preventing us from getting on with legislation we all want to deal with.

Mr. Dionne (Northumberland-Miramichi): It seems to me this is a silly and shameful argument which is being carried on by members on the other side, wasting the time of the House, and it is becoming perfectly obvious that none of the opposition parties is prepared to get on with the orders of the day. It amounts to contempt for the Canadian people. Let us get on with the business of the House.

Some hon. Members: Hear, hear!

[Mr. Goodale.]

MOTIONS FOR PAPERS

Mr. Goodale: Mr. Speaker, I would ask that all notices of motions for the production of papers be allowed to stand.

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

NATIONAL TRANSPORTATION ACT

MEASURE TO REDEFINE OBJECTIVE OF TRANSPORTATION POLICY

The House resumed, from Tuesday, March 1, consideration of the motion of Mr. Basford (for the Minister of Transport) that Bill C-33, to amend the National Transportation Act and the Department of Transport Act for the purpose of defining the objective of the transportation policy of Canada and authorizing the consequential rearrangement of powers and duties relating to transport and to amend the Transport Act and the Railway Act in respect of freight rates and other matters, be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. F. A. Philbrook (Halton): Mr. Speaker, when I interrupted my remarks last night to call it ten o'clock I had made a few preliminary remarks about Bill C-33. There are three main objectives—definition, authority, and improvement. I said transportation was a top priority, that it was a huge, difficult and urgent one, just like finding oil. I said this bill was worth supporting and I felt I could support it, depending upon what kind of general acceptance it found in its passage through the House, and upon what chances there were of its provisions being carried out.

There is, however, a logical progress of events, and I think this support has to be conditional upon something. It has to be conditional upon the fact that there are some election campaign promises already on the books which have not been fulfilled to the satisfaction of many people. In other words, first things first.

The national transportation program which has been outlined in some detail since 1974 is, in my view, an excellent program especially for the long term, but it really needs a strong short term start, something it does not appear to have. There are many advantages attached to this program, with its objective of providing better, cheaper, and more energy efficient transportation, giving Canadian industry a boost in the transport field and giving the economy a general boost. But besides transport there is this other issue—the business of honouring commitments, the business of keeping election promises, the business of the integrity and the credibility of government. In my opinion it is not good enough to say with regard to a top priority operation like transport that there is not enough money now.

Some hon. Members: Hear, hear!

Mr. Philbrook: It is not good enough to say this is not our business, that it is the business of the provinces and the municipalities. If this is important, then it is important to find the money, and if the Canadian people see this as their business, and if they want it to be the business of the federal government, we have an obligation to make it our business.

It is difficult to pin these promises down in terms of exact amounts. It seems to me something was mentioned about $300 million for five years for the entire transportation program, one third of which was to be available in the form of financial aid to commuter systems. Well, Mr. Speaker, this is really a drop in the bucket. It may seem a lot of money, but it is certainly not a lot in relation to the transportation needs of the whole country. The Toronto area alone needs $50 million just for starters—half the total amount mentioned. If there is anything with which I would disagree in relation to the campaign promises in this field, if there was one mistake, it was the open-ended cost-sharing provision. I think this is one part of the promise which the federal government could feel justified in breaking. It is the type of nonsensical thing we have been trying to get away from in medicare, and hospital care. We know the temptation is just too great. It simply does not work. But there is no reason why we cannot come up with a decent amount of money within a stipulated time frame.

The type of commitment which was made in terms of open cost-sharing—to the extent of 100 per cent for commuter rolling stock, 50 per cent for platforms and supporting structures, and 25 per cent for inner city transit—is obviously unrealistic. We have had some discussion about this, and one of the stipulations we would make in this connection is that all the equipment and all the machinery be made in Canada. Another was that there be a limited time frame, thus providing an opportunity to reassess the program—in other words, the budget would not get out of hand. Finally, due credit was to be given for the contribution of each level of government, including the federal government. This should not be a problem; we all want credit for what we do. Up until now it does seem to have been a problem in terms of the levels of government not getting along together.

The reasons given by ministers for restricting this program, perhaps for even cancelling it, are as follows: first, restraint. We believe in restraint. The caucus has been urging it on the government for two and a half years. The government seems, finally, to be doing a good job of it. But the question is: where should restraint be applied? Second, as I mentioned before, there is the business of jurisdiction and political games—a lack of credit for what is done.

Some have asked is there a federal role for urban transit? Why not? Certainly the federal government has assumed a role in urban housing. And there are other areas. If the provinces do not want that kind of support from the federal government they are free to refuse it.

There was an original premise built into this program, Mr. Speaker, and many people realized this. This was not just a way to spend money. This was not supposed to be throwing money down the drain. This whole transport program, besides being important in itself, was designed both to save and to make money by providing cheaper, more efficient transportation. Those things have to be taken into account when we talk of cancelling the program or restraining it. It does not sound as though they were taken into account. Against this is the cost of supporting air travel and private transportation as we have done up to now.

The costs of infrastructure at airports, and the upkeep and construction of roads and super highways, parking lots and all the rest are enormous. Surely there is money to be saved there which could be put into a better transportation program?

What about a possible tie-in with Canada Works? The opportunity exists in a transportation program to provide jobs. But in this case, if there is a public transit industry, we should provide real jobs, not makeshift jobs. Corporations under Canada Works are allowed to sponsor projects; why not projects concerning public transit? Presumably there is an opportunity to spend money there. I suppose this will require a budgetary exercise, a complete rearranging of our priorities and expenditures, looking outside transportation into other departments.

● (1650)

I heard recently that we may be planning to spend $2.5 billion on jet fighters. To my mind there is no question what are the priorities at the present time. I am all for adequate defence and support for the military, but good public transport comes first, in my opinion.

Perhaps we will have to take another look at our social and welfare programs and ask whether there are some unnecessary expenses involved, especially in regard to universality of payments, which means paying benefits to people who do not need them, to people who are wealthy and can get along without them. Perhaps there is money to be saved in limiting the bureaucracy, the size of the civil service. I think it is timely to think in terms of rearranging our budget priorities since we will soon be dealing with the main estimates. I think they are a little hard for the average MP to understand, but none the less we can tie this subject into them. Also we have a spring budget coming up which is designated to stimulate the economy.

There is a temptation, Mr. Speaker, for some people to think that the public and the media are not interested in this subject, that it will go away by itself. On the contrary, there have been a flurry of reports in the media and it is the number one subject of talk in my riding, and I imagine in many others. There have been many calls from reporters for interviews even of lowly backbenchers. For example, the Milton *Champion* reports that Milton definitely needs an extension of the Go train system but that federal funds had been withdrawn and Go train plans shelved. I know that will lead to a lot of disappointment. The *Globe and Mail* reported that Liberal MP's were considering a revolt over transit cuts. I think that is a little bit over-dramatic but it indicates the kind of feelings that have been generated.

Local Halton people are almost unanimously urging support for this program; I have heard no one speak against it. Telegrams from local politicians have been entirely in support of this transit program. I have received a telegram from Halton regional chairman, Rick Morrow, as well as from Burlington mayor, Mary Munro. Let me just read the telegram from Rick Morrow:

Wish to express serious concern regarding announced withdrawal of federal funds for urban transit. Will seriously affect planned extension of Go servicing to Milton, Oakville and Burlington. Request use of your office to seek government reconsideration of the matter.

"Ottawa Makes Chaos for Commuters" reports the Toronto *Daily Star* for February 22, 1977. The members for Halton (Mr. Philbrook) and Mississauga (Mr. Abbott) were cited as not helping, but that is incorrect and I think has subsequently been corrected. The Oakville paper, the *Journal Record*, carried the headline "Federal Transit Aid Delayed, Not Dead: Philbrook"; that was certainly a high hope in the determination. "The transit program has been curtailed due to restraint", said the Minister of Finance (Mr. Macdonald) in a recent Toronto interview. The Minister of Transport (Mr. Lang) is reported by the Ottawa *Citizen* for February 24 as saying that the "onus is on others for transit". Then just at the end of last week the *Globe and Mail* attributes the headline "Transit Support Plan Still Before Cabinet" to the Prime Minister (Mr. Trudeau). So maybe we have a life yet.

We need many modes of transportation in this country, and we need them urgently. We need them for many parts of the country. We need faster intercity rail, not only for the Quebec City-Windsor corridor but for many other parts of the country, such as from Calgary to Edmonton and so on. Most of all, we need a lot of help for the maritimes, because they tend to be neglected. Then what about Newfoundland and the old "Bullet"? And let us not forget the prairie services.

Perhaps we also need plans to develop the controversial STOL aircraft for outlying cities, because what else is there? The people themselves say that trains and buses are not sufficient, and that is certainly correct if we want to decentralize and relieve urban crowding. We need better intercity transit for our urban areas, and we certainly need a much better freight deal to help solve our western grain and port problems.

I come from a suburban area, one of many in Canada. Perhaps there are 25 major areas like mine, and my particular interest is commuter transit in trying to convey people back and forth between suburbs and cities in a decent, civilized manner. Some people say there should be no problem, that people should live where they work, but I think at the moment that is a little unrealistic and will take a long time to bring about. Until this happens, we must look after these people. We need more Go trains now; we cannot delay such decisions because we do not want to bother changing the budget. Most of all, we need less emphasis on what we have had a bellyfull of in the last generation, namely, too much air travel.

Out Halton way—and this also applies to my colleague for Mississauga—we need $15 million fast to relieve terrible

[Mr. Philbrook.]

congestion, and I am sorry to say that this is half of the entire amount budgeted for the next five years for commuter transit. We need this money for Go trains and for extra rolling stock. We need additional Go train service to a place like Milton, which is virtually isolated despite the fact it is near a big city, not new Go buses. Improvements are required to Union Station to facilitate arrival and departure. We must relieve the bottleneck at the Bathurst Street crossing. We need improved trackage and, as I say, additional cars. The Ontario government and the Toronto city council have made commitments to spend money for this purpose, to the best of my knowledge, and the political lesson of this step has not been lost on them. If we do not come through and meet this requirement, we are going to be very, very sorry.

With all due respect to my party and my leader, Mr. Speaker, there is no doubt in my mind that my main responsibility is to my constituents at this moment. This responsibility of mine is closely related to the improvement of nation-wide transit and to campaign promises. Even our opponents in provincial and municipal governments have made commitments in this regard. They have stuck their necks out and are now left holding the bag, being faced with a great deal of expenditure.

I am prepared to support this bill, but this is certainly contingent on some kind of tangible evidence coming to light very soon that the government is prepared to follow through on its campaign promises to improve transportation. I would invite my colleagues to take the same stand.

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I welcome the opportunity to speak on Bill C-33 this afternoon, to amend the National Transportation Act and the Department of Transport Act for the purpose of defining the objective of the transportation policy for Canada, and authorizing the consequential rearrangement of powers and duties relating to transport and to amend the Transport Act and the Railway Act in respect of freight rates and other matters.

It is interesting to note that proposed section 3(2)(d) provides that "competition within and between modes of transportation should be encouraged where economic and technical factors permit". I have nothing against competition. I am going to refer to the trucking industry of Canada, particularly in Manitoba, and to the problems the government is laying on Manitoba's doorstep at the present time with the introduction by the Post Office of their new postpak delivery service, which I suggest will unfairly compete with the trucking industry. I will go into that in more detail in just a moment. In subclause (3)(a) in the bill dealing with the minister's responsibilities it is stated:

● (1700)

—inquire into and undertake measures to ensure the effective and inefficient development of the various forms of transport over which parliament has jurisdiction;

With the introduction of the postpak delivery service we are certainly not going to have an effective and efficient development of various modes of transport, especially in the trucking

industry. This postpak concept has been introduced recently by the Post Office. It is a new concept for moving merchandise from coast to coast. It is a mini container system using the mailbags to move goods in bulk. Mailbags can carry up to 66 pounds.

A couple of years ago the government commissioned a study costing a quarter of a million dollars on the difference in deliveries between the Post Office providing its own trucks, and private industry. This Samson Belair study contained recommendations, facts, and figures showing why all mail delivery should be left to the private sector because the savings would amount to millions of dollars. Unfortunately this detailed study and research were completely ignored, and the Post Office took over postal delivery and set up its own trucking system.

In the last parliament I tried to obtain a copy of this Samson Belair document but the government refused to table it. Fortunately I was able to obtain it. This study should have been referred to one of the standing committees discussing Post Office operations for a complete and detailed study and review of the recommendations made in it. I would like to read some of the recommendations in the report. It reads:

> In future the department should contract for city services unless there is conclusive evidence as to the unavailability of this service on reasonable terms from outside the department.
>
> The present government operations should be reviewed with the objective of securing the services outside. Potential savings from the conversion of the four existing government operations would amount to approximately $725,000 per year.

What they are saying is that it would be $725,000 a year cheaper to let a private trucking company handle postal deliveries. How such a recommendation could possibly have been ignored has never been explained. Now we find that the Post Office has come up with this postpak proposal which is causing no end of problems to the trucking industry, as I will explain in more detail in a few minutes.

The Samson Belair report goes on to say:

> The department should review all other government performed transportation and distribution services to determine whether new or increased needs could not be more satisfactorily performed by the private sector.

The study goes on to say:

> Considering only direct field costs, the four existing government operated urban services are more costly than an equivalent contracted operation. Were other costs such as rent, administration, interest on capital, and taxes on such items as gasoline, purchases, and corporate income to be considered, the argument for a contracted service would be further substantiated.

So you see there is no end of evidence as to why the Post Office should not have its own fleet to deliver mail. The additional cost is striking. What I am asking the minister to do this afternoon is to review this postpak proposal and consult the Postmaster General (Mr. Blais) with a view to disbanding this costly and unnecessary service being established by the Post Office at this time.

The report goes on to read:

> Operational factors such as level of service, performance, control and flexibility associated with an effective contracted service are at least equivalent to a government operation.
>
> The major factor in the cost gap between government and contracted services is labour productivity, and to a lesser extent administrative and supervisory costs.

The Samson Belair study stated that:

> A contracted operation for this service is less costly than a government operation.

So it is less costly to leave to private truckers. It seems to be plain common sense to leave it to them. The study states further:

> Payment on a point-of-call basis results in increased productivity and efficiency since the contractor is provided with an incentive to complete deliveries as early as possible.
>
> Payment on a possible point-of-call basis is easier to administer because it eliminates the need to maintain a detailed record of hours worked by the contractor.

I will give you an example of what happened when the Post Office took over the mail delivery service and established its own fleet.

These are answers to questions on the Order Paper with which the government provided me. When the Post Office set up its own fleet in the city of Toronto, it required 44 more trucks than the private contractor needed for delivering the mail. It required 100 more employees than the private sector needed when it handled mail delivery in Toronto. The city of Montreal needed 10 more trucks and 160 more men when the Post Office set up its own delivery service. In the city of London, Ontario, 19 more trucks and 18 more men were needed. In Hamilton it took 15 more trucks to handle mail delivery and 17 more men. In the Kitchener-Waterloo area 8 more trucks were needed and 7 more men were needed to handle mail delivery. You can see the fantastic additional costs.

The ironic part of all this is that this is the point at which the quality of the service started to deteriorate. In my riding there is a large area of small businesses. Prior to the time when the Post Office handled its own deliveries the businessmen could set their clock by the time when the private mail contractor would come around with the mail each day. After the Post Office set up its own operation in Winnipeg, the businessmen never knew when the mail was coming, and yet the Post Office employs many more men and uses many more trucks.

There was an article in the Manitoba *Highway News* dated February, 1977, dealing with the problems that the new postpak is causing in Manitoba. They have carried out a detailed study of this and they are continuing to study the matter. I should like to quote from an article headed "Post Office Now in the Trucking Business. Big Deficit Seen?" The article reads:

> Not content with acquiring a deficit of over half a billion dollars during the past year, the Post Office department has embarked on a scheme whereby, without too much more effort on their part, the bill the next time around could reach the billion dollar mark.
>
> A great part of this will come through the postpak idea which started several years ago with a great fanfare of superior service and much lower cost than the established services being held out to the shipping public.
>
> Low rates were established because the shipper had to be responsible for delivery to the Post Office and prepay all shipments which could consist of up to

50 lbs. in bags supplied by the Post Office or cartons of certain sizes and standards up to 66 lbs. In cities over 10,000 population delivery would be made by the P.O., otherwise the customer would be phoned. Delivery was to be similar to first class mail service. However, we find that it has been admitted that, under certain circumstances, the P.O. would also pick up at shippers' premises the postpak shipments. The development of this service can have a very serious impact on the truck service presently being provided by the regular over-the-road carrier as many small points have no other means of transport than the truck carrier on a regular basis.

Two main complaints arise from this operation. First, the trucker should not have to face a competitor that has access to the public purse to meet any deficits.

They will certainly be coming to the public purse to meet deficits with regard to this Postpak proposal, as shown by the other evidence I had read into the record this afternoon.

The trucker has no such access. Secondly, they should not have to compete with a delivery service by private contractors to the Post Office that are not required to meet the same standards as the licensed carrier. The Postpak system is said to bypass the ordinary P.O. procedures but does not require to move under bills of lading, or other terms and conditions as required by provincial regulatory boards. Labour regulations, either provincial or federal, are not required. The present licence fees for a truck hauling mail in Manitoba with a gross weight of 24,000 lbs. is as follows: based on a 1974 model truck, the fee would be $107.00, including insurance with $200.00 deductible all perils. For a semi-trailer carrying up to 80,000 lbs. the fee is $196.00 with no mileage limit. The regular line haul P.S.V. operator is required to pay $637.00 for an equivalent weight with a $500.00 deductible coverage. For the semi-trailer with 80,000 lbs. the fees would be $978.00 based on 1976 regulations.

Hon. members can see that this service should be provided by private truckers who are faced with these heavy licence fees; the government should not be coming out with this postpak proposal to hinder them and cause them more problems. We have enough problems with our sagging economy and so forth without the Post Office competing with private trucking companies.

The article continues as follows:

This problem has been brought to the attention of the various motor carrier boards in Canada and action has been requested to correct this inequity. However, it seems that most provinces are afraid to challenge the rights of the Post Office and, as a result, very little has been accomplished. At the present time the Canadian Trucking Association, through its national provincial standards council, is actively pursuing a course of action which we hope will bring some results.

Another activity of the Post Office is the lowering of charges on fourth class parcels. Recently they advertised in Winnipeg that they would guarantee next day delivery on fourth class parcels up to a weight of 35 lbs. This delivery was to be to any post office south of Lynn Lake, which is 600 miles north of Winnipeg.

The charge for a two-pound parcel was to be, for a distance of up to 150 miles, 60c.

Hon. members can see that taxpayers are going to be subsidizing this postpak delivery service which has been set up by the Post Office.

The article goes on:

On enquiring at the Post Office as to how many hands this parcel would go through before reaching its destination, it was said that six people would handle it! It would then be transported by air, if necessary, and delivered. Other weights were comparable.

Can hon. members imagine all this for 60 cents, six people handling it? It will be going by truck and by air. What a ridiculous proposal! The article goes on:

Efficiency plus: a tender has just been called for the furnishing of two one-ton trucks to provide service between Winnipeg and Thunder Bay. We wonder why,

[Mr. McKenzie.]

when there are several airflights each day, at least four buses and five truck lines per day.

Now we find that the government is going to provide two more trucks, when all it has to do is contract mail delivery and parcel delivery out to bus companies or to the five truck lines which run to Thunder Bay. How ridiculous can the government get?

Here we are discussing a bill to make it easier and better for transportation businesses in the country, and the government comes out with a proposal like this which will cause no end to competitive problems and unfair competition. The article goes on:

Maybe it's time that the opposition at Ottawa started asking questions about Post Office operations in this area.

That is the only part of the article I do not agree with, because the hon. member for Brandon-Souris (Mr. Dinsdale) and other hon. members on this side have certainly asked many questions about the Post Office, and I have certainly pursued Post Office problems in the last parliament and in this one. The article concludes by saying the following:

Is it any wonder that Post Office deficits in the neighbourhood of a billion dollars are believable?

When I obtained my copy of the Samson Belair study on postal operations and on whether mail delivery should be left in the hands of private trucking companies, I obtained information with regard to the number of additional trucks and employees which will be needed when the Post Office establishes its own trucking service, and I raised this matter in the standing committee. I presented a motion that we review the report and conduct a study as to why it will take 44 additional trucks to deliver mail in Toronto and so forth, but my motion was defeated. I remember the hon. member for Regina-Lake Centre (Mr. Benjamin) being at that committee meeting, and he was very emphatic in saying that he did not want to conduct any investigation into this ridiculous and costly operation. That is why I said no to him last night when he was making his mundane speech on transportation and explaining why hon. members of the New Democratic Party support the government's getting into the trucking business and why they will not allow an investigation into the costly operation of the Post Office.

In closing, I ask the Minister of Transport (Mr. Lang), and the Postmaster General (Mr. Blais), to get their heads together with a view to closing down this postpak proposal and to stop putting all these obstacles in front of the private trucking companies of Manitoba and of Canada.

Mr. D. M. Collenette (York East): Mr. Speaker, it is with great pleasure that I speak on this bill to amend the National Transportation Act because essentially transportation represents the history of this country. The history of Canada is the history of transportation. An area which is so large that it stretches from ocean to ocean has to be linked together one way or another. If we go back 200 or 300 years to the first movement of goods by canoe or by pack, we will see how integrally transportation of goods and people was part of the history of Canada.

The bill we have before us is basically a good bill. I agree with its thrust. The implementation of the National Transportation Act in 1967 and the creation of the Canadian Transport Commission created a number of problems. Too often parliament has set up an agency or a Crown corporation to operate the policies approved by parliament, and these agencies, Crown corporations or commissions become very removed from the day to day policy direction which should be followed.

Events change rapidly in our modern world, and acts such as the 1967 National Transportation Act have become impediments to the development of transportation goals in this country. I think transportation must be regarded as a tool of social development.

As I said, I basically support the thrust of the bill, but I have some grave reservations. My reservations are such that perhaps I will withhold my support from the bill. My arguments are basically similar to those put forward by my colleague, the hon. member for Halton (Mr. Philbrook). We are both concerned about urban transit, intercity transit, commuter trains, and the role of the federal government in these fields. Back in 1975—I think it was July of 1975—the then minister of transport, the Hon. Jean Marchand, tabled in this House three very impressive and well researched documents entitled, I believe, "A National Transportation Policy for Canada". They were in three parts. One dealt with movement of freight and commodities, one dealt with inter-city passenger service, and there was an over-all summary.

● (1720)

These documents represented years of well-thought-out research by the department and the government in an attempt to rationalize and come to grips with the transportation problems that affect this country. Nowhere in these documents, however, did we see any reference to potential federal government assistance to urban or commuter transit, and this is the main reason why I have great reservations about this particular bill.

Some people may say I am being intellectually dishonest to consider not supporting a bill to amend the National Transportation Act and the Department of Transport Act which does not really relate to federal assistance to urban and commuter transit. This argument is rubbish, Mr. Speaker. If we talk about federal assistance to urban and commuter transit, we do so in the context of a national transportation policy.

The bill before us is a good one; it is the keystone of the government's transportation policy and should be applauded. There may be those on the other side who lick their lips or howl in delight because supporters of the government decide they have reservations about a particular bill. I do not think they should put too much stock in the stand that I take, and I know I speak for the hon. member for Halton (Mr. Philbrook) in this. We are in no way nonsupportive of the government and its attempts to come to grips with the serious problems facing the country, whether they be problems of the economy or of national unity. We are 100 per cent behind the government. The fact that we are general supporters of the government, however, does not mean to say we have to agree with every aspect of government policy. This is where I am making this particular distinction.

Transportation problems do not constitute a major issue, according to the Gallup poll. We have to realize that there are some people on the Hill and off the Hill who live by the Gallup poll alone. While transportation problems do not constitute a major issue for a majority of Canadians, nevertheless those people who live in our cities, in Toronto, Montreal, and Vancouver are concerned about the credibility of a government that makes promises that it fails to fulfil.

Let me be firm on one point, Mr. Speaker. The promises made to assist urban transit were unrealistic in the first place. It is questionable whether the federal government has the constitutional obligation to finance urban transit. Further, the promises implied that the federal government would involve itself in an open-ended funding program. This is precisely the position the government is trying to reverse with the recent agreement with the provinces on medicare. That is to say, the federal government has the obligation to encourage universal programs and standards across the country, and further it would and should encourage such programs and standards only for a fixed period of time.

There is no doubt that the federal government has the right to encourage the development of public transport for obvious reasons, such as land use planning, energy efficiency and net social cost. The question is how it should be done.

Let us look at some of the promises made by this party in the 1974 election campaign. I am sure the Minister of Transport (Mr. Lang) wishes there were no copies of this document left floating around the House of Commons, but I have a copy and I should like to put those promises on the record.

The government promised to pay 100 per cent of the cost of new commuter vehicles manufactured in Canada; to pay 50 per cent of the cost of new stations and platforms forming part of the system; to pay 25 per cent of the capital cost of all vehicles purchased each year for public transit within Canadian cities and which were manufactured in Canada. Financial support was to be made available to encourage Canadian design and engineering of top quality urban and suburban transit vehicles, systems, machinery and equipment. For smaller municipalities the government offered assistance not only in design, engineering, and financing, but in the form of expert advice in bringing new transit systems into operation. The government was determined to encourage Canadian industry to develop so-called "off the shelf" standardized systems and equipment, such as telebuses and urban commuter trains which could save the country millions of dollars in development costs and which would encourage Canadian transport designers, engineers, and manufacturers to become world leaders.

The government was to encourage urban transit system innovations, including further demonstration projects financed by the federal government. The government offered to make best use of existing railway rights of way and track in urban and suburban areas for new commuter and urban transit lines

with a view to reducing the high cost of such systems to Canadian municipalities.

The government maintained it would rapidly implement the Railway Relocation Act to ensure that railway relocations in cities also contributed to the right kind of city growth.

Only a few of these promises were ever discharged, the most notable being one I have not read. The government was committed to removing the 12 per cent sales tax on all 12 passenger and up vehicles which would provide service as part of an urban transit system. This was done in the budget of 1975. It has helped municipalities considerably. The 12 per cent tax on large transit vehicles, such as the acquisition of subway cars in Toronto, or high speed street cars, amounts to a very large sum. I know the Toronto Transit Commission is particularly grateful, and I am sure most of the other municipal transit systems in Canada are grateful for the removal of this tax.

To recap, Mr. Speaker, the three main urban and commuter promises made by the government in 1974 were to pay 25 per cent of the capital cost of all Canadian made vehicles purchased by urban transit systems; to pay 100 per cent of the cost of new commuter vehicles such as the Go transit buses in Ontario; and to pay 50 per cent of the cost of new stations and platforms used by commuter systems.

The basic problem with these promises is their total cost and their implication of ongoing funding. With the need of the government to reduce its spending it is quite obvious that there just is not the money available to meet these promises in their entirety. Like my colleague, the hon. member for Halton, I have urged the government to restrain its spending and I think it has done a good job in curtailing expenditures in a difficult economic period.

The provinces and the cities do have an urgent need for financial assistance, however, and the federal government needs to restore some credibility with the public by going part way to discharge its promises. This then is the debate in which I am involved with the government: how much can we afford to do, and at what time should this assistance be given?

Let us take a closer look at the federal responsibility in urban and commuter transit. While it can be argued that the federal government does not have the constitutional obligation toward commuter services as such, the government has, over the past year, assumed a constitutional obligation toward directing growth away from cities—an obligation toward the demographic features of Canada and, to a lesser extent, toward a more socially conducive use of land resources. This can be seen in the conceptual approach to the new immigration act now before the House, for some of the reasons mentioned were given as the rationale for the new Immigration Act. Therefore the federal government has some obligation and moral jurisdiction in this area. I was talking about commuters a few minutes ago, Mr. Speaker.

● (1730)

Similarly, while the federal government has no constitutional jurisdiction in the matter of urban transport, it has a constitutional obligation in the field of energy conservation, which includes an obligation towards Canadian industry and the creation of domestic job opportunities, in addition to its political obligations. Of course, speaking in purely political terms, we are obligated to help the municipalities and provinces.

Before I outline the extent of the commitment which would be appropriate for urban and commuter assistance, let me acknowledge that the government has made promises in the area of commuter assistance. There has been an ongoing program of assistance to provinces and municipalities with regard to urban and commuter transit.

Grants were first made available in the fiscal year 1972-73 for research and demonstration projects. About one year ago the government announced a program of capital assistance for various commuter projects. The first grants under this program are to be made on April 1, 1977. The purpose of the program is to assist provincial and municipal authorities to design and develop new technology, operations, innovations, etc. for urban transit. It is also to assist those authorities with the purchase of commuter vehicles and related facilities.

The provisions of these programs are as follows. Under the Department of Transport Act, the Transportation Development Agency may enter into agreements with provinces or municipalities to share the costs of transportation research over a set period of time. Besides providing financial support, the agency is to participate in the project, as a member of the steering committee. It is to monitor progress and provide advice and policy direction. In addition, under the capital assistance project for urban commuter services, grants will be made to provinces and municipalities to assist in the purchase of commuter vehicles and related facilities. The program will provide $100 million over five years, beginning April 1, 1977.

I contend that $100 million over five years, or $20 million a year, is not enough. My colleague from Halton suggested that the Go-transit system in Ontario needs to have an immediate $50 million spent on it, or about half the amount allotted for all of Canada. Clearly the government must make more money available for this program.

Let me now say a word about the achievements of programs designed to help municipalities and provinces in the field of commuter systems. From fiscal year 1972-73 to the end of the fiscal year 1975-76, a total of $1,233,900 was spend on research and demonstration projects. Projects were supported in Ontario, Quebec, the maritimes and each of the prairie provinces. Therefore it is incorrect to suggest that the government has not discharged the promises it made in 1974. The question is, to what extent has it discharged those promises and how much more should be done?

Mr. Leggatt: Keep them for the next election.

Mr. Collenette: Why not?

Mr. Leggatt: Once you discharge them, you have wasted them.

Some hon. Members: Oh, oh!

Mr. Collenette: Recently the Ontario government has made several statements about our obligation to keep the promise we made with respect to aid to commuter systems. The minister of transport in Ontario said that the recent statement of the federal Minister of Finance (Mr. Macdonald), that our promises to help urban commuter transit were dead, would mean a complete halt to the expansion of the provincially operated Go-transit system. That system was to serve Milton, in the constituency of the hon. member for Halton, Richmond Hill, and the area north of Toronto lying in the constituency of the Minister of National Defence (Mr. Danson). The minister in Ontario contends that this service cannot be expanded. That is absolute nonsense.

The improvement or expansion of the Go-transit system in and around Toronto depends upon improvements to Toronto's union station, better access to ticket offices, expansion of platforms, realignment of tracks in stations, and also on the reconstruction of the Bathurst Street bridge. At present there is a bottleneck at the Bathurst Street bridge. There is ongoing maintenance of passenger equipment, a lot of shunting in the areas and, in addition, heavy industry on the waterfront of Toronto. This industry must have access to general rail lines of downtown Toronto.

I must say that the number of tracks now going under the Bathurst Street bridge constitute a problem; the railways have told the province that the bridge must be rebuilt and more tracks laid in order to accommodate increased services. The question is, do these two projects, involving the improving of Union Station, ticket facilities and so on, and removing the bottleneck at the Bathurst Street bridge, come under the government's promised program to give capital assistance for the purchase of equipment? I say they do not.

There is a perfectly adequate program of grade separation which is implemented across the country. Under it we remove railroad tracks, or put railway tracks under roads, or build subways and have the tracks going over the road. I am sure that money could be found in the existing budget for the improvement of the Bathurst Street bottleneck. Similarly, it would not need an astronomical sum to improve Union Station and those other facilities I mentioned. The amount is in the order of $10 million or $15 million, of which the federal contribution would be only a portion, perhaps 25 per cent. The city of Toronto has agreed to contribute money, and the province will also be responsible for much of the expense.

If I may digress, Mr. Speaker, it may be remembered that the two national railways a few years ago proposed to rebuild completely Union Station, or relocate Union Station and some of the tracks. The proposal included the expansion of the station, which could accommodate increased traffic, and the rebuilding of the subway access. In other words, it was intended to rebuild a large transportation complex which would serve the needs of Torontonians for many years. The railways offered to do this at no cost to the taxpayers of Toronto, Ontario or Canada—all of which are the same people, if one wants to look at it that way. Unfortunately the objection of a group of so-called radical reformers put this project in great jeopardy.

Toronto city council faced many difficulties. So many conditions were laid down, and so many complaints were raised about the project, that the railways finally said, "Forget it, we are not going to build metro centre. We will deny downtown Toronto this great revenue base which would include office buildings, apartment complexes and the new Massey Hall." The new hall was to be located in that general area as part of the project. Along with that went the promise of the railways to build a completely new transportation terminal for Toronto for next to nothing. I just mention that in passing.

If you read the newspapers, listen to television or the radio, you get the impression that it is just the federal government that is hampering the proper growth of transit services for commuters in Toronto. This, of course, is part of the Ontario government's tactic. They are in a very precarious position in the legislature, being attacked on all sides. They will use any ruse or argument for political gain. I suppose we have to understand their predicament, but we do not have to condone it.

● (1740)

It has been suggested, perhaps by the Minister of Transport and others, that a certain amount of the money which the Department of Transport allocates to each province for such things as grade separation, railway relocation, and other normal statutory expenditures is used for other things. The minister says to Ontario, "Here is your money, this is what you are going to get." Ontario does not have to apply that to grade separations or railway relocations, whether it be in Niagara Falls, and I know there is a project contemplated there, or in Sudbury. If it prefers to apply the money to improve commuter services in and around Toronto, it has that flexibility. That is very generous of the minister. However, he should not tell his colleagues and this House that that would constitute some discharging of our responsibility with regard to assistance to urban and commuter transit. These are ongoing statutory problems that have nothing whatsoever to do with the promises made in 1974.

My colleague, the hon. member for Scarborough West (Mr. Martin), who is in the House today, has done a lot of work, together with the hon. member for Scarborough East (Mr. O'Connell) on the problem of grade separations. I am sure he will correct me if I am wrong. However, $20 million to $30 million could be spent on this one portion in the east end of metropolitan Toronto, the borough of Scarborough, to eliminate the grade separations. It is not really good form for the minister to say this is Ontario's money under statutory programs, but they can use it for commuter services and we will count that as discharging our promises to commuter transit. That argument just does not wash with me.

I am not issuing ultimatums but, like my colleague from Halton, there are some general requirements that I would like to see met by the government. My support for this bill is somewhat contingent upon their being met. I wish to reiterate them briefly.

First, any federal financial assistance in the fields of urban or commuter transit must exclusively involve Canadian made systems and equipment. We have a pretty good record in this area. Hawker Siddeley of Thunder Bay have a world-wide reputation for making high speed, efficient, light subway trains. General Motors of Canada make most of the buses used by municipal transit systems. I believe they are built in London, Ontario. I am not sure whether the Western Flyer Company is still operating. In any event, they have received considerable orders from municipal transit systems over the past few years.

Second, all federal financial assistance must be allocated within specific time parameters. I touched on this earlier. The federal government cannot get itself into another open-ended spending program. It cannot just write a blank cheque for the provinces and municipalities to go on spending willy-nilly.

This has been done with very good intentions over the past ten or 20 years. We found that the provinces have not been responsible with the federal government's money. As I mentioned earlier, this was one of the main arguments for putting ceilings on medicare expenditures and the negotiation last November with the provinces to give them some of the tax points in return for them operating exclusively the medicare system. The federal financial commitments would not be forthcoming. They would get the money and spend it.

Mr. Leggatt: Mr. Speaker, will the hon. member permit a question at this time?

Mr. Collenette: Mr. Speaker, the hon. member for New Westminster (Mr. Leggatt) is always kind and generous. With that kind and generous spirit, I am sure he will recognize that the hour is fast approaching six o'clock. There are other points I would like to make. If the hon. member will take the matter up with me privately, I will be very pleased to answer his questions.

Third, all federal financial assistance given to either Canadian Crown corporations and provincial or municipal transportation systems must receive full credit as an initiative made by the government of Canada. This cannot be regarded as a petty argument.

When dealing with provinces which routinely break faith in federal-provincial agreements it is absolutely necessary that the taxpayers of this country know which particular level of government is granting tax dollars in the field of urban transit, commuter transit, or whatever it may be. Too often moneys are given to the provinces, whether it be 25 per cent, 50 per cent or whatever, and the federal assistance is not acknowledged. Canadians should be informed that this is an initiative taken by the parliament of Canada.

There are other stipulations or suggestions I would make. Stipulations is a very pejorative term, of course. I will say suggestions. Federal financial assistance to urban or commuter transit should pay for capital costs only, not operating costs. This is very important.

Finally, I would propose a re-adjustment of the formula outlined in June, 1974. I mentioned it earlier—25 per cent toward the cost of urban vehicles and 100 per cent toward the cost of commuter vehicles. We should reduce the percentages somewhat.

If we are getting into a period of fixed funding for three or five years, we should scale down the original commitment. However, we should make some commitment. We cannot ignore the promise of assistance to urban and commuter transit acquisitions for municipalities or provinces. It cannot be completely ignored.

I would suggest 10 per cent toward the cost of urban vehicles, 25 per cent toward the cost of commuter vehicles, and 10 per cent toward the cost of new stations and platforms forming part of any commuter system. This is a reasonable compromise.

It was mentioned earlier that we do not have the money to expand urban systems. In the absolute sense that is true, because we are engaged in a period of restraint. However, there is a lot of money for a lot of other programs. I am not talking about those outside the Department of Transport. I would be loath to start chopping at other areas of government expenditures, certainly those I am not as familiar with as transport.

Having been a member of the Transport Committee since my election in 1974, it strikes me that an awful lot of the department's budget could bear further scrutiny. It was only a year and a half or two years ago that the government was prepared to spend $400 million on the Pickering airport. We know that figure was completely unrealistic in light of the final costs of Mirabel, which is rumoured to have cost more than $1 billion. We cannot get a straight figure on how much it costs.

In any event, the government was prepared to spend hundreds of millions of dollars on an airport that had not been fully justified. Sure, it was justified, I believe, by the Gibson inquiry, but many other critics have suggested that the building of a second airport in Toronto would be folly. Nevertheless, money was available at one time.

• (1750)

Money has been available to buy grain cars for the west. I do not want my colleagues from the west to take offence. I realize the government is in a bind. For decades governments in this country have failed to solve the basic problem posed by freight rate levels in western Canada. The railways cannot make a dollar hauling grain. The CP is a private company and I suppose it ought to make a profit. CN is not, but we want CN to make a profit if possible. And we have not been able to do anything but say, "We shall give you the money to buy hopper cars." However, in a rational transportation system the federal government would not be called upon to subsidize the means of conveying goods. These would be provided by the companies themselves.

This brings us to the question of fair tariffs, of fair freight rates, as well as a lot of questions affecting regional development. I know the minister is trying to tackle this aspect. I have been very critical of the government this afternoon but I should like to pay tribute to the minister. I do not agree with

him all the time. I know he has received some abuse this afternoon, and I am sure he has received abuse from his own colleagues from time to time. But he has devoted all his considerable mental powers to trying to rationalize the transportation system. I am not saying he has all the answers, but we have to give him credit for trying. For so long, successive governments have really been content to patch up the transportation system.

Where else is money available? I am sure that if I spent a few days, or a few weeks, looking over the transportation budget I could come up with lots more money. There is one example which comes to mind easily and which I see every week when I fly back to Toronto. It is the five or six storey parking garage at Terminal Two. Someone has told me that this is costing $127.5 million, complete with infrastructure of roads and so on. That was just the initial cost, I was told; the final cost will be much higher than that. I think the minister would say it is costing only $40 million. I contend this is quite a large sum when we are thinking in terms of the $50 million mentioned by my hon. friend from Halton.

For too long this government and other governments before it have developed the air system in this country to the exclusion of all others. I agree that air travel is a force for national unity but we have the most highly subsidized, the most expensive airport system in the world. We built Mirabel. Mirabel, according to the minister, is the first airport which will be paid for by a revolving fund through user charges. I suppose this is the user-pay concept.

We have built Terminal One and Terminal Two in Toronto. I see the hon. member for Edmonton Centre (Mr. Paproski) in his place. We have built a fantastic airport in Edmonton. I was there last year. My God, when people from Alberta talk about neglect on the part of the federal government they should go to Edmonton Airport and see what the federal government has done for them. It is scandalous the expenditure which has been made there. And I am sure it is not even needed. Now I hear there is going to be further expansion in Calgary. So there is money available. All that is required is a reallocation of priorities.

I only have three or four minutes left, Mr. Speaker, and I really did want to talk about the rail passenger system. It is particularly appropriate I should do so in the light of the announcement made by the minister in Vancouver this week. I was one who supported the former minister of transport, Mr. Marchand, when he called for the creation of a public Canadian railway passenger corporation which would operate the services now operated by both railroads. I believe this is a forward step. I suppose that what the minister is proposing to do is to give directions to the Canadian Transport Commission to allow certain passenger services in this country to be phased out and replaced by limousines or bus services, the 80 per cent subsidy now paid under the National Transportation Act to be saved, and the money—I suppose it would be around $200 million a year—to form the basis of capital for the Via Canada system. I think there are good arguments in favour of this as long as we do not cut off services to the cities. It doesn't make any sense to run railway services to some of the smaller points in western Canada—

The Acting Speaker (Mr. Turner): Order, I regret to interrupt the hon. member but the time allotted to him has expired.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I am pleased to join in this debate. I am particularly interested in seeing the rag-tag group across the way calling themselves government supporters. As some of them know, they have been invited to come down and witness for themselves the congestion affecting public transport in Toronto on Monday, March 14, and I sincerely hope that in addition to standing up in the House and guardedly criticizing the government they will turn up on Monday morning, March 14, and start making some of the statements they have been making here today to the press as to how incompetent the government has been with respect to urban transit.

Some hon. Members: Hear, hear!

Mr. Stevens: I personnally invite not only those members opposite but the Prime Minister (Mr. Trudeau), the Minister of Finance (Mr. Macdonald), and the Minister of Transport (Mr. Lang) to turn up and witness at first hand the congestion the government is leaving the commuter in the Toronto area to experience day in and day out. There are working people, the people who are paying the taxes which the federal treasury is mis-spending.

Perhaps I might continue later, Mr. Speaker.

ROUTINE PROCEEDINGS

[*English*]

TV AND RADIO BROADCASTING OF PARLIAMENT

CONCURRENCE IN FIRST REPORT OF SPECIAL COMMITTEE

Mr. Goodale: On a point of order, Mr. Speaker, following discussions this afternoon among representatives of all parties and, as well, with the independent member for Moncton (Mr. Jones), I would seek the unanimous consent of the House to deal with the report tabled earlier today from the Special Committee appointed to supervise the implementation of radio and television broadcasting of the proceedings of the House of Commons and its committees. In the first instance, Mr. Speaker, I would seek consent to revert to motions, and I would then ask unanimous consent of the House to move a motion seeking concurrence in that report.

The Acting Speaker (Mr. Turner): Does the parliamentary secretary have unanimous consent to revert to motions?

Some hon. Members: Agreed.

Mr. Goodale: Thank you, Mr. Speaker. I would then seek unanimous consent to move a motion.

Report of Committee

The Acting Speaker (Mr. Turner): Does the hon. parliamentary secretary have unanimous consent to move a motion?

Some hon. Members: Agreed.

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I should point out that my hon. friend from Halton-Wentworth had intended to second the motion, but I do not see him in the House at the moment. Therefore I move, seconded by the hon. member for Hamilton Mountain (Mr. MacFarlane):

That the first report of the Special Committee appointed to supervise the implementation of radio and television broadcasting of proceedings of the House and its committees, presented earlier this day, be concurred in.

Motion agreed to.

At 6.02 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, March 3, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

ATOMIC ENERGY OF CANADA LIMITED

PROPOSED JUDICIAL INQUIRY INTO PAYMENT OF AGENT'S FEES TO MR. EISENBERG—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, it has been reported in the news today that the vice-president of the Korea Electric Corporation, the purchaser of the CANDU reactor has said that no agent was used in the sale of the reactor and that the Korea Electric Corporation was specifically instructed by the government of Korea to deal directly with Atomic Energy of Canada, Limited, and the company had in fact complied with these instructions.

Considering that this assertion flatly contradicts testimony that has been presented both by a minister of the Crown and by AECL officials who have contended that not only was an agent essential but also that one was used at a fee of over $18 million, I therefore move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the government order a full judicial inquiry with powers provided by the Inquiries Act to investigate all the circumstances related to the payment of commissions to Mr. Shaul Eisenberg by EACL.

Mr. Speaker: Such a motion under Standing Order 43 can be presented for debate only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

TRANSPORT

SUGGESTED COMMITTEE STUDY OF INCREASE IN TOLLS ON ST. LAWRENCE SEAWAY—MOTION UNDER S.O. 43

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I rise under the provisions of Standing Order 43 to move a motion on a matter of urgent and pressing necessity. Whereas, the unilateral action taken by the Minister of Transport (Mr. Lang) to increase the St. Lawrence seaway tolls will seriously and adversely affect our export trade, Canada-United States relations, primary and secondary industries including therein steel, agriculture and coal, to name a few, and will inflict severe irreparable economic hardship on the city of Hamilton and district and over all will increase unemployment.

And whereas, at least the provinces of Ontario, Alberta, Manitoba, Saskatchewan and the Canadian Chamber of Commerce, the Canadian Federation of Agriculture, the Canadian Labour Congress and the Canadian Seafarers' International Union and many others are unilaterally opposed to any increase in tolls. I move, seconded by the hon. member for Halton-Wentworth (Mr. Kempling):

That the issues of the St. Lawrence seaway and financial implications related thereto be referred to the Standing Committee on Transport and Communications for the purposes of identifying the number of direct and indirect economic inter-relationships that exist with respect to the usage of the seaway and further determining whether the raising of tolls is in the best interests of Canada and until a report from the said committee is tabled and reviewed that no further action be taken to introduce a new tariff of tolls.

● (1410)

Mr. Speaker: Order, please. Standing Order 43 permits the presentation of such motion for debate only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

USE OF DOLLAR ITEMS IN ESTIMATES RATHER THAN LEGISLATION—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I ask leave, under Standing Order 43, to present a motion dealing with a matter which many of us feel is of considerable urgency. It came to light yesterday, when the supplementary estimates were tabled, that the Minister of Transport (Mr. Lang) proposes to deal with Via Rail Canada and the indebtedness of the St. Lawrence Seaway Authority, not with ordinary bills which go through all stages, but by the device of a dollar item in the estimates.

Some hon. Members: Shame!

Mr. Knowles (Winnipeg North Centre): It also came out that of the 11 items in the estimates under the name of the Minister of Transport, ten are dollar items.

Mr. Baker (Grenville-Carleton): The minister is afraid to face parliament.

Some hon. Members: Shame!

Mr. Knowles (Winnipeg North Centre): I therefore move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House calls on the Minister of Transport to present to parliament separate bills dealing with Via Rail Canada and with the indebtedness of the St. Lawrence Seaway Authority, instead of curtailing the right of parliament to discuss these important issues by using the device of dollar items in the supplementary estimates, it being the view of this House that for one minister to propose eleven supplementary estimates, ten of them as dollar items, is a flagrant violation of the rights of this House.

Mr. Speaker: Order, please. Pursuant to Standing Order 43 such motion can be presented for debate only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ESTABLISHMENT OF COMMITTEE TO EXAMINE AREAS AFFECTED BY WITHDRAWAL OF FUNDS FOR URBAN TRANSIT—MOTION UNDER S.O. 43

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, I rise on a matter of urgent and pressing necessity regarding the funding of urban transit in the Toronto-Oakville-Milton-Burlington and Hamilton corridor. Under the provisions of Standing Order 43 I move, seconded by the hon. member for Hamilton West (Mr. Alexander):

That this House urges the government to establish a special committee of the House of Commons, to examine the urban transit areas that will be affected by the withdrawal of the $290 million of federal funds recently announced by the Minister of Finance, and, further, that the committee be empowered to examine the $45.1 billion of spending estimates presently before the House with a view to finding $290 million which could be diverted from other projects to urban transit.

Mr. Baker (Grenville-Carleton): The money could be diverted from the minister's salary.

Mr. Speaker: Order, please. Pursuant to the Standing Order such motion can only be presented with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

HER MAJESTY THE QUEEN

REASON FOR CURTAILMENT OF FORTHCOMING VISIT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I rise for the purpose of directing a serious question to the Prime Minister. It has to do with sovereignty, but not the sovereignty of the people as established yesterday in Saskatchewan.

Some hon. Members: Hear, hear!

[Mr. Knowles (Winnipeg North Centre).]

Mr. Diefenbaker: When Her Majesty was in Kingston during the Olympics, she indicated that she wanted to visit Canada and would spend some time here in the various provinces. She is to spend three weeks in New Zealand and four in Australia. I ask the Prime Minister why, if press reports are correct, she is being limited in Canada to four days in the Ottawa-Hull area? As part of my question I also ask why nothing was done following the statement the Premier of Ontario, made on January 12, that he was inviting the Queen to come to various areas of Ontario? Is the Prime Minister taking the stand now that she should be denied the right to see her Canadian subjects in a way that would enable her thereby to realize the affection in which she is held?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe the right hon. gentleman made some mention in his introduction about the Queen expressing the desire and the wish to be in Canada for a few weeks. She certainly has not expressed such a wish to me, Mr. Speaker. Therefore, that is something that is completely false. In so far as her desire to be seen by her Canadian subjects, I would point out that she has been in every part of Canada—except Newfoundland, but every province and territory—at least once and in many cases several times in the past nine years. Certainly, she has come to Canada more often and more regularly since this government has been in power than at any other time.

Some hon. Members: Hear, hear!

Mr. Trudeau: Her Majesty came under Mr. Pearson's government in 1967 for the Centennial. She came for a provincial centennial in 1969. She came for another centennial in 1970, which is two. She came for another centennial in 1971, which is three. She came twice in 1973, once for the Commonwealth and once, I believe, for another centennial, that of Prince Edward Island, which is five. She came again in 1976 for the Olympics, which is six. She will be coming in 1977, which is seven. She is supposed to come in 1978 for the Edmonton Games, which is eight times in ten years. I do not think the right hon. member should be concerned about Her Majesty not being seen by Canadians.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Does the Prime Minister not realize that she was here for five or six weeks during the period of my administration? Having given this recital, does he indicate she is in Canada among her own people as Queen of Canada too often? Is that what he means?

Some hon. Members: Shame.

Mr. Diefenbaker: Does this indicate that the Prime Minister a year ago meant what he said that when the constitution came back to Canada we would determine whether we should have the monarchy and he would name the first president of Canada in the person of Jules Leger. That was his speech made in March one year ago. Is he going to deny to the premier of Ontario and to other premiers the right to have Her Majesty in their provinces? Let us get to the present and find

out what the Prime Minister's plan is and why he takes so arrogant a stand.

Mr. Trudeau: Mr. Speaker, as far as the premier of Ontario is concerned, it is true he made a suggestion to me that Her Majesty stay longer in Canada and pay a visit to Ontario. I would remind the hon. member, as I did the premier of Ontario, that when she came for the Olympics last year, Her Majesty also visited Ontario. The one province that has not been visited in recent years is Newfoundland. I would think that they have a claim on a visit by Her Majesty before Ontario. It would be our plan to suggest that that visit take place when Her Majesty returns for the Commonwealth Games. It is still believed by a lot of people that Ottawa is a part of Ontario and that Ottawa is the capital of Canada. We feel this is a good way to show to Her Majesty that her visit to Canada on the occasion of her twenty-fifth anniversary is a pleasure to all Canadians including the right hon. member. By insisting that Her Majesty had been here for five or six weeks during his time, is he insinuating that she was here for too long during that visit?

Some hon. Members: Hear, hear!

● (1420)

Mr. Diefenbaker: Let us get away from his evasion.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: I ask him whether, if the premier of Newfoundland would like to have the Queen there, a visit would be permitted? I ask him as well whether he told the premier of Ontario that he did not feel it would be good for the country at this time to have the Queen on a visit?

Mr. Trudeau: No, Mr. Speaker. That is an untruth of the grossest sort such as sometimes one expects on this subject from the right hon. gentleman.

Some hon. Members: Hear, hear!

* * *

ATOMIC ENERGY OF CANADA LIMITED

SUGGESTED SUSPENSION OF AGENT'S FEES TO MR. EISENBERG—STATEMENT BY ENERGY MINISTER ON USE OF AGENT IN SALE OF REACTOR TO KOREA

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, in the absence of the Minister of Energy, Mines and Resources, I would direct a serious question to the Minister of Finance. In the light of the statement by the vice president of the Korea Electric Corporation, reported today, with reference to the sale of the CANDU reactor to that country that "We have used no agents; it was not necessary", will the minister undertake that all payments due to Mr. Shaul Eisenberg or to his company in connection with the sale be suspended immediately until the Public Accounts Committee is fully satisfied that Mr. Eisenberg actually performed the services he has claimed?

Hon. Donald S. Macdonald (Minister of Finance): The obligation lies between Atomic Energy of Canada Limited and the gentleman, or the company, named. I would be prepared to pass on to my colleague, the Minister of Energy, Mines and Resources, the representation made by the leader of the New Democratic Party for his advice, and, in turn, to AECL in this regard.

Mr. Broadbent: I suggest that the cabinet as a whole has the major responsibility in this area and that it cannot be shuffled off in that facile way. On January 27, in reply to a question by myself, the hon. gentleman's colleague stated in the House:

An agent in this kind of transaction is a very important part of securing the transaction. I am told that competition in South Korea for a reactor was vicious.

Would the minister consider that statement made by his colleague in the House and compare it with the following statement by the vice-president of the Korea Electric Corporation which purchased the reactor:

After all, AECL had no competitor at the time and no agent was involved. All negociation was directly with AECL and all correspondence was directly between AECL and Korea Electric.

Given the evident contradiction between these two statements, one made by a Minister of the Crown in the House and the other by the vice-president of the Korean corporation involved, I would ask the Minister of Finance, having regard to his past connection with this matter, whether he stands by the claim made by his colleague when he made the statement, on January 27, which I have just quoted?

Mr. Macdonald (Rosedale): Yes, that was certainly the advice we had from the corporation at the time—quite to the contrary there was competition for the reactor with one, if not both, of the United States electrical manufacturing companies.

REQUEST FOR JUDICIAL INQUIRY INTO PAYMENT OF AGENT'S FEES TO MR. EISENBERG

Mr. Edward Broadbent (Oshawa-Whitby): A final supplementary, Mr. Speaker, which I will address to the Prime Minister. Considering that the public accounts committee, in part because of the rules established by this House, has been unable to sort out the wheat from the chaff in this very important matter, and considering that today we have had provided a statement by the vice-president of the corporation in Korea that bought the nuclear reactor which flatly contradicts testimony of AECL officials and also flatly contradicts the statement made in this House by a minister of the Crown, would the Prime Minister undertake to set up a full public judicial inquiry into this whole matter?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I would certainly want to look into the subject matter raised by the hon. gentleman and particularly try to ascertain what exactly was said by the Korean gentleman. For my part, if there is a contradiction between the two I will try to ascertain how that can be; but from the point of view of the leader of the New Democratic Party I would say that it seems to me that his choice is very simple. He has not shown that he has very

great trust in the Koreans and he has been asking us not to sell our reactor to them. Therefore, if he is forced to this choice, I suppose he would be forced to admit that ministers are more trustworthy than the persons concerned.

PROPOSED CANCELLATION OF MR. EISENBERG'S AGENCY CONTRACT

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, I have a supplementary question on this matter which I would also direct to the Prime Minister. Because AECL has retained Shaul Eisenberg and the UDI group of companies of Israel to be the exclusive agents for the sale of a second CANDU reactor to Korea, and in view of what is reported in today's Toronto *Daily Star* in direct quotes by Mr. Sung Nack Chung, vice-president of Korea Electric, to the effect that Korean government policy is not to use any commercial agent and that in fact one was not used in the sale of the first CANDU reactor, would the Prime Minister take it upon himself either to cancel or to consider cancelling the contractual business relationship which now exists between AECL and the Eisenberg group of companies, especially for the sale of the next CANDU reactor in Korea?

Right Hon. P. E. Trudeau (Prime Minister): It would seem to me, Mr. Speaker, that this question can only be answered in the way I answered the question of the leader of the New Democratic Party. We have an allegation in a quote in a newspaper of some gentleman whom I am sure none of us in this House has ever heard of before. I would at least have to find out a little more about this before in any way doubting that officials of AECL or a minister of this government have not told the exact facts as they know them to be. I will look into the matter.

* * *

[*Translation*]

INDUSTRY

PROPOSED AMENDMENT OF LEGISLATION TO INCLUDE SHOES UNDER TEXTILE AND CLOTHING COMMISSION

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I should like to put a question to the Minister of Industry, Trade and Commerce.

Recently the minister received a long brief from the Canadian Footwear Manufacturers Association indicating, among other things, that 55 per cent of the Canadian footwear market is supplied by imports, increasing unemployment insurance applicants by 25,000 workers from one of the oldest industries in Canada. Does the minister intend to amend the Textile and Clothing Board Act so that the footwear industry can be included in its jurisdiction with a view to imposing quantitative restrictions to imports and, if not, what does he intend to do to avoid the bankruptcy of that important Canadian industry?

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I looked into the possibility of bringing the problem of the footwear industry under the umbrella of the Textile and Clothing Board, but that would require the adoption of a new act. Having discussed the matter with the industry, we agreed to refer the matter to the Anti-dumping Board in such a way that the latter can give priority to a study of the problem and make recommendations to the government. That proposal was made to the industry some ten days ago. Since then, I have been in touch with my colleague, the Minister of Finance, who guaranteed his cooperation and that of the Anti-dumping Board with a view to finding a solution to the problem as soon as possible.

* * *

[*English*]

ATOMIC ENERGY OF CANADA LIMITED

STEPS TO ENSURE DOCUMENTATION FOR PAYMENT OF AGENT'S FEE TO MR. EISENBERG

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is supplementary to the earlier questions directed to the Prime Minister. Now that the vice president of Korea Electric Company has cast doubt on the active role of Shaul Eisenberg as an agent in the sale of a nuclear power plant to South Korea, and in view of the fact that the former president and the current president of AECL both testified before the Standing Committee on Public Accounts that Mr. Eisenberg is worth every cent of the $18 million fee, a sentiment that was endorsed by the Minister of Energy, Mines and Resources, will the Prime Minister say what further steps the government is prepared to take to ensure that full documentation to support that $18 million payment in public funds is provided for the Public Accounts Committee and for the House at this time?

● (1430)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we will try to ascertain whether the quotes were accurate and what exactly was said by the gentlemen, and if there is indeed a contradiction between the two positions, I will see what further action can be taken in order to comply with the lady's concern.

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ROYAL CANADIAN MOUNTED POLICE

REASON FOR FAILURE OF FORCE TO OBTAIN INFORMATION ON USE OF AGENTS IN SALE OF NUCLEAR REACTORS

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Solicitor General. I should like to ask the minister why it is, given the fact that the Prime Minister, the Minister of Energy, Mines and Resources and indeed all members of the government have said many times they want to get to the bottom of the case and the RCMP was asked to investigate it, a reporter from a newspaper can go to Korea and get this sort of information while the RCMP was not able to get it and lay it before the Public Accounts Committee?

Hon. Francis Fox (Solicitor General): The investigation by the RCMP into the question which was referred to by the Department of Justice is an ongoing investigative matter.

Mr. Gillies: I should like to ask the Solicitor General if he does not think that by this time, when we have these sorts of reports coming in from reporters, the RCMP should at least have such reports. Can he tell the House when he will report to the House or to the Public Accounts Committee on that investigation?

Mr. Fox: Investigations carried out by the RCMP pertain to matters relating to the criminal law. If there is any evidence of a criminal offence committed in this country by Canadian citizens which can be brought to the attention of Canadian courts, the investigation will proceed in the normal fashion and charges will be laid in the normal course.

* * *

NATIONAL DEFENCE

ALLEGATIONS OF PAY-OFFS BY BOEING—REQUEST FOR REPORT ON INVESTIGATION

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of National Defence. Last night the minister was asked about reports that the U.S. Securities and Exchange Commission, in its investigation of the Boeing Company for alleged pay-offs to officials of foreign governments and foreign airlines, was examining Boeing sales made to Canada in 1970-71. The minister said that he would be discussing this matter this morning with his Assistant Deputy Minister, Materiel, and the Minister of Supply and Services. Can the minister tell the House what the outcome of this discussion was, whether he feels there should be any further investigation and whether he has requested more information from the Securities and Exchange Commission?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, I have to get more information on the basis of the reports which the Securities and Exchange Commission has. Until there is evidence of impropriety, there is no point in holding a full scale investigation. In the interim, however, my officials are making the files secure so that they are available and all evidence of people who were involved at that time is collected so that, in the event of an inquiry, all necessary information will be ready and available.

Mr. McKinnon: May I point out that the minister did not answer my final question, whether he would request more information from the Securities and Exchange Commission.

AIR CANADA

ALLEGATIONS OF IMPROPER PAYMENTS TO COMPANY BY BOEING—GOVERNMENT ACTION

Mr. Allan B. McKinnon (Victoria): I should like to direct my supplementary question to the Minister of Transport. Will the minister tell the House what action, if any, he has taken or is taking with respect to the allegations that Boeing may have made improper payments to facilitate the sales of its planes to Air Canada during the period 1968 to 1974?

Hon. Otto E. Lang (Minister of Transport): Air Canada took action immediately upon hearing the allegations to determine if there appeared to be any connection between the allegations and anyone connected with Air Canada. So far, that investigation indicates that there is no such connection. Of course, we will jointly want to seek whatever other information may be available beyond what has been obtained up to this point.

* * *

TOURISM

MEASURES TO STIMULATE INTERNATIONAL TRAVEL

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce, if he would be so good as to return to his seat.

Mr. Trudeau: Don't be so pompous, George.

An hon. Member: Vite, vite, vite.

Mr. Hees: As this country had a record deficit in international travel last year amounting to $1.25 billion, despite the fact that we hosted the 1976 Olympics, by far the greatest tourist attraction anywhere in the world last year, would the minister take the first opportunity on motions to outline to the House just what he and his department intend to do to restore international travel to a positive basis in this country?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, in December last year I held a federal-provincial conference on that matter with all provincial ministers responsible for tourism. We discussed that very serious problem which resulted in a considerable debit balance for tourism. We have yet to find a practical solution. Of course, it would be hard these days to deny Canadians the possibility of getting a bit of sun in Florida. Unfortunately I have been told that the weather this winter was not particularly favourable in that region, so I hope it will be better next year. I am convinced that many Americans will come to visit us with great pleasure.

[*English*]

Mr. Hees: Mr. Speaker, that was about the weakest answer I have ever heard in the House.

Some hon. Members: Hear, hear!

Mr. Hees: As we rely completely on the weather, on the grace of God and on a few other things to restore things to the proper level, I ask the minister whether he would not agree that Canada has a tremendous number of attractions to bring people here to this country to spend their tourist dollars, and would he therefore not take some positive action to advertise throughout the world and in other ways make it possible for Canada to have a positive balance in this important field?

[*Translation*]

Mr. Chrétien: Mr. Speaker, as a matter of fact we have an advertisement program in the United States and elsewhere to invite tourists to visit Canada. We are doing a lot of advertising in the United States, in England and in various other countries. However no one can deny that the tourist season in Canada is much shorter than in other countries and since Canadian citizens are even more wealthy because of the good administration of this government, an increasing number of them can afford to go to California or Florida.

[*English*]

Mr. Hees: Would he mind substituting action for mere words.

* * *

[*Translation*]

NATIONAL CAPITAL COMMISSION

PARTICIPATION OF QUEBEC IN COST OF HIGHWAY NETWORK FOR THE REGION

Mr. Thomas H. Lefebvre (Pontiac): Mr. Speaker, my question is for the Minister of State for Urban Affairs, who is also in charge of the National Capital Commission.

As the dispute over contracts for the construction of a regional sewage treatment plant in western Quebec seems on its way to settlement, could the minister tell the House whether the government of Quebec intends to go on sharing with the NCC the cost of improvements to the national capital highway network so that users would at least be provided with adequate and modern highways?

Hon. André Ouellet (Minister of State for Urban Affairs): Mr. Speaker, I wish to thank the hon. member for having given me notice of this question, which allowed me to check this whole issue with the NCC authorities. I learned that in fact a letter had been sent to the Quebec intergovernmental affairs department in early January, 1977 informing Quebec authorities that some $12 million were made available by the federal government for the improvement of the highway network in western Quebec. As we know, according to a federal-provincial agreement of some $300 million, the federal government is prepared to pay 50 per cent of the bill for upgrading this road system. However, we have not yet received any answer from this good and true government.

• (1440)

[*English*]

PLANS FOR COMPLETION OF OTTAWA RIVER PARKWAY— REQUEST FOR REPORT

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I have a supplementary question to the same minister. In view of the importance of roads, which was mentioned by the hon. member who just resumed his seat, and in view of the importance of the quality of life, the movement of traffic and the general enhancement of the national capital, would the minister look into reactivating plans for the completion of the National Capital Commission parkway along the Ottawa River? I understand the engineering has been completed and this parkway is important to the development of facilities at the corner of Baseline Road and Woodroffe Avenue in the Township of Nepean.

Mr. Speaker: Order, please. The hon. member for Nickel Belt.

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PUBLIC SERVICE

PROPOSED GOVERNMENT TEMPORARY HELP AGENCY— PROTECTION OF RIGHTS OF TEMPORARY EMPLOYEES— ONTARIO "GO TEMPORARY" PROGRAM

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, my question is for the President of the Treasury Board. In view of the fact that the use of temporary help in government departments supplied by private employment agencies does not involve man-year authorization, and in view of the fact that estimates suggest that millions of dollars could be saved for Canadian taxpayers if the government would put into operation its own temporary help agency, can the minister tell the House if he is now prepared to go ahead with plans for a temporary help agency under the auspices of the Public Service Commission?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, the answer to that at the present time is no. There are certain cost benefit analyses which indicate it is not the wisest decision to make. There still is a possibility, but at the present time we are not entertaining any ideas that we proceed on that basis.

Mr. Rodriguez: Mr. Speaker, in view of the fact that people hired through private agencies get only one-half to two-thirds of the amount the government pays for them, compared with 95 per cent under the Ontario government's Go Temporary program, and in view of the fact that employees under the Ontario program have the right to compete for jobs in the civil service, unlike those hired through temporary help agencies, and in view of the fact that section 41 of the International Labour Code calls for the elimination of profit-making, fee-charging employment agencies, would the minister at least tell the House what steps his department is considering to protect the interests of people the government hires through these private employment agencies?

Mr. Andras: Mr. Speaker, all those factors were taken into consideration in the examinations which led to the decision not to proceed at this time. Private agencies are legitimate businesses. There are certain circumstances under which they obviously must charge in excess of the amount the employee gets in order to cover overhead costs and administrative costs. This is a stand-by service which is available on occasions when it is needed by the government and by other employers, so on balance at the present time the decision seems to be reasonable.

Mr. Rodriguez: Mr. Speaker, in view of what the minister has said it is fairly obvious that his officials have been snowed by private temporary agencies. Is the minister at least prepared to look at the Go Temporary program in the province of Ontario to see if the same kind of savings which were made there could also be made at the federal level?

Mr. Andras: Mr. Speaker, we have looked at the Go Temporary operation of the Ontario government, and if I could dig a little bit below the surface I would be glad to elaborate on that when I have an occasion to go into detail. It is not the rosy picture the hon. member portrays.

* * *

FINANCE

ALLEGED PROMISE OF FINANCING FOR EDMONTON SUBWAY SYSTEM—GOVERNMENT POSITION

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is to the Minister of Finance. On Friday last I asked him a question with regard to the rejection or the repudiation by the government of the 1974 electoral promise about $290 million for modern urban transit. At that time I asked him about Edmonton in particular, and the minister replied that he would have to look into this matter for greater precision. Is he now in a position to indicate his stand with regard to the undertakings given to authorities in the city of Edmonton?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I have to apologize to the hon. gentleman. I do not yet have the information at hand. I will make a point of finding out overnight, and I will be glad to respond tomorrow.

* * *

TRANSPORT

ST. LAWRENCE SEAWAY TOLL INCREASES—POSSIBILITY OF COMMITMENT FROM UNITED STATES

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Minister of Transport. How firm a commitment is there from the United States on the proposed St. Lawrence Seaway toll increases, and where did that commitment come from?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, as the announcement yesterday indicated, the question of arranging these increases by agreement is a matter of negotiation, so it is not a matter at this point of talking about a commitment.

* * *

[*Translation*]

THE CONSTITUTION

ALLEGED STATEMENT OF MEMBER ON DISTRIBUTION OF POWERS—POSITION OF GOVERNMENT

Mr. Roch La Salle (Joliette): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister.

Last Monday the hon. member for Montmorency stated before the Beauport Chamber of Commerce that, given the new autonomist trend expressed quite openly by several provinces, it seemed to him very plausible that matters such as communications, culture, immigration, urban affairs, manpower, social policy and agriculture could become exclusive provincial jurisdictional matters, I would like to ask the Prime Minister whether he himself and his government fully endorse the intentions or views expressed by the member, and whether he spoke on his own behalf or on behalf of the party?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as I said, the government I am leading, with the support of the hon. member for Montmorency and many others, is prepared to re-open the constitutional debate on that matter by starting off back at square one. If the opposition parties are really interested in discussing that matter, I shall be very glad to re-open the debate. I should like simply to repeat to the hon. member that in the last seven or eight years my government has made several proposals designed to set up a new power sharing, taking part in a debate on the Senate, the Supreme Court, the spending power, guaranteed cultural and language rights for Quebecers, constitutional guarantee for bilingualism, and many other issues.

I even wrote to the premier of Quebec asking him a very simple question: yes or no, did he want to patriate the constitution or would he rather launch the debate first on the issue of power sharing? Mr. Lévesque has yet to answer me. Apparently Mr. Morin has stated that he was waiting for the reply of the other provinces before giving his. It seems to me, Mr. Speaker, that the Quebec government should know where it is heading in respect of that matter and at least start by answering the letters that it gets.

Mr. La Salle: Mr. Speaker, considering the reply of the Prime Minister, I would like to have a clear answer and know whether the statement made by the hon. member for Montmorency is an indication that the government is prepared to negotiate with the provinces the redistribution of jurisdictions referred to by this hon. member.

Mr. Trudeau: Of course, Mr. Speaker, I said so in Quebec City. The question is which level of government will best meet

the people's needs. These matters can be discussed and government members have their own views. I do not know whether this is also true for the members of the opposition, but we will find out if we have a debate on this.

* * *

[*English*]

FINANCE

VALUE OF CANADIAN DOLLAR—POSSIBILITY OF FURTHER DECLINE—ADEQUACY OF RESERVES OF UNITED STATES FUNDS

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is to the Minister of Finance. With the Canadian dollar having fallen to the 95 cent range, having fallen again to 95.75 cents, while $570 million has been drained from our international reserve fund so far this year, in an attempt to smooth out irregularities in the dollar's fall, would the minister indicate if he feels it is likely the dollar will continue to be under pressure and to fall further, or has he been advised that it will likely stabilize at this level, as it has been reported that the Bank of Canada would like to see it hover in the 96 cent range for at least two or three months?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, as I have indicated repeatedly to the hon. gentleman, it has not been the policy of the government, with a floating exchange rate, to indicate any particular preferred level for the dollar.

Mr. Stevens: Mr. Speaker, with $565 million having been drained from our United States dollar reserves, a 16 per cent drop since December, leaving about $2.8 billion in such reserves, would the minister indicate if he feels our reserves are adequate, bearing in mind that the present Canadian short-term borrowing position in the United States is about $5.4 billion and the estimated working capital alone of U.S. corporate affiliates in this country is about $6 billion?

Mr. Macdonald (Rosedale): Mr. Speaker, I believe I rightly transmit the opinion of the Bank of Canada that the reserves are adequate.

● (1450)

ALLEGED PRESSURE ON PROVINCES TO REFRAIN FROM CONVERTING UNITED STATES DOLLAR PROCEEDS OF DEBT ISSUES

Mr. Sinclair Stevens (York-Simcoe): Is the minister aware that the Bank of Canada has been using moral suasion on the provinces, including Quebec, asking them to refrain from converting United States dollar proceeds from debt issues that they have placed—refrain from converting them into Canadian dollars until the time is ripe and if so, will the minister indicate why it is necessary at the present time?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would be glad to see if there is any truth at all in the hon. member's allegation.

[Mr. Trudeau.]

ACCURACY OF STATISTICS ON PAYMENTS TO QUEBEC—REQUEST FOR STATISTICS ON PAYMENTS TO OTHER PROVINCES

Mr. F. A. Philbrook (Halton): Mr. Speaker, my question is directed to the Minister of Finance. In view of a recent private report which stated that the province of Quebec made a $3 billion profit from confederation last year, and in view of the fact that such statistics seem hard to come by, may I ask the minister if in his opinion this might be accurate and in a spirit of fairness to the province of Quebec, are the corresponding figures available for the other provinces?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, just before I came into the House I had a chance to look briefly at the article to which the hon. member referred. Many of the figures of course are available from currently published figures of the government of Canada, particularly with regard to taxation and public transfers. Some of the figures involved in the account represent judgments by the author of the article as to how certain elements such as value of payrolls and national debt should be divided between the provinces. This is necessarily an arbitrary area and there is great difficulty making the calculation. I would say probably it would not be helpful to attempt to do that for all the provinces. Personally, I look upon Canada as being something more than a good balance sheet from one province to another.

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INQUIRY OF THE MINISTRY

DATE OF ESTABLISHMENT OF SYSTEM TO PROVIDE INFORMATION

Mr. G. W. Baldwin (Peace River): Mr. Speaker, my question for the government House leader follows on some of the earlier questions. I should like to ask the hon. gentleman when he is going to initiate a system of providing information to this country so that we will not have a repetition of the shameful situation today with regard to the CANDU and Boeing matters, when we in this parliament and in this country had to go outside Canada to find out what is going on in the country?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, we provided a reference to the Public Accounts Committee. We have given every possible assistance to the Public Accounts Committee—

Some hon. Members: Oh, oh!

An hon. Member: Shame.

Mr. MacEachen: —in ferreting out information. If the reporters are more skilled, more perceptive and more intelligent than members of the opposition—

Some hon. Members: Shame.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. MacEachen: —that is—

An hon. Member: Fabrication.

Mr. MacEachen: —unfortunate!

An hon. Member: There were Liberals on the committee.

Mr. Clark: Soon Radio Canada will have a Liberal majority, too.

Mr. Speaker: Order, please. The hon. member for Calgary North.

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ROYAL CANADIAN MOUNTED POLICE

POSSIBILITY OF INVESTIGATION OF KICKBACK FROM POLYSAR TO WESTERN COMPANY

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question is for the Solicitor General and follows questions asked by the hon. member for Red Deer yesterday in reference to kickbacks mentioned by Mr. Justice Aylesworth and the president of Polysar. May I ask if an investigation has been started and has the minister instructed his people to find out the name of the company and the people involved in that company who got that rebate in Canada and not overseas? Surely we can investigate that.

Hon. Francis Fox (Solicitor General): Mr. Speaker, I will take note of the question brought to my attention by the hon. member. I was not in the House when the question was raised by the hon. member but to my knowledge there is no such investigation going on.

* * *

INCOME TAX

ALLEGED KICKBACK PAID BY POLYSAR TO WESTERN COMPANY—REQUEST FOR DETAILS OF INVESTIGATION AND REASON FOR SECRECY

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I put a supplementary question to the Minister of National Revenue. Yesterday in answer to a question put by the hon. member for Red Deer in reference to rebates that are questioned and questionable in evidence given in the Public Accounts Committee, she said she would certainly make sure it will be looked into. What investigation is her department carrying on to find out the same of this company, the people involved, and what kind of rebate was paid to a company in western Canada?

[*Translation*]

Hon. Monique Bégin (Minister of National Revenue): Mr. Speaker, I transmitted the text of my answer in the House to the officials of my department. A meeting is scheduled for next week to inform me of the additional procedures which will complete the current investigations. I made sure those investigations were under way.

[*English*]

Mr. Woolliams: A final supplementary, Mr. Speaker. I wonder if the Minister of National Revenue would tell the House and the people of Canada why that company cannot be named in the evidence in the committee and what is behind the secrecy? Why is this covered up?

[*Translation*]

Miss Bégin: Section 231 of the Income Tax Act applies, Mr. Speaker.

* * *

[*English*]

TRANSPORT

BRITISH COLUMBIA RAILWAYS—PROPOSED TAKE-OVER BY CANADIAN NATIONAL—GOVERNMENT POSITION

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question is for the Minister of Transport. Some time ago, I asked him if he could inform us whether he is examining the prospects of allowing the CNR to take over ownership of British Columbia railways. Would the minister be in a position today to enlighten the House and the people of British Columbia, in light of the intensive discussions that have been going on with that government and its officials, whether the federal government through the CNR or any other agency is prepared to participate in the creation of an infrastructure and resource access in northeastern British Columbia? Can he tell us whether the arrangements that have been worked out include the assumption of ownership of some or all the assets of British Columbia railways?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, of course we are very interested in the development of resources in northern British Columbia and are discussing the various possible routes to accomplish that with British Columbians. We have not had discussions, beyond the mere mention of the subject, of any change in the ownership or operation of the British Columbia railroad. The British Columbia government, of course, has created a commission in connection with that railway operation and I imagine anything to be done would await the outcome of that.

Mr. Oberle: Mr. Speaker, a supplementary question. Could I ask the minister under what time frame the officials of his department and other departments of government would be working, particularly in light of the serious economic situation in central northern British Columbia and the rest of Canada? Will it be this year, this month or later?

Mr. Lang: Mr. Speaker, that question is very broad. There are many things going on such as recent development in respect of progress on the northland road agreement in connection with the so-called northeast coal development. There are ongoing discussions with several federal departments and officials of British Columbia and with interested companies. We are looking at all aspects of the question. There is work going on on the ground with relation to the potential route for future

rail development. I could go on but there is a tremendous amount being done.

TRANSFER OF ST. LAWRENCE SEAWAY DEBT—POSSIBLE RESULTANT EXPANSION OF REGIONAL INEQUITIES

Mr. Ron Huntington (Capilano): Mr. Speaker, my question to the Minister of Transport is supplementary to those asked by the hon. member for Halifax yesterday. Could the minister tell the House how the regions which have honoured their interest payments on public investment and which have relatively low debt will be compensated in light of the transfer of debt to equity on the St. Lawrence Seaway? In other words, is the minister not expanding regional inequities by rewarding the big spenders at the expense of those who have been responsible for a good return on investment.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I continue to find it delightful that in the Conservative party there are such distinctively different views on how they handle this particular issue.

An hon. Member: Answer the question.

Mr. Lang: The non-payment of interest was something which was particularly associated with the right hon. gentleman some time ago. What is being done in the proposed restructuring is facing the real situation and making it more realistic in the way it is carried. The interest which was not charged, and therefore was not charged against the goods over the last 20 years, surely should not be charged against the goods of today and into the future. That is the explanation for treating that interest that way.

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HARBOURS

WEST COAST PORTS—EXPECTED RETURN ON EQUITY

Mr. Ron Huntington (Capilano): The minister told the House he would be looking for an equity return on the restructured system. May I ask if he expects only a one per cent return on equity from the port of Vancouver and if so, will surplus earnings from west coast ports remain for the credit and use of those west coast ports?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, in connection with the new port policy a level of return initially around that level is contemplated. I would be pleased to hear further advice from different parts of the House on that.

[Mr. Lang.]

CRIMINAL CODE

POSSIBLE CHANGE IN PROVISIONS CONCERNING MARIJUANA—GOVERNMENT POSITION

Mr. John Gilbert (Broadview): Mr. Speaker, may I put a question to the Minister of Justice? In view of the statement by the attorney general of Ontario yesterday that the federal government has ducked the marijuana issue and as a result the public has been misled into believing that the marijuana laws are being enforced and the federal government has been irresponsible in that it has done nothing about it, is it the intention of the minister to decriminalize marijuana and if so, when?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I note the various remarks the attorney general made in the last 24 hours and his known ability in hockey. I would think that he has been doing some clever stick handling himself on the subject in the last 24 hours.

• (1500)

Mr. Hees: Now let us have an answer, Ron.

Mr. Epp: Is it yes, or no, Ron?

Mr. Basford: Mr. Speaker, the Minister of National Health and Welfare, the Solicitor General and I have been actively considering the position put forward by the Senate some time ago in Bill S-19 and considering in what form the bill should be re-introduced into the House. We are in the process of making recommendations to our colleagues, and will be doing so shortly.

Mr. Gilbert: A supplementary question, Mr. Speaker. Does the Minister of Justice agree with the attorney general of Ontario, that if marijuana is legalized, its sale should be regulated as the sale of liquor is regulated under the Ontario Liquor laws?

Mr. Basford: Mr. Speaker, I would not want—

Mr. Woolliams: To commit yourself.

Mr. Basford: —to comment on what the provincial attorney general suggested, either with respect to the sale and distribution of marijuana or the distribution of liquor, which is clearly within his jurisdiction. As he clearly indicated we shall have to make a decision as to what the provisions of the Narcotic Control Act or the Food and Drugs Act ought to be, and we are now in the process of so doing.

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FOREIGN INVESTMENT REVIEW AGENCY

DECISION ON TAKE-OVER OF JASPER SKY-TRAMS BY BREWSTER

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce. I wonder if the minister can advise the House

if he has received a recommendation from the Foreign Investment Review Agency regarding the proposed take-over of Jasper Sky-Trams by Brewster Transport, a wholly-owned subsidiary of Greyhound of the U.S.A. What was the recommendation of FIRA and what is the policy of the government of Canada concerning the foreign acquisition of facilities in Canadian national parks?

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, the application was rejected this morning.

Mr. Hees: I'll bet it was done five minutes ago, Jean, otherwise you knew you would get hell.

Some hon. Members: Oh, oh!

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baker (Grenville-Carleton): Mr. Speaker, judging by the noise, one would think it was Friday. It being Thursday, may I ask my colleague, the government House leader, what business he proposes for the balance of this week, and can he tell us what will happen next week as far as he can determine?

Mr. MacEachen: Mr. Speaker, today we shall continue debating the amendments to the National Transportation Act. Tomorrow is an allotted day. If today's debate does not conclude, we shall continue it on Monday. Tuesday is to be another allotted day, and on Wednesday I propose to call the report stage and third reading of the amendments to the Social Security Act.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on the same point of order. I assume that when the minister announced Tuesday as an allotted day, he was saying that it is to be so designated. That day has been assigned to our party. Also, may I ask him the question I asked this morning during the House leaders' meeting. He may tell me that I know the answer. Perhaps some day we will get a responsible answer. Where, on his list of items of business, is Bill C-30 having to do with Heritage Day?

Mr. MacEachen: Mr. Speaker, the Heritage Day bill is on the list, but far down because we missed the crucial date for 1977. It will probably be called when there is some understanding amoung the parties that we can deal with it quickly.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, since there is considerable speculation about who stands in the way of the passing of the bill, will the minister call it in an attempt to find out if there is any opposition, because he knows that we want to pass it quickly.

Mr. Woolliams: Mr. Speaker, I rise on a different point of order. I am sure the Minister of National Revenue would not want to leave the wrong impression. I appreciate that anything a company or person includes on an income tax form is confidential, and I am sure the minister, as well as the Solicitor General understood that my questions about rebates and pay-offs involving a western Canadian company had nothing to do with confidentiality under the Income Tax Act. I refer to a short answer given in committee involving a customer who has a subsidiary in western Canada and to whom one of those questionable rebates was paid. I am sure the Minister of National Revenue would not want to hide behind the income tax regulations by suggesting that something questionable and illegal is confidential.

[*Translation*]

Hon. Monique Bégin (Minister of National Revenue): On the same point of order, Mr. Speaker, I should like to insist that Section 241—I may have said 231—of the Income Tax Act deals with the confidentiality of information concerning Canadians' incomes.

I suggest—and I feel that the matter is serious enough to insist on this—that the Minister of National Revenue must see to it that Canadian taxpayers are not deprived of sums of money which belong to the public treasury. It is my duty to demand, in the case of pay-offs, that the instructions issued by my department be strictly enforced, that the names and addresses of all agents as well as the reasons for all expenses be submitted, and that the amounts payable to the Department of National Revenue on these pay-offs be duly paid.

When we have reasons to suspect someone, we carry out an investigation within my department, as provided under the Income Tax Act, or in conjunction with the Royal Canadian Mounted Police, and it is only when we feel that the evidence warrants it that we lay charges under the Criminal Code through the Minister of Justice or under the Income Tax Act. Then and only then is the information made public.

ROUTINE PROCEEDINGS

[*Translation*]

UNEMPLOYMENT INSURANCE ACT, 1971

AMENDMENT TO INCLUDE IN INSURABLE EMPLOYMENT PERSONS BETWEEN AGE 65 AND 70 UNDER CERTAIN CONDITIONS

Mr. Jacques Lavoie (Hochelaga) moved for leave to introduce Bill C-403, to amend the Unemployment Insurance Act, 1971 (disentitlement by age or pension).

Mr. Speaker, in short this bill tends to correct injustice towards senior citizens and enable them to get, as they did before 1976, unemployment insurance benefits, that is to say according to the number of weeks they were entitled to.

Motion agreed to, bill read the first time and ordered to be printed.

[*English*]

FOREIGN AID PROHIBITION ACT

MEASURE TO PROHIBIT AID TO COUNTRIES VIOLATING HUMAN RIGHTS

Mr. David MacDonald (Egmont) moved for leave to introduce Bill C-404, to prohibit aid to foreign countries violating human rights.

An hon. Member: Explain.

Mr. MacDonald (Egmont): Mr. Speaker, the purpose of this bill is to guarantee the historical commitment of Canada to fundamental human rights and liberties. It would ensure that Canada does not, by means of economic aid or benefit, give support to any regime which consistently violates the basic norms of human dignity. It is similar to at least three items of legislation passed by the United States Congress between 1974 and 1976 and the initiative taken last week by the Carter administration.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

● (1510)

OFFICIAL LANGUAGES

TABLING OF LETTER FROM COMMISSIONER EXPRESSING WISH TO RESIGN, AND REPLY OF PRIME MINISTER

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, with your permission I would seek to return to the item of tabling of documents. I have a document which concerns the House. It has to do with the Commissioner of Official Languages. I apologize for not having caught Your Honour's eye at the proper moment.

Mr. Speaker: Does the House agree to return to tabling of documents?

Some hon. Members: Agreed.

Mr. Trudeau: Mr. Speaker, under Standing Order 41(2) I would like to table, in both official languages, copies of a letter from the Commissioner of Official Languages expressing his wish to resign that position, and my reply to him.

[*Translation*]

My answer is self-explanatory. However all members of the House will surely wish to join me in paying a sincere tribute to Mr. Spicer for his outstanding contribution for promoting better understanding between all Canadians.

[Mr. Lavoie.]

[*English*]

AGRICULTURE

REFERENCE TO COMMITTEE OF MARKETING OF BEEF AND VEAL

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, there is a motion standing in my name referring an agricultural item to the Standing Committee on Agriculture. I have had some discussions and I understand that this motion would pass without debate. I move:

That the Standing Committee on Agriculture inquire into the marketing of beef and veal and for that purpose that it review the report of the "Commission of Inquiry into the Marketing of Beef and Veal, 1976".

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

QUESTIONS ON THE ORDER PAPER

[*English*]

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 151, 333, 371, 652, 820, 821, 836, 852, 853, 1,021, 1,022, 1,032, 1,041, 1,213, 1,297, 1,362, 1,371, 1,382, 1,383, 1,384, 1,385, 1,455, 1,507, 1,632, 1,762, 1,770, 1,774, 1,778 and 1,791.

[*Text*]

DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS— CONTRACTS FOR PROFESSIONAL SERVICES

Question No. 151—**Mr. Orlikow:**

1. For the fiscal year 1975-1976, what contracts for professional services were let (a) for studies, surveys and analyses into present or future policies, programs or information analysis, and their efficiency and effectiveness (b) into the examination of the administration or internal operation of the Department of Consumer and Corporate Affairs?

2. How much was committed on each contract and to whom?

3. What were the comparable figures for the fiscal year 1973-1974?

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): 1 and 2.

Date of Contract	Contractor	Contract Description	Contract Value
June 5/75 to March 31/76	E. Crown	Research on Fires in Alberta involving textiles.	16,000
May 29/75 to April 76	R. Gerstein	Consultant services regarding children program.	2,000
May 22/75 to April 76	M. Bélanger	Consulting Services in the preparation of proposals relating to the Stage II revision of the Combines Investigation Act.	5,000
May 22/75 to March 31/76	R. Bromstein	Consulting Services in the preparation of proposals relating to revisions of the Combines Investigation Act.	6,500
April 16/75 to January 76	N. Williams	Preparation of a study and legislative proposals on class actions under the Combines Investigation Act.	18,500
June 23/75 to May 31/76	M. Trebilcock	Preparation of a report on the substantive, procedural and remedial aspects of providing a civil unfair trade practice power in the Combines Investigation Act.	16,000
July 10/75 to April 76	L. A. Skeoch	Report relating to the matters in the Stage II revision of the Combines Investigation Act.	62,000
June 5/75 to December 31/75	*R. Savitt	To carry out a study of available methodologies for measuring the effectiveness of Consumer Protection programmes.	3,500
July 14/75 to September 30/75	D. Smith	To research organized groups and economic power as they relate to public policies which might be developed to deal more effectively with them.	5,000
May 22/75 to July 76	Scarlato Ltd.	Consulting Services in the preparation of proposals relating to Stage II revision of the Combines Investigation Act.	5,000
May 27/75 to September 5/75	H. M. Giroux	Research into a Combines Investigation Inquiry.	2,500
January 76 to May 31/76	M. Trebilcock	Consultation and advice with respect to class actions.	5,000
April 75 to June 75	P. Hogg	Conduct research on various questions relating to the constitutionality of Bill C-2.	5,000
June 5/75 to September 77	M. Irwin	To provide economic advice with respect to the Bell-Northern research inquiry under the Combines Investigation Act.	22,000
May 22/75 to July 75	H. Steele	To provide expert economic advice and opinions in respect to an investigation under the Combines Investigation Act.	5,000
May 20/75 to August 20/75	*R. Timberg	Research and assistance in the preparation of a bibliography of literature relating to consumer interest in the professions.	2,100
May 12/75 to January 31/76	*L. Roine	To carry out a study on the possibilities of the use of mediation and/or arbitration as a process for the resolution of consumer disputes.	5,500
May 7/75 to January 31/76	*P. Sigurdson	To carry out a study of Small Claims Court in Canada	6,000
May 6/75 to January 31/76	*C. Tuohy	To carry out a study of the political economy of the self-regulating professions in conjunction with A. Wolfson.	4,000
May 5/75 to September 30/75	*L. Romero	To carry out a study of federal-provincial relations in the field of Consumer Protection.	3,000
April 28/75 to January 31/76	*P. Slayton	To carry out a study on the implications of existing structures in professional education for the consumer interest.	5,500
May 7/75 to October 31/75	*H. Mitchell	To carry out a study on citizen access to government information.	9,340
May 8/75 to January 31/76	*A. Wolfson	To carry out a study of the political economy of the self-regulating professions in conjunction with C. Tuohy.	4,000
May 7/75 to September 30/75	*ARA Consultants Ltd.	To prepare a study of human capital analysis techniques as they relate to the professions.	17,000
June 18/75 to February 29/76	*W. T. Stanbury	To carry out a study on the impact of business interests on Canadian Competition Policy.	5,000
October 10/75 to April 15/76	M. Boyer	Research into the effects of fraudulent commercial practices.	17,000
November 18/75 to January 30/76	Sores Inc.	Research into the policy of grants to consumer organizations.	8,800
March 3/76 to March 31/76	O. P. Tangri	Research on vertical intergration in the food industry.	6,900
August 1/75 to December 31/75	*C. S. Axworthy	To carry out a study on co-operatives in the Maritime Provinces in conjunction with J. E. Rowcraft.	4,000
May 12/75 to September 12/75	L. Bernier	To compile an inventory of provincial legislation with regard to the professions.	3,200
May 7/75 to October 31/75	*L. Bohnen	To carry out a study on the sociology of the professions.	2,000

Date of Contract	Contractor	Contract Description	Contract Value
May 8/75 to July 15/76	*R. Cohen	To carry out a study on a conceptual overview of consumer redress mechanisms.	5,500
March 15/76 to August 31/76	*W. J. Klein	To carry out a study on human capital analysis of the 1971 Census tapes.	5,000
June 5/75 to February 1/76	*J. Lemay	To carry out a study on legal aid programs.	4,150
May 8/75 to January 31/76	*J. Liefeld	To carry out a study on product information preferences of the disadvantaged consumer.	8,855
October 1/75 to March 15/76	*J. Morris	To carry out a study on the consumer interest in Canadian Food Policy.	9,900
August 1/75 to December 31/75	*J. E. Rowcraft	To carry out a study on co-operatives in the Maritime Provinces in conjunction with C. S. Axworthy.	4,000
April 21/75 to February 17/76	L. Link	Research into design and format of Bankruptcy Branch Manual.	2,000
June 18/75 to February 29/76	*W. T. Stanbury	To carry out a study on the administration and enforcement of the Combines Investigation Act in Canada.	6,925
January 1/76 to April 30/76	Leetham, Simpson Ltd.	Feasibility study of streamlining the trade mark process.	21,750

* Studies contracted out by the Consumer Research Council, an independent council appointed by the Minister.

3. This information is not readily available.

TRENDS IN MOVEMENT BY LANGUAGE GROUPING

Question No. 333—**Mr. Herbert:**

1. Does the government concern itself with movement in and out of the Province of Quebec by language grouping?

2. Other than immigration policies, are any measures taken to promote or control movement on the basis of language spoken?

3. Is any information sought between the times of the taking of the census to indicate trends in movement by language of the family?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of the Secretary of State and Statistics Canada as follows: 1. No. However, Bulletin 92-745 ((1.5-5) Table 13) of the 1971 Census of Canada provides data on the population five years and over by migration status, official language, age groups and sex for Canada and the provinces. It shows for example the number of persons who have moved into the Province of Quebec, cross-classified by official language, age groups and sex. No data are published for persons moving out of Quebec by language groups but this could be made available by a special tabulation.

2. Not applicable.

3. Population estimates are made for Canada and the Province for intercensal years, and are based upon births, deaths, inter-provincial migration, immigration and emigration. However, none of these data are classified by language.

FORMER SENIOR CIVIL SERVANTS HIRED UNDER CONTRACT

Question No. 371—**Mr. McKinnon:**

1. How many former senior members of the Department of National Defence were put on contract by the government on their retirement from the Public Service in (a) 1972 (b) 1973 (c) 1974 (d) 1975 and, in each case (i) what was his or her salary at the time of retirement (ii) for how many years was he or she in the Public Service?

[Mr. Abbott.]

2. For each such contract, what was (a) its purpose (b) its duration (c) its amount and to whom was it paid?

3. How did the daily rate on contract compare with the daily rate on salary in each case?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): In so far as the Department of National Health and Welfare is concerned: 1. (a) None; (b) None; (c) None; (d) One (1975-76 fiscal year); (i) $30,500 to $37,000; (ii) 23 years.

2. (a) To provide consulting services with respect to the development of guidelines in health research requirements. (b) 1975-76 fiscal year. (c) An amount of $12,125 was paid to the contractor, Dr. R. Bromiley.

3. The per diem rate on contract was $125. The per diem rate on salary was approximately $130.

In so far as the Ministry of State for Urban Affairs is concerned: 1. (a) None; (b) None; (c) One;)i) $23,500 to $30,000; (ii) 21 years; (d) None.

2. (a) To provide consultation on matters relating to property management and development. (b) The contract was for 185 working days over 23 months, of which only 109.5 working days were actually used. (c) The total amount of the contract was $27,750; the actual amount paid was $16,400. The recipient was the contractor, F. D. Millar.

3. The per diem rate on contract was $150. The per diem rate on salary was approximately $125.

All other departments and agencies have submitted Nil replies to this question.

TRANSFER OF EMPLOYEES

Question No. 652—**Mr. Lachance:**

Between the date of the presentation of the last budget May 25, 1976 and October 12, 1976, did the Ministry of State for Science and Technology,

National Research Council of Canada, Science Council of Canada, Canadian Patents and Development Limited, the Department of the Secretary of State, Public Archives of Canada, National Library of Canada, National Arts Centre Corporation, Bilingual Districts Advisory Board, Canada Council, National Museums of Canada, National Film Board, Canadian Film Development Corporation and Canadian Broadcasting Corporation (including term contracts) hire, dismiss or transfer employees to other departments and, if so, how many?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): In so far as: Ministry of State for Science and Technology: Hired 26; Dismissed None; Transferred 9. National Research Council of Canada: Hired 106; Dismissed None; Transferred None; Science Council of Canada: Hired 9; Dismissed None; Transferred None. Canadian Patents and Development Limited: All members of the staff of CPDL are employees of the National Research Council of Canada and seconded to CPDL, they are included in the reply made by the Council. Secretary of State: Hired 161; Dismissed None; Transferred 57. Public Archives: Hired 50; Dismissed 2; Transferred 12. National Library: HIred 42; Dismissed 2; Transferred 4. National Arts Centre: Hired 114; Dismissed 69; Transferred None. Bilingual Districts Advisory Board of Canada: Not applicable. Canada Council: Hired 27; Dismissed None; Transferred None. National Museums of Canada: Hired 64; Dismissed 1; Transferred 25. National Film Board: None. Canadian Film Development Corporation: Hired 3; Dismissed None; Transferred None. Canadian Broadcasting Corporation: Hired 1184; Dismissed 4; Transferred None.

NOTE: The figure given for appointments includes vacation relief, temporary and Olympics staff who did not become part of the CBC's permanent establishment. The number of people who left the Corporation in the same period was 1461.

SASKATCHEWAN URANIUM REFINERY SITE

Question No. 820—**Mr. Hnatyshyn:**

Is Eldorado Nuclear Limited, a Crown corporation, considering sites in Saskatchewan for a uranium refinery and, if so (a) what sites are currently under consideration (b) have environmental impact studies been commissioned for each location and, if so (i) with whom in each instance have such studies been commissioned (ii) at what cost (iii) on what date will the studies be submitted (iv) will they be made public (v) what are the terms of reference for the studies (c) have any studies other than of an environmental nature been commissioned and, if so (i) with whom (ii) what are the terms of reference (iii) what is the cost?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): (a) Eldorado Nuclear Limited has publicly announced that it has acquired options to purchase 1,200 acres near Warman, Saskatchewan, so that detailed environmental studies can be conducted to determine whether the site would be suitable for a uranium refinery. (b) Arrangements for these studies now are being completed, and will be announced in early 1977. Prior to selecting the Warman site for more detailed environmental assessment, the Company conducted certain preliminary examinations of 14 possible refinery locations in 11 areas of the province. These preliminary studies were conducted with the assistance of Cambrian Engineering Ltd., which in turn retained the services of the Saskatchewan Research Council as environmental consultants.

Order Paper Questions

SASKATCHEWAN URANIUM REFINERY SITE

Question No. 821—**Mr. Hnatyshyn:**

On what date is it expected that Eldorado Nuclear Limited will announce the selection of a site in Saskatchewan for the construction of a uranium refinery?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Eldorado Nuclear Limited has publicly announced that it has acquired options to purchase 1,200 acres near Warman, Saskatchewan, so that detailed environmental studies can be conducted to determine whether the site would be suitable for a uranium refinery. These studies will begin in early 1977, and because of their comprehensive nature must examine a wide range of environmental factors over four seasons. The results of these studies will be published in the spring of 1978 in the form of an Environmental Impact Statement, as required by the environmental assessment guidelines and criteria established by the Governments of Canada and Saskatchewan. Both Governments also require that the Environmental Impact Statements be subject to public hearings, and that the public be given ample opportunity to examine the complete assessment documentation prior to the public hearings. The approval process is expected to take upwards of six months. During this period, the Company must also complete its evaluation of the amount and metallurgical nature of the potential supply of concentrates from new uranium mine-mill operations in the northern part of Saskatchewan, and reassess at that time the potential markets for refined uranium products. Therefore, because of all these factors the Company will not be in a position until the latter part of 1978, at the earliest, to announce whether it will proceed with applications to various authorities, including the Atomic Energy Control Board, for authority to construct a refinery at Warman.

SASKATCHEWAN URANIUM REFINERY PRODUCTS

Question No. 836—**Mr. Hnatyshyn:**

What products does Eldorado Nuclear Limited plan to produce in a proposed uranium refinery in the Province of Saskatchewan, and will any such products intended for the export market be subject to government regulations?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Eldorado Nuclear Limited has not yet determined whether a uranium refinery will be constructed in Saskatchewan or, if it will, what particular products will be produced. However, the environmental assessment now being arranged for a potential refinery site at Warman, Saskatchewan, assumes for the purposes of the comprehensive feasibility study being conducted that such a refinery would produce uranium hexafluoride as well as other intermediate forms of uranium. The product "mix" from a uranium refinery in Saskatchewan would depend on future market requirements as well as on the nature of uranium concentrates then available from Saskatchewan mines. Any products exported from such a refinery would require export permits under the Atomic Energy Control Act.

Order Paper Questions

NATIONAL DEFENCE—EQUIPMENT—PURCHASE OF ARMOURED CARS

Question No. 852—**Mr. Rodriguez:**

1. Is the government still negotiating for the purchase of armoured cars for the Canadian Armed Forces and, if so (a) with what countries or corporations (b) what departments or agencies are involved and what is their role (c) what (i) is the nature of the machinery being evaluated (ii) are the costs involved (d) what considerations are involved when deciding from whom to purchase?

2. If a decision has been made (a) what was it (b) how was it reached?

Hon. Barney Danson (Minister of National Defence): 1. Negotiations have been completed. (a) General Motors has entered into an agreement with the Swiss Mowag Company to have the vehicles built in Canada under licence. (b) Department of National Defence, Department of Supply and Services—Negotiation of the terms of contract; Department of Industry, Trade and Commerce—Evaluation of the project to ensure the highest practicable Canadian content is included in any contract with the manufacturer. (c) (i) Evaluation has been completed. (ii) Costs for vehicles, associated armament, repair parts, training and training equipment, ammunition, tools, federal sales tax, and transportation costs is estimated to be approximately $234 million. (d) Considerations which led to the decisions to purchase from Mowag were based on cost effectiveness, operational and technical requirements.

2. (a) As a result of tests conducted in Canada, it was decided to purchase the Swiss Mowag Piranha 6x6, to be built in Canada by General Motors which has entered into an agreement with the Swiss Mowag Company for manufacturing this vehicle under licence. (b) See part 1(d) above.

SASKATCHEWAN URANIUM REFINERY SITE INFORMATION PROGRAMME

Question No. 853—**Mr. Hnatyshyn:**

1. Has Eldorado Nuclear Limited, a Crown corporation, or any other agency on its behalf, undertaken any measures designed to inform or educate residents in the vicinity of any proposed site in the Province of Saskatchewan where the corporation intends to construct a uranium refinery?

2. Have residents in the vicinity of any proposed site on which Eldorado Nuclear Limited may build a uranium refinery been taken by the corporation or any agency of the government or the Government of Saskatchewan to view any other uranium refinery and, if so, what are the (a) details of such trips (b) costs involved?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): 1. Eldorado Nuclear Limited is committed to a comprehensive information program with regard to its activities and plans in Saskatchewan. In this connection, the Company has recently opened an office in Saskatoon, and has issued a number of press releases concerning its capital expenditure program at Beaverlodge and the environmental assessment of a potential refinery site at Warman, north of Saskatoon. This program of public information will be accelerated during 1977, and in the spring of 1978 the Company will publish the detailed results of its Environmental Impact assessment. This report will be subject to public hearings, and no decision to proceed with any such refinery will be made until the public concerned has had ample opportunity to examine these studies and express a view on the project.

[Mr. Gillespie.]

2. Certain landowners in the Warman area visited the Company's refinery at Port Hope, Ontario during negotiations for options on ther property. These negotiations were conducted on behalf of Eldorado Nuclear Limited by the Saskatchewan Economic Development Corporation, and arrangements for the Port Hope visit were made by the latter organization as part of its agency agreement with Eldorado Nuclear. Details of these commercial transactions are proprietary.

UIC—NUMBER OF PEOPLE IN RECEIPT OF INSURANCE

Question No. 1,021—**Mr. Howie:**

In each year as of November 1 (a) 1974 (b) 1975 (c) 1976, how many persons were receiving unemployment insurance from offices in (i) Fredericton (ii) Woodstock (iii) Minto, New Brunswick?

Hon. Jack Cullen (Minister of Manpower and Immigration): In so far as the Unemployment Insurance Commission is concerned:

		(a) 1974	(b) 1975	(c) 1976
(i)	Fredericton	2450	3146	3226
*(ii)	Woodstock	1193	1493	1737
(iii)	Minto	335	404	397

* Please note, the geographical boundaries used in written Question No. 1,021 do not correspond to the boundaries used in written Question No. 1,022.

CLIENTS REGISTERED WITH CANADA MANPOWER CENTRES

Question No. 1,022—**Mr. Howie:**

In each year as of November 1 (a) 1974 (b) 1975 (c) 1976, how many persons were registered for work in each of the manpower offices located in (i) Woodstock (ii) Fredericton (iii) Minto, New Brunswick?

Hon. Jack Cullen (Minister of Manpower and Immigration):

	*Woodstock	Fredericton	Minto
November 1974	747	3146	663
November 1975	962	3645	714
November 1976	818	4173	720

* Please note, the geographical boundaries used in written Question No. 1,022 do not correspond to the boundaries used in written Question No. 1,021.

RE-CYCLING

Question No. 1,032—**Mr. Clarke (Vancouver Quadra):**

1. Has the government initiated a policy of waste-paper re-cycling as a means of conserving energy and our forests and, if so, what is it?

2. What incentives has the government given to the paper industry to use more post-consumer waste-paper in production?

3. What incentives has the government given to buyers to use re-cycled paper products in manufacturing?

4. For the fiscal year 1975-76, were any new export markets discovered for re-cycled paper and, if so, what are they?

5. For the fiscal year 1975-76, what percentage of paper consumed domestically was re-cycled?

6. Do quotas exist to regulate the amount of re-cycled paper which must be ordered by the government and, if so, what are they?

7. What was the total cost of paper products consumed by the government in the fiscal year 1975-76?

8. What percentage of paper products consumed by the government in the fiscal year 1975-76 were re-cycled?

9. Does the government consider overpackaging of products to be a significant contributor to the problem of waste control and, if so, what regulations exist to control the amount of (a) material used (b) re-cycled paper which must be used, in the packaging of products?

10. Is the government funding any independent research on solid waste disposal and, if so (a) with whom (b) in what amounts?

11. Does the government consider that the long-term success of re-cycling depends largely on improving processes of recovering materials and creating products from them and, if so, does the government intend to accelerate the research, development and technology of resource recovery especially to encourage the recovery of resources in municipal wastes?

12. Does the government have a definite strategy in regard to pollution abatement assistance or incentive programmes because of the millions of dollars that the pulp and paper industry must allocate to air/water pollution control in upcoming years, and considering the decreasing funds offered under DPAT?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of the Environment, Industry, Trade and Commerce and Supply and Services as follows: 1. As a matter of policy, the Department of the Environment supports waste paper and other materials re-cycling, as a means of conserving energy and other resources; as a way to lessen total environmental impacts; and does so in all cases where it has been shown that these benefits occur.

2 and 3. The government has not given direct incentives to either the paper industry or to buyers. However, the government has provided indirect incentives, by eliminating the federal sales tax on equipment and materials used by the commercial processors and re-cyclers of reclaimed waste paper.

4. No export markets have yet been determined specifically for re-cycled paper, however, waste paper is used as a portion of the fibre furnished by some newsprint manufacturers. The majority of newsprint produced in Canada is sold on export markets. Funds are available to the industry for export market identification and marketing adjustment under the Program for Export Market Development (PEMD) which is administered by the Department of Industry, Trade and Commerce.

5. Re-cycling rates are traditionally calculated from data based on calendar rather than fiscal years. The latest full year for which complete data is available is 1973. The percentage of domestically consumed paper that was re-cycled in that year is approximately 18 per cent.

6. Quotas on re-cycled paper ordered by the government do not exist. However, the Departments of the Environment and Supply and Services are in the process of reviewing paper product specifications with the paper industry, with a view to increasing the use of re-cycled waste paper in government purchased paper products.

7. The value of paper purchased during 1975-76, for use for printing, duplicating, photocopying and typing is calculated at $11,800,000. The value of manufactured paper products such as pads, folders, etc., purchased through DSS in 1975-76 is calculated at $3,575,246.

8. National data is not presently available. However, in the 1975 calendar year, in the National Capital Area, approximately 30 per cent of the available waste paper in the government waste stream was re-cycled.

9. The Department of the Environment considers that the packaging of products contributes significantly to the municipal solid waste problems across the country. However, overpackaging is far less significant a contributor. Notwithstanding the subjective nature of deciding what is and what is not overpackaged, overpackaging tends to be product specific. No regulations exist to control the amount of material used or the amount of re-cycled paper contained in packaging.

10. The department of the Environment has funded in the past and is currently funding, outside the Department, research on solid waste disposal. A detailed listing of the work, the contractors and the amounts of the funding follows.

11. The long-term success of re-cycling depends on both an increased demand for recovered secondary materials and an improved processing of the supply of these materials. The Department of the Environment supports in principle research and development efforts to encourage the recovery of resources in municipal wastes. Unfortunately, funds available from within the department for this purpose are limited. Canada is a net importer of waste paper due to factors such as our population density and systems to collect and segregate mixed waste grades all of which limit available domestic waste paper supplies. The long term success of re-cycling of waste paper is seen to depend on the cost of systems to obtain adequate supplies of waste fibre, the cost of processing systems and market demands relative to product quality. The industry is eligible for assistance in these areas under the Program for the Advancement of Industrial Technology (PAIT). This program in the Department of Industry, Trade and Commerce provides assistance by supporting development work in the areas of new or improved products for commercial markets.

12. The Accelerated Capital Cost Allowance (ACCA) Program has been in existence for a number of years to assist industries in installing air and water pollution abatement equipments and facilities. The Minister of Finance announced in the House of Commons on November 19, 1976, the extension of the ACCA Program for one more year. The fund allocation for DPAT during 1977-78 will be the same as in 1976-77, but the cash available for new projects in the coming year will be reduced due to prior commitment on multiyear projects. This program is for development and demonstration of new Pollution Abatement Technology.

	Project	Contractor	1976/77 Dollar Value
1.	National municipal solid waste generation data base	Bird and Hale	$85,000
2.	Aluminum and copper recycling	F. T. Gerson	6,000
3.	Combined municipal refuse and sludge disposal	U. of British Columbia	25,0000
4.	Leachate recirculation	Levelton & Associates	5,000
5.	Attenuation of leachate	Gartner lee & Assoc.	45,000
6.	Soil/Waste Interaction	Rovers & Associates	6,000
7.	Heat Recovery Solid Wastes (Quebec)	Roche & Assoc.	13,000
8.	Industrial waste exchange	Ontario Research Foundation	28,000
9.	Rubber recovery-tires (Prairies)	Undecided	total value not finalized—joint funding with 3 provinces DFE share $20,000
10.	At source waste paper recovery	To be finalized	10,000 with joint funding from Manitoba
11.	Rural collection systems	J. F. McLaren	14,000
12.	Product durability	Stevenson Kellogg	20,000—joint funding with EMR, C.C.A.
13.	Eastern Canada waste paper recycling	Yet to be finalized	total costs to be shared with DSS, EMR, DREE and DFE
14.	Land disposal P.C.B.'s	Yet to be finalized	not yet finalized
	Total of 12 outside contracts worth approximately		$263,000
	and 2 contracts yet to be finalized, estimated value		$ 46,000
	Total Estimate		$309,000

FINANCIAL ASSISTANCE FOR ROAD CONSTRUCTION

Question No. 1,041—**Mr. Howie:**

Since January 1, 1975, has the Province of New Brunswick made any request for financial assistance for the construction of (a) a ring road around Fredericton (b) highway improvement between Fredericton and Saint John (c) improving the highway at Geary in Sunbury County and, if so, in each case, what was the dollar value of such request and what was the government's response?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Regional Economic Expansion and Transport Canada as follows: (a) No. (b) Yes. Dollar value of request is 90 percent of: (i) Fredericton, Geary, $21.2 million; (ii) Geary, Welsford, $5.0 million; (iii) Welsford, Saint John, $24.0 million. Total Project Cost $50.2 million; Total value of request $45.18 million. The projects outlined above are included in a joint submission presented to the Minister of Transport earlier this year by the four Atlantic provinces. The Government of Canada has not given a definitive response to date because the submission is presently being evaluated. (c) The Province of New Brunswick has asked Transport Canada for assistance in the construction of the Geary Bypass and the upgrading and paving of Route 7 between Geary and Welsford (see (b)).

"PLATFORM CBC"

Question No. 1,213—**Mr. Herbert:**

1. What is the annual cost of the public affairs programme "Platform CBC"?

2. How many Programmes are scheduled in a year?

3. What has been the individual Programme cost since January 1, 1976?

4. Since January 1, 1976, how many Members of Parliament of the government party have been panelists on the Programme and how many of these were Ministers of the Crown?

[Mr. Goodale.]

5. Since January 1, 1976, how many Members of Parliament of the opposition parties have been panelists on the Programme?

6. What are the gross receipts since January 1, 1976, from advertising on the Programme?

7. What is the audience rating as a percentage of those that can receive the Programme?

8. What is the air time of the Programme as a percentage of the total air time of the stations carrying the Programme?

9. Is it the policy of CBC to show a balanced viewpoint of the Programme?

10. Are panelists other than Members of Parliament chosen and, if so, on what basis?

Hon. John Roberts (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. It has not been customary to require the CBC to provide such information as the cost of programs. The background of this custom is explained in detail in the reply to question No. 2,530, May 22, 1975.

2. Sixteen.

3. See reply to part 1 above.

4. Ten. No ministers.

5. Eight.

6. Nil. The program does not carry advertising.

7. Averaged throughout the hour that it is broadcast, Platform has a weekly audience of just over 8,000 viewers. Since it is not known how many people are still awake and hence available for viewing at this hour on a Sunday evening, it is not possible to express this 8,000 as "a percentage of those that can receive the program". Platform's audience does, however, represent about 20 per cent of the total viewing audience in the Ottawa metro area at this hour, and about 25 per cent of the audience viewing English-language stations.

8. The program is produced by CBOT Ottawa and, through the CBC's Regional Exchange system, is also carried on other individual CBC stations but not on the CBC network. CBOT Ottawa (2 hours of 115 hours each week for 16 weeks) .017 per cent; CBOT Ottawa (42 hours of 5,228 hours each year) .008 per cent; Other CBC stations and services (12 hours of 5,550 hours each year) .002 per cent.

9. As much as possible, but not on the panel, which usually reflects one viewpoint. Panel members may invite eight supporters to participate from the audience; CBC invites 12 people known to either oppose or have a particular interest in the topic as audience participants. There is space for approximately 20 other members of the general public in the audience.

10. Yes. On the basis of their knowledge of, experience with, or interest in the subject.

ESTABLISHMENT OF CANADIAN EMBASSY IN SOCIALIST REPUBLIC OF VIETNAM

Question No. 1,297—**Mr. Fairweather:**

Does Canada intend to establish an embassy in the Socialist Republic of Vietnam and, if so, on what date?

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): Canada is developing bilateral relations with the Socialist Republic of Vietnam and recognizes the long-term value of establishing an embassy in Hanoi. However, due to present budgetary restraint we will not be able to give consideration to opening an embassy in Hanoi in the immediate future. The Canadian Ambassador resident in Peking is, however, accredited to Vietnam; he and members of his staff pay regular visits to Hanoi.

ENLARGEMENT OF POSTAL FACILITIES

Question No. 1,362—**Mr. Jones:**

1. Are there plans for the enlargement of postal facilities and operations in the City of Moncton, the Town of Riverview and the Town of Dieppe in New Brunswick and, if so (a) what are they (b) what are the time schedules?

2. (a) For what reason are so many people who have addressed their mail to certain rural routes in the Moncton area having their mail returned marked "address unknown" (b) are any steps being taken to advise the public how to address their mail (c) is mail being returned if the postal code is not marked on the address?

3. (a) How can the ordinary citizen obtain a postal code for a specific address (b) is this made known to the public generally?

Hon. J.-J. Blais (Postmaster General): 1. Yes (a) A new Mail Processing Plant is to be constructed which will serve the City of Moncton, the Town of Riverview and the Town of Dieppe. It will also act as a Gateway Postal Facility and Distribution Centre. (b) This Mail Processing Plant, which will be located in the Dieppe Industrial Park, is scheduled for completion late in 1979. Front Office services will also be provided from this facility. At the same time, the present Post Office in downtown Moncton will retain Front Office and possibly Letter Carrier Delivery services. Future plans call for the construction of a Postal Station in the Riverview area in 1980. However, this is subject to change depending upon further investigation once the new Mail Processing Plant in Dieppe becomes operational.

2. (a) It is difficult to comment on this question without having more precise information. However, it may be that the people experiencing problems were some of those formerly served by Moncton R.R. No. 1 and parts of R.R. Nos. 3 and 8 who were changed over to Letter Carrier Delivery. The change was made on R.R. No. 1 during 1974, and on R.R. Nos. 3 and 8 in 1975. (b) At the time of the changes, customers were given written notice of their new addresses, including postal codes and a supply of announcement cards for advising correspondents of their new addresses. The program was repeated at a later date and, in addition, directory service is still being provided. (c) Mail is not returned because of omission of postal code.

3. (a) An ordinary citizen can obtain a postal code for a specific address by contacting his local post office. (b) This information has been made known to the public by various advertising campaigns.

Order Paper Questions

RESEARCH AND RESEARCH-RELATED PROJECTS APPROVED IN QUEBEC FITNESS AND AMATEUR SPORT

Question No. 1,371—**Mr. Herbert:**

In each of the past five years, how many applications have been (a) received (b) approved in the Province of Quebec for research and research-related projects in the areas of (i) fitness (ii) physical recreation (iii) amateur sport?

Hon. Marc Lalonde (Minister of National Health and Welfare): During 1970-71 to 1975-76 inclusive, the Fitness and Amateur Sport Branch provided contributions only for external research projects initiated by the branch. This was due to program changes brought about by such reports as the Report of the Task Force on Sport for Canadians and the P. S. Ross Report.

	Number of Projects	Fiscal Year	Recipients
(i)	2	1975-76	Centre de Recherche des Sciences de la Santé, Université du Québec.
		1974-75 through 1976-77	International Congress of Physical Activity Sciences—Quebec City.
(ii)	2	1971-72 through 1974-75	National Study on the Supply of Sport and Recreation Facilities (Federal support for Quebec portion of the study)
		1975-76	Université Laval
(iii)	none		

In the 1976-77 fiscal year, a program of support for research in fitness, physical recreation and amateur sport resumed. (a) Number of applications received, 7 (b) Number of applications approved, 2 (i) 1 (Contribution to Professor Alex Wright of Concordia University for "An Assessment of the Effects of a Developmental Motor Activity Program on the Self Image of Aged Females") (ii) none. (iii) 1 (Contribution to Dr. Pierre Lagassé of the Université Laval for the "La Stimulation Électrique: Ses Influences sur l'Apprentissage d'un Geste Sportif et sur la Performance Sportive.)

RADIOACTIVE FALLOUT FROM NOVEMBER, 1976 NUCLEAR TESTS IN CHINA

Question No. 1,382—**Mr. Hnatyshyn:**

Was radioactive fallout from the November 1976 nuclear tests in China detected in Canada and, if so (a) in what locations (b) in what amounts (c) what action, if any, was taken?

Hon. Marc Lalonde (Minister of National Health and Welfare): Radiactive fallout from the November 17, 1976, Chinese atmospheric nuclear weapons test was detected in 15 locations in Canada.

(a) and (b) Location	Maximum levels of gross beta radioactivity measured in surface air
Coral Harbour, N.W.T.	0.18 pCi/m^3
Edmonton, Alta.	0.32 pCi/m^3
Fredericton, N.B.	0.17 pCi/m^3
Halifax, N.S.	0.23 pCi/m^3
Inuvik, N.W.T.	0.16 pCi/m^3
Montreal, P.Q.	0.25 pCi/m^3
Moosonee, Ont.	0.16 pCi/m^3

(a) and (b) Location	Maximum levels of gross beta radioactivity measured in surface air
Ottawa, Ont.	0.19 pCi/m^3
Quebec, P.Q.	0.13 pCi/m^3
Regina, Sask.	0.36 pCi/m^3
Saskatoon, Sask.	0.26 pCi/m^3
Toronto, Ont.	0.16 pCi/m^3
Windsor, Ont.	0.18 pCi/m^3
Vancouver, B.C.	0.18 pCi/m^3
Winnipeg, Man.	0.21 pCi/m^3

(c) As these levels were low and quickly diminished because they were due to fresh fission products with short half-lives, they were of negligible concern to public health.

LEVELS AT WHICH RADIOACTIVE FALLOUT IS CONSIDERED HARMFUL

Question No. 1,383—**Mr. Hnatyshyn:**

Does the government or any of its agencies, set specific levels in Canada at which radioactive fallout is considered harmful to the public, wildlife or domestic animals and, if so (a) what are the levels (b) do the levels differ from those specified by the United States?

Hon. Marc Lalonde (Minister of National Health and Welfare): (a) Radiation at any level is considered harmful in some degree. However, fallout is not subject to domestic control at source and the available counter-measures carry their own adverse health consequences. Therefore, protective actions must be based on a balancing of risks. Radiological health effects depend on the physical and chemical characteristics of the radioactive element involved, their mode of entry into the body and their deposition and retention in specific organs. For tropospheric fallout, iodine-131 is the element of greatest concern; for stratospheric fallout, the concern is chiefly with strontium-90. For both, the principal mode of entry into the body is by the consumption of milk. The amount taken into the body via other foods, drinking water and air is relatively small. The maximum permissible levels in milk, as derived from the recommendations of the International Commission on Radiological Protection, are 2,000 picocuries of iodine-131 per litre and 400 picocuries of strontium-90 per litre. The corresponding maximum permissible levels in air are 300 picocuries of iodine-131 per cubic metre and 40 picocuries of strontium-90 per cubic metre. For the complex mixture of radionuclides in fresh fallout in air, it is estimated that the equivalent level for gross beta radio-activity is about 2,500 picocuries per cubic metre. On this basis, it is considered that for short-term transient fallout exposures, levels in milk should not exceed the above value. However, if a period of widespread, long-term fallout was in prospect, more restrictive levels, approximately ⅓ of the above, would be specified to conform with the recommendation of the International Commission on Radiological Protection relating to the continuous exposure of a whole population. (b) The relevant United States levels are expressed in different terms, but in application do not differ significantly. The U.S. Environmental Protection Agency has recommended graded scales of action if the total intake of a radionuclide from air, water and food falls within certain ranges. Range III, which requires consideration of possible counter-measures (other than surveillance), is 100-1,000 picocuries per day for iodine-131 and 200-2,000 picocuries per day for strontium-90. These levels relate to average intakes by members of a sample population and they may be further averaged over a period of one year to allow for transient fluctuations.

ACTION IF RADIOACTIVE FALLOUT LEVELS BECOME DANGEROUSLY HIGH

Question No. 1,384—**M. Hnatyshyn:**

What action, if any, does the government consider it necessary that should be taken if radioactive fallout levels become dangerously high in Canada?

Hon. Marc Lalonde (Parliamentary Secretary to Minister of National Health and Welfare): If the level of iodine-131 in milk reached the level at which countermeasures became necessary, liquid milk would be withdrawn from the market and substituted by powdered milk which had been produced prior to the appearance of fresh fallout or which had been stored for a length of time sufficient to allow the short lived iodine-131 to decay. The permissible level for strontium-90 would not be reached unless there was continued nuclear weapons testing for a long time. Strontium 90 can be removed from milk by central processing. Technically, the treatment is not difficult, but its application on a national scale would involve very great expense.

MONITORING STATIONS MEASURING RADIOACTIVE FALLOUT

Question No. 1,385—**Mr. Hnatyshyn:**

Are there monitoring stations in Canada measuring atmospheric fallout from nuclear bomb tests which take place in other countries and, if so (a) where are they located (b) under what jurisdiction do they fall (c) is the monitoring going on continuously or periodically (d) are the monitoring records available to the public (e) what are the natural background levels of radioactivity against which such fallout levels are measured at the various testing stations?

Hon. Marc Lalonde (Minister of National Health and Welfare): (a) Yes. The 24 monitoring stations at which samples of radioactivity in surface air and precipitation are collected are located as follows: Calgary, Alta.; Coral Harbour, N.W.T.; Edmonton, Alta.; Fort Churchill, Man.; Fredericton, N.B.; Goose Bay, Nfld.; Halifax, N.S.; Inuvik, N.W.T.; Montreal, P.Q.; Moosonee, Ont.; Ottawa, Ont.; Quebec, P.Q.; Regina, Sask.; Resolute, N.W.T.; St. John's, Nfld.; Saskatoon, Sask.; Sault Ste. Marie, Ont.; Thunder Bay, Ont.; Toronto, Ont.; Vancouver, B.C.; Whitehorse, Yukon; Windsor, Ont.; Winnipeg, Man.; Yellowknife, N.W.T. (b) The sampling equipment and the program are under the jurisdiction of the Health Protection Branch, Department of National Health and Welfare. The samplers are located at meteorological stations operated by the Atmospheric Environment Service, Department of the Environment whose staff collect and send samples to the Ottawa Laboratory of the Radiation Protection Bureau. (c) Air Particulates are collected continuously at the sampling stations. The measurement of the collected deposit, however, is carried out daily, instead of weekly, during periods of fresh fallout. (d) Yes. (e) The levels of radioactivity in surface air due to residual fallout remaining from previous nuclear weapons tests averaged 0.04 picocuries per cubic metre

of air in 1975. The range observed was from 0.02 to 0.07 picocuries per cubic meter varying with location and season.

BRITISH COLUMBIA—FAMILY PLANNING AND SEX EDUCATION EXPENDITURES

Question No. 1,455—**Mr. Oberle:**

1. What is the total annual expenditure by the Department of National Health and Welfare in the Province of British Columbia for family planning and sex education?

2. What is the total cost to date and what is the future estimate of costs for the distribution of the information kit on sex education in British Columbia?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. 1975-76, $108,668. 1976-77, Statistics on the total amounts granted to agencies and universities in British Columbia for the purpose of family planning and sex education will not be available until the end of this fiscal year.

2. Statistics are not available on the provincial distribution pattern of the publication entitled. "Sex Education—A Teachers Guide". Since copies were distributed on the basis of individual requests from British Columbia, neither the total cost to date, nor the future estimated cost can be determined.

BILINGUAL LABELLING

Question No. 1,507—**Mr. Mazankowski:**

1. How many inspectors are employed by the Department of Consumer and Corporate Affairs to ensure that the Order in Council respecting bilingual labelling of all products sold in Canada is followed?

2. (a) How many cases have been investigated (b) how many violations were discovered (c) how many charges have been laid?

3. What is the routine procedure followed by the Department to enforce the Order in Council?

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): 1. The Department of Consumer and Corporate Affairs employs 197 inspectors across Canada who are charged with the responsibility of ensuring that a wide range of products comply with the requirements of 9 Acts and Regulations. Part of the requirements of the legislation relates to bilingual labelling.

2. (a) and (b) As Inspectors are carrying out surveillance with respect to the many requirements of the legislation, not just solely bilingual labelling, it is impossible to determine how many cases specifically regarding bilingual labelling have been investigated. (c) No charges have been laid with respect to bilingual labelling violations.

3. The Department of Consumer and Corporate Affairs conducts scheduled inspections of firms at all levels of trade with regard to all requirements of the legislation. This involves taking samples, examining lables, verifying net quantity, checking certain products against required grade standards, and other similar actions. Emphasis is put on educating the trade in order to achieve voluntary compliance. It is to be emphasized that these are general procedures with respect to all requirements of the legislation, not just solely bilingual labelling requirements.

Order Paper Questions

DISABILITY PENSIONERS AND WAR VETERANS ALLOWANCE RECIPIENTS IN QUEBEC

Question No. 1,632—**Mr. Coates:**

1. (a) What is the total number of veterans in the Province of Quebec who receive pensions from the government (b) what is the annual total cost of such pensions?

2. (a) What is the total number of veterans in the Province who receive War Veterans Allowances or other allowances from the Department of Veterans Affairs (b) what is the annual total cost of such allowances?

3. How many employees of the Department are located in the Province and what is the estimated payroll for the fiscal year 1976-77?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs):

1.

	(a)	(b)
Disability pensioners	13,450	$30,985,333
Dependants	2,492	11,852,427
Total	15,942	42,837,760

2.

	(a)	(b)
War veterans allowance and civilian war allowance recipients	6,399	23,084,380
Assistance Fund recipients	3,813	1,842,295
Education Assistance recipients (children)	137	139,439
Treatment allowances	*	710,000
Total	10,349	$25,776,114

* Treatment allowances are not of a continuing nature. Disability pensioners are paid the difference between a 100% pension and their actual rate of pension for any period of time in which they require medical treatment related to disability.

3. Employees: 2,220; Payroll: $33,511,379.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. BY NATIONAL ENERGY BOARD

Question No. 1,762—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the National Energy Board and, in each case, what was the total amount paid?

Mr. Maurice Dupras (Parliamentary Secretary to Minister of Energy, Mines and Resources): In so far as National Energy Board is concerned: none.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. BY FARM CREDIT CORPORATION

Question No. 1,770—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Farm Credit Corporation and, in each case, what was the total amount paid?

Hon. E. F. Whelan (Minister of Agriculture): The Farm Credit Corporation advises: Cecil Branson, Sullivan, Smith & Bigelow, 505-645 Fort Street, Victoria, B.C. V8W 1G2. Fees

paid to lawyers used in the Constituency of Victoria, British Columbia by Farm Credit Corporation are paid as follows: (i) by the borrowers upon their direction out of the proceeds of the mortgage loans in which case Farm Credit Corporation does not maintain records of amounts so paid; (ii) by Farm Credit Corporation on mortgage proceedings, nil.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. BY CBC

Question No. 1,774—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Canadian Broadcasting Corporation and, in each case, what was the total amount paid?

Hon. John Roberts (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: (a), (b) Nil.

US/CANADA TRANSIT PIPELINE TREATY

Question No. 1,778—**Mr. Leggatt:**

1. What effect will the US-Canada Pipeline Treaty have on municipalities or provinces wishing to tax relevant pipelines?

2. What is the taxation status of the pipeline cost under the terms of the Treaty?

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): 1 and 2. Article III.1 of the Canada/U.S. Transit Pipeline Treaty signed January 28, 1977, awaiting ratification before entry into force, specifically mentions the rights of public authorities, which could include provinces and municipalities, to impose a fee, duty, tax or other monetary charge on or for the use of any transit pipeline. The only limitation on such taxes or other charges would be that they also be applicable to or for the use of similar pipelines located within the jurisdiction of the public authority in question.

PREPONDERANCE OF FRANCOPHONES IN BILINGUAL POSITIONS

Question No. 1,791—**Mr. Herbert:**

Has the government studied the possibility that the preponderance of Francophones in bilingual positions in many departments could be reducing the proportion of first generation descendants of these French mother tongue public servants who claim or use French as their mother tongue?

Hon. Robert K. Andras (President of Treasury Board): No.

[*Translation*]

Mr. Speaker: The questions listed by the parliamentary secretary have been answered. Are the others allowed to stand?

Some hon. Members: Agreed.

[*English*]

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. I want to bring to the attention of the parliamentary secretary that apparently a couple of things that happened yesterday caused him to really get moving and answer eight of my questions.

[Mr. Whelan.]

Mr. Goodale: That had nothing to do with it.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

[*English*]

NATIONAL TRANSPORTATION ACT

MEASURE TO REDEFINE OBJECTIVE OF TRANSPORTATION POLICY

The House resumed, from Wednesday, March 2, consideration of the motion of Mr. Basford (for the Minister of Transport) that Bill C-33, to amend the National Transportation Act and the Department of Transport Act for the purpose of defining the objective of the transportation policy of Canada and authorizing the consequential rearrangement of powers and duties relating to transport and to amend the Transport Act and the Railway Act in respect of freight rates and other matters, be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, before the debate ended yesterday I had a few brief moments in which to commence my remarks concerning the national transportation bill. At that time, having heard several members who sometimes support the government in this House deplore the fact that the government is reneging—and having listened to the Minister of Finance (Mr. Macdonald) with respect to their $290 million commitment to help urban transit in this country—I invited the Minister of Finance, who I hope will accept this invitation, the Prime Minister (Mr. Trudeau), the Minister of Transport (Mr. Lang), and other members who are now trying to get on the right side of this issue to turn up at the Toronto Union station at 8 a.m. on March 14 to see first-hand the congestion that exists in the metropolitan Toronto area as far as commuters are concerned. That invitation does not come just from me; it also comes from the regional chairmen in that area who are sending wires to most of the affected members of this House asking them to join with those chairmen on Monday morning, March 14, to see first-hand the situation that this government is helping to leave in the Toronto area concerning commuter travel.

For the record, I should read the telegram that is being sent out by Paul Godfrey, chairman of the Metropolitan Toronto council. The telegram reads:

Deep concern over the federal announcement that funds for urban transit are not to be made available. Request you to join me and the regional chairmen from the regions surrounding metro on Monday, March 14 at 8 a.m. at the Union station GO transit platform. We will at that time wish to discuss with you the effect the broken federal promise will have on all of us.

That shows the anxiety that now exists in the Toronto area concerning this very important matter. If I may, I would like very quickly to summarize where the uncertainty first arose. As most in this House realize, during the 1974 election campaign the Liberal party, seeking re-election as the government of this country, spewed forth much in the way of promises to help their way back into office. Included in those promises were very specific commitments concerning the assistance they were willing to give urban transit authorities in our various metropolitan areas. They even put a price tag on it. They said that the promises would probably represent about $290 million of federal assistance. The short fact is that government did get re-elected. Presumably those promises helped them to get re-elected. Now that they are in office with a majority, they are simply reneging on the promises they made to the Canadian electorate.

I say they reneged for this reason. I grant that there is a bit of confusion about this, but we find, in answer to questions put by my colleague, the hon. member for St. John's East (Mr. McGrath), and myself, that the Minister of Finance on February 18 confirmed remarks he presumably made at a press conference the day before. For example, he stated, and I quote from page 3184 of *Hansard*:

—the federal government will not be able to extend its assistance to municipalities which we had hoped to assist in earlier years.

That, of course, refers to the question of funding for urban transit. As a result of that type of question I asked the minister whether he had ridden on the commuter train at rush hour going into the Toronto area in order to experience first-hand the congestion of that service. There was no meaningful comment on that, so I again reiterate the question and invite the Minister of Finance, along with his Prime Minister, to share, with other members of parliament and the local chairmen in the Toronto area, the experience of seeing how commuters in that area are now being handled because of the lack of forethought and funding for which the federal government is responsible.

Subsequent to that comment by the Minister of Finance, some confusion came into this question. In response to a question put by myself to the Prime Minister on February 25 concerning why he felt free to break his promise with regard to urban funding, the Prime Minister stated:

● (1520)

There has been no decision one way or another but we are keeping the various arguments in mind—

So it would appear there is hope the government may yet come to its senses. It might make the Minister of Finance look a little foolish; he spoke out of turn and he certainly did not speak wisely. I hope that whatever the background is, the goverment will acknowledge that it does have outstanding commitments to the public and that for the sake of commuters in the Montreal area, in the Toronto area, the areas of Vancouver, Edmonton and Calgary and other urban centres in this country which face pressing transit problems, it will live up to those commitments.

The confusion goes even deeper. Here we have a promise made in 1974. The Minister of Finance says, in effect, that the government cannot meet the promise, that it must renege. Then we find there are estimates before the House tabled by the President of the Treasury Board (Mr. Andras), and when we look at page 2762 of those estimates we see, under the heading "Urban Transit" that an expenditure of $8,136,000 is contemplated by the federal government. I ask this question: Who is running the show? Who, exactly, knows on any day of the week what the government intends to do with regard to this question—and, presumably, with regard to many others? Why is the government being asked to approve an expenditure of $8,136,000 in relation to urban transit when the Minister of Finance tells us there is no money available to spend on urban transportation? We are entitled to an explanation.

I see the Minister of Transport sitting in his place. I am glad he has the nerve to come here. I think he should explain, after I have sat down, why he as Minister of Transport tolerated the Minister of Finance telling us there is no money available for urban transportation while his own estimate for $8,136,000 is before the House and will, presumably, be passed unless it is defeated at some stage of the parliamentary process. In short, the government seems to be in a dither. I believe it is time an assurance was given to the various provinces and municipalities that Ottawa is willing to help out by providing some of the funding needed to ensure that those who must travel to and from work can do so by the most effective means, which is a suitable system of urban transportation.

When I speak on this subject I do so with a strong sense of *déjà vu*. Unlike the Johnies-come-lately on the government back-benches who are only now beginning to understand the extend of the government's failure in the field of urban transit policy, we in this party have consistently pressed for common sense in this vital area. On no fewer than 90 occasions have we spoken in the House against Pickering airport. On more than 20 of those occasions I have put questions to successive ministers of transport with a view to persuading them to drop the ill-advised Pickering project and redirecting any unused funds to urban assistance. In fact, in my first speech in the House, made at the time the government could have saved many millions of dollars by shelving the Pickering airport proposal—I refer to a speech made on January 12, 1973—I put the dilemma facing the Toronto area as simply as possible. As recorded at page 251 of *Hansard*, I stated:

On behalf of those people let me tell the government once again, we do not need a second airport at Pickering. We do need, however, federal assistance to facilitate urban transportation.

The same is true today. Despite the promises of the Prime Minister and of no less than four ministers in his cabinet, there has been no substantial contribution to urban transportation in Toronto. In fact, the total federal government's contribution to date in Ontario has been one $10 million grant to cover rolling stock for the Richmond Hill GOline. In contrast, Ontario has spent nearly $429 million since 1964 to support urban transit. Beyond that, the provincial municipalities have spent $90 million annually to meet their transit needs.

Clearly, the government is turning its back on the 75 per cent of our population who live in Canadian urban centres. On the other hand, the same government has spent more than $110 million for land development and management at Pickering, and has lost an additional $130 million in two years at Mirabel, despite the fact that only about 10 per cent of the population use airports on any regular basis. When I say 10 per cent of our population, Mr. Speaker, I must qualify that statement by saying that I have removed from that calculation the Minister of Transport's travels in and out of our airports, in order to put the figure in a more meaningful context.

The Minister of Transport tells us that urban transit is the domain of the provinces and is the responsibility of the provinces and the municipalities. Yet we find as far back as May 15, 1973, in my first private member's bill, a recommendation to establish a national urban transportation authority which, though funded partly by the federal authorities, would have the power to establish local urban or regional transportation authorities. I refer again to the situation, as I did then, in the United States, Great Britain, France and other countries where local or urban authorities oversee the local harbours, airports, interurban rail transportation and all transit needs within their purview. If such authorities existed in Canada there would no doubt be a completely different range of priorities to that now being shown by the government.

One important fact often forgotten is that where there are local authorities which not only look after transit in urban areas but also look after airports, harbours and similar services, such authorities are extremely conscious of the needs of the area and of the cost consequences of their actions. New York is one example. This is why in Chicago or New York, they would not dare propose to build a Mirabel or a Pickering airport at the present time. If you spoke to the officials of those authorities you would find them saying, first of all, that there is no evidence of public travel needs rising to the point at which additional facilities on this scale are needed in those centres and, in the second place, they would say they cannot afford the cost. They would explain that they cannot afford to build new airports because those airports could only be financed by getting the airline carriers to sign sufficient long-term commitments to cover the costs of construction and operation.

This approach is significantly different from the one adopted in Canada. Unfortunately, the entire process is centralized here in Ottawa in the Department of Transport, with one little brain trying to run the entire show. The fact is that this little brain cannot possibly cope with the variety of needs which exist in our urban centres as far as transportation is concerned and, consequently, a lot of mistakes are made. Mistakes are made because bureaucracies like to build monuments to themselves. They have a Taj Mahal complex. They like to be able to build something, touch it and say that Mirabel is there because they thought it was a good idea. The fact that Mirabel was not needed is a secondary thing. The fact that for years and years Canadians are going to have to pay needless interest and operating costs to handle Mirabel is a secondary thing in their minds.

● (1530)

That brings me to the situation in Toronto. If there has been a co-ordinated local authority attitude taken in Toronto, the concept of a Pickering airport development before the commuter rail situation had been solved would not have been seriously advanced. The fact is that the local Toronto people realize that the No. 1 need in that area is to facilitate workers coming to and from work in a more humane way than that which exists at the present time. It is as simple as that. This government, centralized in Ottawa and acting under a minister who really does not understand, seems to accept the bureaucratic "build a monument" concept and says that we must have a Pickering. I am saying that money could be better spent developing proper urban transport facilities in the Toronto area, and the notion that a second airport is needed in that area is silly.

There are other ridiculous examples of where this minister and his predecessor, either directly or through agencies reporting to them, have done foolish things in Toronto with regard to priorities. For example, if the ministers choose to join us in the Toronto area on March 14, one of the things I hope they will sense is the congestion which exists at Union station. There are about 37,000 passengers going through Union station who use the rail service, and frankly Union station was not built to handle that many people. When the bilevel trains start in a few months it is likely that the congestion will be much greater. We need a new facility or some type of new transit facility to handle the crowds coming into Union station. That takes tens of millions of dollars to build. The federal government joined in the preliminary discussions with respect to that facility, but now, after those discussions have taken place, the government says there is no money to help facilitate the building.

On the question of priorities, why did the government allow the CN to build the CN tower which cost approximately $58 million and which will not make money in a meaningful way, when the very commuters who come to and from work every day in that city have to go by that tower and be subjected to congestion at Union station? Surely it is a ridiculous sense of priority to say that building the CN tower for $58 million should come before a decent facility to allow 37,000 people to come and go by way of rail transit which they choose to use.

Let me give another example. Not only is the rail station congested, but in the railyard itself the local GO transit authority cannot bring in additional trains from the west side of Toronto until there is a realignment of the trackage. Incidentally, that trackage goes right by the CN tower. It will cost approximately $57 million to realign that trackage, but here again priority was given to building the CN tower before the federal government was willing to spend money on trackage which is impeding further commuter lines coming in from the west side of Toronto. That is unbelievable.

However, clearly the only reason these inconsistencies occur in the Toronto area is that this minister, his predecessor, the

government and the Prime Minister do not know what they are doing in relation to the Toronto problem. For example, with absolutely no reference to the Toronto area they chose to propose the Toronto waterfront park. They went ahead and bought that land. They did not ask the mayor of Toronto or the chairman of the metropolitan Toronto region if they felt the park would be a nice thing, or whether it was needed. They did not ask whether that was a priority or whether they should be spending money on that before helping people get to and from work.

They went ahead and bought it and, most alarmingly, when they are now questioned as to why they had money for the Toronto harbour front—and yet now they say, in relation to their 1974 promises concerning urban transit, that they do not have the $290 million to help with urban transit—what are we told? The President of the Treasury Board has the audacity to say in this House that the Toronto waterfront project was a 1972 promise, and he grinned, implying that the 1974 promises do not count. That is the mentality of this government. That is the mentality which has caused millions of Canadians to lose confidence in this government. They want to get rid of this government as quickly as possible.

I have outlined this, but perhaps for those who are not willing to take my word I shall read into the record an editorial comment in the Toronto *Star* of February 22. Under the headline "Ottawa makes chaos for commuters" this article reads in part as follows:

> Every day 37,000 rail passengers, mostly commuters, pass through a congested and antiquated Union station. It's clear to everyone of them, although not to transport minister Otto Lang in Ottawa, that the place was designed for a more leisurely era.
>
> A bigger crush is yet to come. This fall the first of 80 new double-decker trains will appear on the Lakeshore GO transit line, running between Oakville and Pickering, boosting capacity from 28,000 passengers a day to 42,000 a day.
>
> Union Station was to have had better tracks and wider platforms before the new coaches and additional passengers started arriving. But Ottawa's backtracking on its 1974 election promise to aid urban transit means it's unlikely the station will be expanded or the angle of railway tracks at Bathurst St. will be straightened out. Ottawa's refusal to keep its word is creating commuter chaos in metro.

This is an urgent problem. I am pleased that certain Liberal backbenchers who like to support the government are at least guardedly speaking and pointing out to the government that it is making a mistake. I hope they will have the courage to vote against this bill when the vote is taken at second reading. I also hope that if this bill is defeated, the Prime Minister will regard that as a vote of no confidence in his government and that he will resign.

Some hon. Members: Hear, hear!

An hon. Member: Don't count on it.

Mr. Stevens: The "on again, off again" promises of the Prime Minister lead us to ask just who is speaking for the government. Is it the Minister of Transport, the Prime Minister, or the Minister of Finance?

I know my colleagues want to participate in this debate, and I wish I had more time. I would like to have read into the record the promises which were made to the Canadian public in the 1974 election campaign concerning urban transit. Perhaps tomorrow as this debate continues, or on our own opposition motion, there will be opportunities to read some of those promises into the record.

However, those broken promises in all likelihood spell an end to $200 million of transit projects in the metropolitan Toronto area. They spell an end to the $57 million of upgrading and renovation of Union station, which I have referred to. They spell an end to the $25 million of extension on the Streetsville GO line. Also, they will spell an end to the $80 million of light rail line construction to the Scarborough town centre.

● (1540)

Mr. Roy (Laval): What about Montreal?

Mr. Stevens: They will spell an end to the $35 million purchase of rail cars for the Lakeshore GO system. Someone asked, "What about Montreal?" Montreal has a problem, too, and this federal government has failed to acknowledge the problem. I have the honour to represent an area just north of metropolitan Toronto and I feel that I have the right to stand in this House and point out the inadequacies of federal policy in regard to the Toronto transit situation. I would welcome it if the hon. member would stand in the House and speak in favour of more urban transit for people in Montreal and let the federal government know in no uncertain terms that Montreal, too, is being short-changed by a federal government that thinks more of its own political power than of serving the Canadian public.

I have referred to the fact that there has been a reneging on the part of the government in regard to urban transit promises. But it goes further than that. In our type of federation there must be great trust between the federal government, the ten provinces and the territories. When deals are made, those deals must be honoured. I think it is most reprehensible that a deal was made, for example, by the Minister of Transport's predecessor, now Senator Marchand, in which he gave an assurance—indeed, a commitment—to the Ontario government that if they wished to go ahead and buy 80 bilevel cars which they would order from Hawker Siddeley in Thunder Bay at a cost of approximately $38 million, the federal government would pay the cost of that purchase. Now the federal government is reneging.

If any member on the other side of this House doubts what I say, I would refer him to the statement in the legislature of Ontario made by the hon. James Snow, minister of transportation and communications, on December 16 of last year. He was quite clear. He pointed out in no uncertain terms that Ontario had made plans based on firm commitments given by federal authorities, and those commitments were apparently not going to be honoured. He further stated that he had had a meeting with the Minister of Transport and that he hoped the Minister of Transport would come back to him and show some realization of the situation and agree that the commitments would be honoured. He anticipated, as he spoke in the legisla-

ture, that he would hear from the Minister of Transport before Christmas of last year.

The fact is that to this point the Ontario government has not heard from the Minister of Transport, or from anybody else at the ministerial level in the government, in regard to these outstanding commitments in connection with the purchase to which the Ontario government has committed itself. I would recommend to any hon. member who wishes to join in this debate, particularly if he is on the government side, to take a look at the statement made by Mr. Snow in the Ontario legislature which vividly shows the uncertainty now existing between the Ontario authorities and the federal government over urban transit in the Toronto area at the present time—in fact, throughout Ontario.

I am pleased to have had the opportunity to make a few comments on the bill before the House. The important thing we must bear in mind is that if we are not careful, the highly centralized control which we have in the Ministry of Transport will not be responsive to the needs of the various cities and regions within this country to the extent it should be. The minister likes to say that he is evolving a policy of user-pay. There is nothing wrong with the concept. But when you start to analyse it, Mr. Speaker, you ask: User pay what? Who decides whether an operation is being run efficiently? Who decides if a Mirabel should be built and consequently paid for? Is it fair to talk to Canadians about user-pay, for example, in the case of a Mirabel or in the case of the operation of the Toronto international airport No. 1 or the proposed No. 2? Is it fair to say the user should pay when there is absolutely no control on the expenditure side with respect to what those users are being asked to pay? That, Mr. Speaker, can only be decided by the vote of the Canadian public.

In short, what is the point of the Minister of Transport saying that he has got a new theory, that users are going to start paying for services that are under his control, when there is serious doubt whether those services are, first of all, in many cases needed; and, secondly, are being run in an efficient way that warrants the user-pay concept?

More than that, Mr. Speaker, when you are in government there is never any question of who pays: it is the taxpayer who pays. All the minister is saying is that he would like to take from one group of taxpayers and give to another group and say that the users are paying. My point is that it is all very fine to talk of user-pay provided you can show that the government has acted in a frugal way, that they have moved only to build the facilities that are needed in a particular area.

Unfortunately, we have one of the saddest transport departments, in Canada, of any comparable country in the world. The government builds monuments to civil servants and then expects Canadians, either through their tax dollars or through their usage of services, to pay, and in many cases to pay for services that are needless. It is time that those who have supported the government to date showed their mettle. If they want to be re-elected in the Toronto area, then let them stand up, show a little courage and vote against this bill.

[Mr. Stevens.]

Mr. Cliff McIsaac (Battleford-Kindersley): Mr. Speaker, I have listened to the members on both sides who have participated in this debate so far, and I think that with the exception of the opposition critic practically the entire debate has been taken up generally with the problems of metro Toronto and other metropolitan areas in this country. While I fully realize there are such problems and that there is a delineation of responsibility between the federal government, the provinces and the municipalities, I suggest there are many other issues in other parts of the country that are equally important and which will be affected by the legislation which is before us today.

Bill C-33 is a very major bill which is of interest to every member of the House no matter which region he represents or to which particular party he belongs. I think the amendments proposed will go quite a distance in meeting many of the concerns that have been expressed, not only in this debate but in the House over the last number of years—almost daily in the question period—with regard to affairs of transport. I am quite sure the bill will not provide a framework which will solve all our transportation problems.

The general topic of transportation policy, the lack of it, the results of it, have been a favourite political whipping-boy for a very long time, and in many cases with good reason. I think yesterday we had pretty good evidence of that. Some of the shenanigans which went on in the House underline the concern of hon. members or this particular issue. Certainly, both political groups and other special interest groups will as well, I am sure, keep the issue before the government for some time in the future.

● (1550)

Some of the points I want to comment upon are related to achievements and to the progress which has definitely been made over the last few years in western Canada. Many changes have been made and a good deal of progress has been made to alleviate some of the long-standing sore points so far as western Canada is concerned. I am the first to say that by no means have we exhausted the list as yet, nor can this legislation provide answers to all those concerns.

It was less than ten years ago, as was mentioned by one hon. member participating in the debate, that this House extensively debated the present National Transportation Act which was adopted under a minority government. I am sure it had the support of the majority of members at that time, and I am sure they thought, also, that it would take care of the transportation needs and would form a framework for transportation policies for many years to come. That was only eight years ago. I am sure hon. members were satisfied then that they had the correct legislation and the correct regulatory mechanism basically in place to deal with those problems.

That act was the result of the MacPherson Commission study which had been at work for many years prior to that. The events leading up to some of these changes at which we are looking in Bill C-33 are worth noting. The former minister of transport—referred to by the hon. member who just

resumed his seat—recognized the difficulties faced by him, by the government and by this country in his now famous remark to the effect that the transportation policy of Canada was a mess, a remark which was widely publicized and, I might say, widely misinterpreted.

The former minister certainly, was not being critical, as was the hon. member who just resumed his seat, of the thousands of dedicated people in the Department of Transport and in other agencies across this country who work, and have worked hard, to provide good transportation services of which we can be proud instead of continually criticizing it. I do not say that there is no room for improvement, but everyone seems to criticize our two major railroads. It is a toss-up between them and the CBC as to which is more of a politicial whipping-boy. But the fact is that those two major railroads, despite the odds of geography and severe winter weather and other difficulties with which they have to contend in Canada, get the job done in a remarkable way.

The changes that took place since the 1967 act brought about a review of policy and a review of programs and another look at the legislation, which led up to the introduction of Bill C-33 in the House in this session. For example, in the eight years since the present act came into force we have seen dramatic change. We have seen growth in the demand for and the price of our resources such as oil, grain, potash and coal, all of which place significantly increased pressure on the capacity of our transportation system in the first instance. Second, we are all aware, and, are becoming more aware every day, of the energy crisis which sharpens our awareness of the need to conserve energy. The change of attitudes and values resulting in our concern about growth rates and the environmental impact of the Mackenzie Valley pipeline, which is a major transportation issue, and the study on that, are a reflection of that fact.

Certainly, there are significant advances in transportation technology in a variety of fields too numerous to mention. Those are some of the changing trends and changing patterns that have developed in this country and are part of life today which perhaps were not so obvious a mere eight years ago when the former act was in place. It was the variety of policies and programs that had grown up in different parts of the country to meet different situations that had in some cases changed from the time they were first initiated, and this was the kind of thing that led the former minister to make the statement that he made that the transportation policy is in a mess and should be reviewed.

There was a growth in size of some of our very large agencies, usually accompanied by a growth in independence as a result, and that has been a trend in government—federal, provincial and others. Bill C-33 proposes to make the arrangements between the major regulatory body in this act—namely, the CTC—and the minister's office, the minister's powers and duties, a good deal more flexible than is now the case under the present legislation. The rate-regulating side of the CTC remains unchanged in principle, but policy and research functions should be primarily an MOT responsibility and the responsibility of the minister in charge. He is charged with those responsibilities; he is held accountable here in the House and across the country—and consequently he should have the authority in those fields.

As I have said, there have been a good few noteworthy improvements and achievements in recent years, despite the continued criticism and continued concerns coming from all parts of the country on transportation matters. In western Canada, so far as our grievances are concerned—and many of them have been there since confederation—a number of points are well worth noting. First of all, and perhaps most important, it seems to me that in the last two or three years we are learning more about the nature of those specific grievances. By hollering about high freight rates and generalities of that kind we will not change them. There are great distances to cover.

We are, indeed, captive shippers in so far as the railways are concerned, in the great majority of cases. We are learning more about those problems. We are identifying them and spelling them out more clearly. We are consulting with a great many more people involved. I am not talking just about the users, about the industries and about the unions and the people involved in providing the services. I am talking about the provincial governments and other governments involved and affected by transportation policies. The work of the former minister in initiating and setting up federal-provincial groups and committees in western Canada, in the maritimes, in Quebec and in Ontario—which practice has been developed and maintained by the present minister—has in itself gone a long way to help alleviate some of those problems by setting up a better consultative mechanism. As I say, in my view that has been a significant achievement in the last several years. Provincial governments today are much more closely involved than they were a mere four or five years ago.

Another move that was made by this government a year or so ago was to pass legislation forcing the railroad to provide its costs on specific rates and charges to the federal government on a confidential basis, which would then be made available to the provinces. Certainly this is working well and is enabling us to get answers to some of the concerns which were discussed earlier in the debate by the hon. member for Regina-Lake Centre (Mr. Benjamin). We are getting more of the answers now.

We have been able to substantiate some of the facts. Bill C-33 will eliminate the long-haul short-haul anomaly that has long been not only a sore spot with western Canadians but a good deal worse than that. There is provision for certain exceptions which I hope the minister will deal with when the bill goes to committee. I realize that there are valid reasons for the flexibility being there and I hope the minister can elaborate on that when the bill goes to committee.

The reduction of the maximum rate is another move which I think will work to the advantage of all Canadians, particularly western Canadians. That amendment is contained in the bill. Hopper cars were mentioned in the earlier remarks of the Minister of Justice (Mr. Basford), in the absence of the Minister of Transport (Mr. Lang), as being another develop-

ment and advance in transportation in western Canada. This is not covered by the bill, but it is one of those achievements which, as I mentioned, has taken place over the last several years. We should not assume, as we might from listening to some of the arguments advanced by hon. members, that we can completely reject the economic facts of life, and transportation is nothing more nor less than pure political posturing. The minister and the government have not said, nor did they ever say, that all transportation services must be economical.

● (1600)

What we have said, and what has been the policy and practice for many years—and certainly a very defensible one—is that we must ensure we are carefully spending the money and the funds, that are going to support the many special exceptions to the basic rule. The user, in the majority of cases, still must pay for services rendered. The transportation policy and this legislation will enable the minister and the government to ensure it now becomes a more effective government tool for alleviating regional disparities and promoting regional economic development. I think that is one of the criticisms that has been put forward, not only from the west but from the east and other parts of the country, that will in essence enable the minister and the government to respond to this concern.

There have been two or three other achievements over the past few years. In western Canada we are awaiting the Hall commission report dealing with the question of branch lines. We hope that will be handed down before long and will give us some direction. The Snaveley report on grain handling is another transportation-oriented issue. We are learning the real facts, and any time we come up with that result we will be able more sensibly to deal with the issues it provides for better resolution of the problems. There are still very many valid concerns in western Canada regarding transportation, and today we are delineating more of them, in co-operation with provincial governments and other groups, than we have for many years. We understand much better the nature of the problem.

The bill will go a long way, but of course it will not resolve our concerns although it will provide a better framework to deal with those issues and concerns. Transportation is a very important aspect of the social life of all of us, so important to the community and the economy, both domestically and in terms of linking us with our markets, that we cannot afford as a government to become less involved. I think that if need be we should become more involved. These amendments will provide that opportunity.

The amendments make it clear that the regulatory function which is necessary for the proper management of Canadian transportation—the Canadian Transport Commission—will continue in that role with less emphasis on legal procedures and with more administrative simplicity. The amendments will ensure that the Minister of Transport and his department is the principal source of transportation policy advice to the government. They will give the minister and the government a more acceptable means of giving policy direction to the CTC itself, but not in the context of any specific case that may be before the commission.

The government has made a good deal of progress in the last several years. Both the former minister and the present minister and their staff have devoted a great deal of effort and energy to the job. I am sure some of my hon. friends opposite will not agree, but I can certainly say that the minister has been tackling many of the problems in a very capable manner. The problems that have been plaguing the country for many years are not going to disappear simply because they are not recognized—problems compounded by inflation and the changing concerns of people and by working with policies and institutions that are not amenable to change.

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, this is not the first time parliament has engaged in a debate on the principles of the transportation system of our country. Some of us remember the great hopes we had from the Duff report in the 1930s when it was recommended that the railways of the country, particularly on the prairies, be rationalized in their operation to overcome the mistakes of the early development period. After the war the problem was still with us. Then in 1949-50 we had the Turgeon royal commission. Once again, the commission made the same recommendation, that we should rationalize the operation of the railways and pay a bridge subsidy for going around the lakes.

Once again there were high hopes that the railway systems would begin to operate more effectively and efficiently. In 1959 the MacPherson royal commission was set up with instructions to end once and for all this wasting of the nation's resources in the inefficient, uneconomic handling of our transportation system. As a result of the report of that commission under the leadership of Mr. MacPherson, this parliament debated in the House and in committee from 1964 to 1967 proposals to put into effect the main recommendations of the commission.

The hon. member for Battleford-Kindersley (Mr. McIsaac) mentioned that at that time there was a minority government and that all parties supported the legislation. That is true, Mr. Speaker. There was general recognition on the part of the government—which was Liberal—and on the part of the opposition parties that we finally had to put our house in order. As a rough estimate, I would think that 40 per cent of the total economy of this country is in large measure dependent upon the efficient operation of some mode of transportation. What did we do when we put that legislation throughh in 1966-67? We accepted the principles of the MacPherson royal commission report. They were two. The first principle was that we should encourage the railways and other forms of transportation to compete with each other—railways to compete with trucking, air transportation, pipelines, and so on, as well as sea and water transportation. There was a principle of compensatory payments that was accepted in principle at that time.

Second, we accepted the principle that has been historic for every parliament since 1967—that when in the national interest we had to do something to help a region, an area or a group

in the national interest, the taxpayers of Canada would pay for it and not require the payment to be made by the transportation carrier. Those two principles, of competition and compensatory payments, and the taxpayers willing to accept, for the national unity of the country, responsibility for anything we ask the carriers to do that was not economic, were accepted.

● (1610)

Almost 80 amendments were proposed during that debate. The government accepted most of them because there was a will among all parties to make the system work. All parties agreed, and decided that our transport system, involving new modes of transport and developments, was beyond the capacity of a single minister to handle—in fact, was beyond the capacity of two or three deputy ministers to handle: they did not have the time. The system is complex, vast, and all parties agreed that by putting so much responsibility on one minister who was busy with other duties and two or three deputy ministers, assisted by secretaries and engineers, we had made a mess of it. It was just too large for one small group to handle. To quote the words of the previous minister of finance, our transport system was "a mess".

Today I listened to the hon. member for York-Simcoe (Mr. Stevens), an urban member, speaking about the problems of urban transportation, about the problems of people who must use urban transit to enter and leave our cities. In my 20 years as a member of parliament I have seldom heard an urban member discuss transportation. Usually, when we discuss transportation, the urban members leave the House because, after all, it is only a matter for the rural people, the people of the prairies, the maritimes, the people of Quebec, of northern Ontario and the remote areas of British Columbia and the territories. On this significant—you might say—historical day an urban member spoke about the government's record on transit. I join the hon. member for York-Simcoe in hoping that other members representing cities—Vancouver, Montreal, Winnipeg, smaller cities like Calgary, Edmonton, Regina, Saskatoon, Halifax and others—will also speak in this debate.

Rising transportation costs are a main element in forcing up living costs and production costs, and high production costs make us less competitive with our world competitors. Transportation is still probably one of the most important responsibilities of any department of government. It is no accident, as I have said many times, that the largest committee room in the centre block is the railway committee room. For most of the last 100 years members of parliament have spent much time considering questions of transportation. All this has passed and we no longer use the railway committee room except for banquets and social occasions.

An hon. Member: And committees.

Mr. Hamilton (Qu'Appelle-Moose Mountain): This legislation will not give us the chance to use it again. I shall now deal with the principles at issue. The decisions we made during the last ten years were based on attempts to make our railways run their operations rationally. Surely no fair-minded person who knows anything about transport techniques in the world will deny that Canadian National and the CPR—the two great national railways—and the PGE match in their operational techniques any railway in the world. Our railways are efficient. Compare them with the railways operating in the northeast United States. The railroads of our neighbours to the south are a mess. They are a catastrophe.

Consider the operation of the United States railway system which tries to haul tremendous tonnages of goods to southeast coast ports. It it were not for the Mississippi water system the transport system of the central United States would be a chaotic mess. We in Canada have fine, highly trained and dedicated working people doing a tremendous job on our railways. The failure of our railway system has been at the top level; the failure stems from management operating in Montreal and other cities, in offices remote from operations. You cannot learn transport problems if you are in a skyscraper. You must be out in the field, in the regions of the country, to learn about our transport problems.

Over the years people from all parts of this country have raised a litany of complaints about how the railways try to make money. Their lists of complaints would make a book as long as any you have read. Naturally, one tends to think of how the railways try to make money in one's own area because those examples come readily to mind. In my province of Saskatchewan we have a great tonnage of potash to move. One set of mines in my constituency produces close to three million tons of potash a year. But they could not get the railways to carry the potash. The railway said, "Oh, no. We are here for one purpose only, to carry wheat." So the government of Saskatchewan had to build a monstrous highway, superior to the Trans-Canada highway in quality, to allow trucks to haul that potash night and day to the American railway, the Great Northern, which took the potash to the great markets of the mid-west. Mr. Speaker, that kind of nonsense alienates the friends and supporters of our railway system.

Another example which gripes me has to do with the western portion of western Canada. In the early days, when we found oil and gas in that part of the country, we wasted much oil and gas—at least, we burned off all low pressure fuels. I went to one company which had a tremendous deposit of unused natural gas in the ground because they did not know what to do with all the surplus propane except flare it off, and I proposed to the company that they should go to the major railways and ask them to haul propane for an agreed charge. The company knew the propane was valuable and as good as natural gas, but they did not have the technology for shipping it.

I suggested they should haul the propane in big tanks covering the length of a couple of flat cars. I suggested they could service the prairies for 400 miles around and all Canada as far west as B.C., as well as markets in Montana and other parts of the United States. This fuel could heat our homes and run our cars and tractors. When the proposal was made to the railways, what did they say? Both of them said, in effect, "Yes, we admit this business will be a money-maker for us, but

not in the first couple of years. We will not be ready for a couple of years, or not before you develop the market, for only then can we make money out of this traffic". Today the people of western Canada are bearing the heavy costs of pipelines built all over Alberta and Saskatchewan. Today one hears complaints about access to premium fuel for industry, fuel which should have been reserved for customers in the far distant regions of the country including Ontario and our American markets. The railways did this deliberately, 25 years ago, not because they were against making money but because it was not their policy to take a loss for two years while markets were built up. I shall touch on this subject again when we consider the bill clause by clause.

More recently, the Hall commission travelled to the west. At every meeting farmers and businessmen rose and cited examples to show that the railways could carry more tonnage. The railways had applied to abandon thousands of miles of line, but under pressure—the commissioners being there—the railways admitted that they could make money in southeastern Saskatchewan. Farmers, using the railways' own figures, were able to prove that if the railways hauled grain east instead of west and then back east again, they would make more money. They were able to prove that right in that area there was a market which would be equivalent of many millions of bushels of wheat, but for another commodity, gravel. One gravel pit supplies gravel-short areas for 100 miles around. With the price the railways charge for hauling gravel, a lot higher than wheat but much lower than the truck haul, the railways could have knocked the trucks out of the gravel business and saved our roads. There would have been a tremendous increase in income. This short haul of 100 miles would have put all those lines into a black position on the economic ledger. The railways had no choice, under the presentation of those figures and the presentation of the commissioners, but to admit that all these lines in southeastern Saskatchewan should be kept. When we ended up that day with the royal commission, the general feeling was that instead of taking out some of our main lines we should add 40 miles of line to make it more efficient. I point out these examples to illustrate the fact that this type of representation has been made to royal commissions since the thirties. Just as long as royal commissions have recommended rationalization, just as steadily has the management of railways refused to accept it. In Saskatchewan we have railway lines running parallel for 100 miles, one CN and one CP. Why they cannot use one line for both trains I do not know. Every royal commission recommends it. I will come back to that matter.

● (1620)

In effect, Mr. Speaker, I have been trying to make a case for the fact that parliament has on several occasions spent a great deal of time trying to put legislation and principles on the statute books of this House that will direct our system into a more effective and efficient management of the whole transportation system, not just the railways. At the end of that debate ten years ago, one promise was made by the then minister on condition that we let the legislation go through.

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

The minister made a promise—which is on the record of this House—that no future abandonment of these reserve lines would be allowed until the railways showed their cost of operation. In spite of that promise by the then minister, the railways still have not provided to the people of Canada the cost of operating these lines.

The railways are a power unto themselves. Seven years ago some civil servants got permission from the government to convert Canada into the metric system. This group of civil servants told the grain companies, "This is going to be done. Do it." They told the oil companies, "This is going to be done. Do it". All those poor innocents thought that was the law and went ahead and prepared for it last February 1—but not the railways. They said that when they were good and ready they would convert. That is one issue. Parliament thought it had resolved that issue ten years ago. It has still to be resolved in this legislation. We have two commissions at the present time on this subject. The Snavely report is now before us. In plain, blunt terms, since the minister could not find any person in Canada who knew anything about railway costing—no one does, not even the railways—they went outside the country and got a man who came here to establish what it costs to haul grain.

Many members of this House have read the Snavely report. There is no evidence in there as to costing. There is simple and flat assertion that the railways say it costs this much, and another flat assertion from representatives of the grain companies that this is the estimate of the costs. All the royal commissioner did was to split the difference. They expect parliament, on that type of whistling in the wind or finding the wind with your thumb, to make a decision on what it costs to haul grain in western Canada.

Second, we have the Hall commission which deals with the rationalization of railways, the same thing we had in the three previous royal commissions. It also is to deal with rationalization of grain. That report is not in yet. Before we even try to discuss this bill intelligently we should have those two royal commission reports.

I want to move on to the main part of my remarks. I am going to differ from the hon. member for Battleford-Kindersley, the minister and the government, and put it into terms that every member of parliament will understand and, I hope, every person in this country will understand. In 1966-67, parliament—with the support of all parties—decided that the Minister of Transport, regardless of his politics, and the Department of Transport, were incompetent by their own track record to run this huge, vast, complicated, intermodal system of transportation in Canada. We, the members of parliament, decided to transfer the power of policy-making and regulation to a new board called the Canadian Transport Commission. That power was given ten years ago.

What does this bill do? It says, in effect, that the CTC is a mess, that it does not do the job parliament asked it to do. Therefore, we are going to change all the powers and policy-making from the CTC back to the minister, the department and the governor general in council. This bill centralizes the

power of over 40 per cent of this country into the hands of one minister, with his department, which has a track record of failure going back 40 years. It says we made the mistake of putting it into an independent, neutral board. If you look at the bill you will find they still repeat the principle of the MacPherson royal commission report that rates must be compensatory. There must be competition where possible. In the national interest, the national taxpayer will pay. There is no mention of the costing principle which is vital to the control of all types of transportation.

This bill moves all powers of transportation, representing about 40 per cent of the economic segment, over to the minister. The minister will now be known as the czar of all the railways, the czar of all the airlines, not only "Lang Airlines" but the whole bit. He will be the czar of all pipelines and the czar of all water carriers. We have a measure of this czar from watching what he has done over the past five or six years, ever since the LIFT program of 1970.

● (1630)

What we are doing in this bill is transferring power from an independent forum to a political forum—to the minister and to the cabinet. There is no mechanism here for control by parliament. We are simply going back to square one. It was a mess for 40 years, and we tried to get out of that mess by putting things into the hands of an independent body. Now we are going back to the old system.

I ask this question: "Does parliament, does this country, want this tremendous power we have turned over to the CTC—which never used it—turned back to the minister and to the deputy ministers enabling them to move at any moment, make announcements outside the House, push in programs or scrap them without anything being said in parliament?" Members have heard what happened to the promises made in 1974 with regard to urban transit assistance. In the maritimes they are being betrayed by the "at and east" rates. In addition, the minister has suggested that the Crowsnest agreement, going back many years, should be changed. This is what we are objecting to. This is what we are being asked to do. There is no limit to the minister's power except the governor in council. It will reside in a cabinet barely able at the present time to keep up with its duties. Yet ministers will now be expected to watch over an industry so vast and complex that parliament decided some years ago it was too big for any one department and that it should be placed in the hands of a 17-man commission.

I hope members of parliament who feel themselves responsible for the successful working out of this country's economic situation will think long and seriously before accepting such a situation. I should like to suggest to the minister that the unity of this country is more than a matter of politics. It is a matter of economics as well. In Saskatchewan we have just finished fighting a couple of by-elections. I know that the Liberals have been complaining that we were bringing federal issues into provincial affairs. But we cannot avoid federal issues in Saskatchewan because our province is so completely dependent upon the economic policies of the federal government.

We see our province, as well as others, being attacked by the federal government in areas which are ours under the constitution. We think of the petroleum administration bill, of the intervention of the government in the case between the government of Saskatchewan and one of its own companies which it was taxing. The federal government has been interfering in matters which were none of its business, including even the metric system. Why does this administration go out of its way to make changes without telling the people, without telling the provincial government? Does it think it can continue to do this without getting into trouble?

I realize it cannot be pleasant for the minister to sit in the House and have to listen to what I am saying, but he is the chief architect of the unpopularity of the central government of this country in the west. What he has done, as minister in charge of the Wheat Board, as minister of justice and as Minister of Transport, with all the powers he has, is something the west is not anxious to tolerate any longer. If the minister will accept in good faith that we on this side would like to see a better transportation system, let him please give us the benefit of the thought that there might be some ideas better than those presented in the bill before us.

The other day the hon. member for Crowfoot (Mr. Horner) made a speech in which he held forth as to the advantages of stability. He made it clear that the carriers and the captive shippers had to know what the policy was before the system could work properly—they had to make their plans, and so on. I should like to turn to an even more fundamental criticism of this legislation, but before I do so I wish to suggest that the CTC never had a fair trial. We set up this 17-man commission. What did the government do? It put in charge of that commission two washed-out, beaten-up old politicians. They had run out of steam in the political arena and they took refuge in an organization whose decisions could affect 40 per cent of the economy of this country. They took over, all they did was study, study, study.

They never directed the railways to do anything, for the reason they had no power to direct. It was a case of the Department of Transport saying, "You should do this," and of the CTC saying, "We are studying the matter". There was a dichotomy. But surely the answer is not to put the system back into the hands of those who have proved they could not run it before. The answer, in my view, is to get at the cause of the problems in the CTC.

I have referred to the government's bad habit of putting politicians who need a rest home more quiet than the Senate in charge of powerful commissions and agencies. I suggest we should leave the CTC as it is but give the commission the power to direct the various carriers engaged in the transportation business. The old legislation of ten years ago merely said that the commission "may recommend". Knowing the history and attitude of railway management, I can say that any recommendation from a transport commission or similar body set up by parliament has about as much effect as a fly on an elephant's hide. This has been proven for 40 years. They are so

tough they do not even listen to the metric commission. The power has to be put into the legislation.

Tremendous efforts were made in speech after speech of mine ten years ago pleading with the government to give the CTC the power to direct. If that power were given, it would need to be accompanied by the power to enforce. Because we had accepted the principle of the national government paying for all the things the railways were asked to do in the national interest, we had the club in our hands. The minister at that time was Mr. Pickersgill. Members who read the answers he gave me over a series of weeks will see how they twist and turn. He said, in effect, "We are dealing here with private enterprise and we would not think of directing private enterprise to do something which was against its will". Then, when he ended up by appointing himself chairman of the board, it was obvious why he took the line he did. He did not want responsibility for directing anything.

Mr. Speaker, the power of direction and enforcement would give the CTC a chance to prove whether it can operate effectively or not. There is a second consideration, and it is dear to my heart. We have to give back to parliament control over the government of this country, and particularly over transportation.

Some hon. Members: Hear, hear!

Mr. Hamilton (Qu'Appelle-Moose Mountain): I said earlier, and I will mention it again, that the biggest committee room in this building is the railway committee room. I want to see that railway committee room filled again with members of parliament, backed up by the most skilled staff which money can buy and which knows the costing procedure, can question the railways, the bus companies and other transportation bodies as to cost, that knows what the law is and how to enforce it.

● (1640)

The CTC has been in place for ten years, but it still does not know the costing formulas of the railways. That is the reason we had to go to the country and get the Snavely report. Parliament must be given back its control. The system I proposed ten years ago was incorporated in a motion moved by the hon. member for Peace River (Mr. Baldwin), and I seconded it. It was a very simple proposal. We used the example of the Commonwealth of Australia in suggesting that a statutory committee be set up. The statutory committee would not be dependent upon the whims of the prime minister and the cabinet. This committee of parliament would meet by statute with a chairman of the opposition and with a staff that was paid for by that committee and would be independent of the civil service and the carriers. This committee would watch the CTC, to see that it did not spend all of its time studying but directed and carried out the powers of parliament and laid down in the statute, and enforced government policies.

The question of costing was so embarrassing to Canada ten years ago that when the question of rates came up, one railway—the CPR—told the government that it lost money hauling grain in the year 1958; I think the loss was $17 million. This horrified the western grain companies in the prairie provinces and they collected an equal amount of money. They went down to New York, where the CPR had put forward its costing figures, and they hired an equally prestigious accounting group to look at the same figures. In due course they reported that the company had made money.

So you have one group of highly skilled accountants working for the CPR and saying that the CPR lost money. Another group of accountants working for the grain companies said the CPR had made money. What did the royal commission do? It hired an equally prestigious group of accountants to examine the same CPR figures, and they concluded that the railways either made money or lost money. I have their report here and all members should read it. They will never understand it because those who made it do not understand it.

I am simply pointing out, Mr. Speaker, that on this question of parliamentary control we must accept, in humility, that neither do we as parliamentarians have the time properly to control a CTC with such an involved, complicated and vast operation as they have to manage, but in that humility we have to accept that there is a need to hire people, if necessary at a cost of $200,000 or $300,000 a year, to give us the kind of competent advice needed to cope with the type of thing we are up against here in Canada where we do not know the costing of the railways. We do know more about the airlines and we know precisely the costing of pipelines because that matter is well in hand, but we do have to take on this question of railway costing.

I think that we in parliament would serve ourselves well if we were to provide, in this legislation, firstly that the CTC stayed with its present powers; secondly, that the CTC be given the power to direct and to enforce under the terms already outlined in the act; and, thirdly, that we in parliament should be the ones the watch the CTC, not the Minister of Transport. I would not care if he was the Lord himself; he would not have the time to look after this tremendously complex and vast operation.

Mr. Knowles (Winnipeg North Centre): Don't disillusion him; he thinks he is.

Mr. Hamilton (Qu'Appelle-Moose Mountain): The fourth provision I should like to see in this legislation, in addition to the three principles I have enunciated, is that a decision be made by parliament on this perpetual question of how we are going to pay for transportation in this vast regional country in a way that is fair to all. In his announcement, the minister—

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the hon. member that his allotted time has expired. He may continue with unanimous consent. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Turner): The hon. member for New Westminster (Mr. Leggatt).

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Turner): I distinctly heard some "no's" and that is the reason I recognized the hon. member for New Westminster.

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I want to assure you that I gave my consent to having the hon. member continue his remarks, and I did so for a special reason. I find it a delight to be able to follow the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton). I do not think I have ever listened to a speech of his in the House without learning something from it. I think his suggestion concerning the moving of gravel, for example, along with grain, merits a lot more attention than it has been given in the past. His suggestion about a statutory committee of the House and the return of some power to parliament is one that is certainly worthy of a great deal more attention and thought. I presume from the hon. member's remarks that he is going to vote against the bill, although I did not hear him say whether he was or was not. I presume the Conservative party is going to vote against this bill.

An hon. Member: Don't bet on it.

Mr. Leggatt: I still find it hard to distinguish between the government and the official opposition when it comes to transportation policy.

Mr. Hnatyshyn: You want to paint the trains red.

Mr. Leggatt: They will all be red. One of the interesting things in this debate has been to listen to the revolt of the backbenchers of the Liberal party. This has been a fascinating exercise. Every time we get members on the government side deciding that their personal ambition is somehow a little less than the ambition they have for their own riding, I find it welcome. I am glad to know that members of this House declare themselves interested in their constituents, as did, apparently, the hon. member for York East (Mr. Collenette) and the hon. member for Halton (Mr. Philbrook) yesterday. They held forth very eloquently in regard to their dissatisfaction with the promises that were made in the 1974 election campaign on the subject of urban transit. In fact, the hon. member for York East said his support of this bill was contingent, so I presume he has not yet made up his mind whether he is going to vote in favour of it. The hon. member said that his support was contingent on five factors, one of which was that financial assistance must be maintained. A second factor was that federal assistance must be within specific time parameters, and he referred to a number of other areas which he said would have to be dealt with before he would lend his support. I do not see the hon. member in the House today, but perhaps he will read my remarks in *Hansard*.

We would like to give the hon. member an opportunity of seeing whether his contingent support will be satisfied. All he has to do is to support a six months' hoist on this bill and insist that the government fulfil its promises in the field of urban transit before bringing back the bill. Standing in the House and declaring that his support is contingent on certain conditions is worthless. Once the bill goes through, it goes through. The hon. member for York East and the hon. member for Halton have an opportunity now either to support a six months' hoist of the bill or to vote against it.

Mr. Gilbert: So much for the Liberal revolt.

Mr. Leggatt: I am afraid that the Liberal revolt is, frankly, a bit revolting. In terms of urban problems in the area of the lower mainland, we have heard a lot about the problems in Toronto. I have had an opportunity to travel in Toronto when the Union station was jammed full, but I will tell you that the transport facilities available to people in Toronto are vastly superior to the transport facilities available in the lower mainland of British Columbia.

It is time someone in the House took notice of the fact that the worst transit urban area in Canada is in the lower mainland of B.C. Anyone who has come from that area and has had to go bumper-to-bumper for an hour or two in the morning in the Fraser Valley can testify to the problems and to the fact that the problems in Toronto, which are there and real, and the problems in Montreal, which also are there and real, still do not match the worst urban transportation situation in Canada. The reason for that is the crazy geography of the lower mainland. We have a long, narrow piece of land—a neck where people have to drive down a single corridor in order to get to work.

We have heard the promises made in 1974 about urban transportation. I want to remind the government of another promise, that there would be an urban transit corridor down the Fraser Valley providing easy rail commuter access to Vancouver. That is another promise that has not been fulfilled, another promise that no doubt this government does not intend to keep because it would not have the chance to use it again in the next election. I expect that if we have another election in a year or two we will hear the same old promise about an urban corridor down the Fraser Valley.

An hon. Member: You will not get the same old government.

Mr. Leggatt: That is right, we may not get the same old government.

Mr. Knowles (Winnipeg North Centre): That is the way the government keeps its promises: it keeps them to use them again.

Mr. Leggatt: In any event, the greater Vancouver regional district has made substantial progress in this matter, no thanks to the federal government, because they have not had decent funding from the federal authorities. One of the things we could be doing is to put a rapid transit system right down the middle of route 401 so that everyone sitting in a car could

recognize the advantage of urban transit. In fact, they might get out and try using it.

Yesterday, the hon. member for Spadina (Mr. Stollery) gave us quite a long explanation about transportation. He said that many of us do not understand the country. He explained what a terrible piece of geography we live in here. I want to say that the hon. member does not understand the people in the country, although he might understand the geography. The people in this country are not looking for an ideological solution to transportation problems; they are looking for a rational approach. If you take a rational approach to transportation, and you get out of the free enterprise bias and look at public transportation as it exists in the various parts of the world, those people who so consistently vote Liberal and vote Tory would, I tell you, in a Gallup poll vote NDP on that issue in order to obtain a decent public transportation system in Canada.

An hon. Member: We don't need any more NDP governments.

Mr. Leggatt: Yes, we are going to be the government of Saskatchewan next time, too.

An hon. Member: Oh, no, you won't.

Mr. Leggatt: A couple of swallows came in from Saskatchewan yesterday. They think spring is here already. I can tell my Tory friends that in Saskatchewan the snow is still on the ground and will be on the ground for them next time around.

● (1650)

Some hon. Members: Oh, oh!

An hon. Member: Five o'clock.

Mr. Knowles (Winnipeg North Centre): He'll be back tonight.

An hon. Member: Let him talk until six o'clock. Who cares?

The Acting Speaker (Mr. Turner): The hon. member for New Westminster (Mr. Leggatt), has the floor for the purpose of speaking on Bill C-33. I suggest he should get back to the bill.

Some hon. Members: Hear, hear!

Mr. Leggatt: I appreciate that, Mr. Speaker, and I want to tell you that the people of Saskatchewan are also interested in the problems of transportation. I would like to speak directly to the bill and deal with a couple of clauses in it. I think the two clauses which cause most reservation in this part of the House are, first, clause 3(2)(g) which reads:

> Commercial viability should be an objective both in the operation of transportation services and in the provision of facilities and services in direct support thereof—

Commercial viability has not worked in terms of transportation in Canada since confederation, and to place it in this bill as the key to the bill is to defeat the purposes of a national transportation system. That is why we cannot support the bill. It is not any kind of socialist dogma that we are talking about; it is just plain, old-fashioned common sense, because if you look at commercial viability and examine the user-pay philosophy, you should look at the question of cost benefit. Free enterprisers in this place examine transportation from a free enterprise point of view, and when they do they come up with a public transportation answer. There is no other answer to this question, because you have to take into consideration energy consumption in the cost-benefit study, decreased needs for highways, reduced pollution, reduced auto accidents and the subsidy to the private sector.

Let us examine some of the figures that the hon. member for Regina-Lake Centre (Mr. Benjamin) and the hon. member for Crowfoot (Mr. Horner) used. The railway services in this country are paying their own way up to 74 per cent of the cost of their services. They are the most efficient in terms of carrying their own freight right now, especially the public service.

Mr. Parent: You cannot even keep a straight face when you say it.

Mr. Leggatt: The worst offender is marine services. They only pay 19 per cent of what the rest of the country put in to support those services. All those services contribute only 64 per cent.

An hon. Member: Which Otto?

Mr. Leggatt: He has contributed enough in this place. Air services have contributed 31 per cent. Every time you buy an air ticket and get on an aircraft you are paying only 31 per cent of the cost of that service. The railways have been sabotaged in this country out of a bias that the minister and his predecessors, both in Liberal and Conservative governments, have had against railway services.

May I call it five o'clock, Mr. Speaker?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Provencher (Mr. Epp)—External Affairs—Soviet Union—Inquiry whether representations made by minister for release of Georgi Vins; the hon. member for Fundy-Royal (Mr. Fairweather)—Manpower—Grants to constituencies in respect of manpower mobility; the hon. member for Northwest Territories (Mr. Firth)—Northern Affairs—Log housing program for northern Canada.

It being five o'clock p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions (papers), private bills, public bills.

PRIVATE MEMBERS' MOTIONS FOR PAPERS

[*English*]

The Acting Speaker (Mr. Turner): Notice of motion No. 1, in the name of the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall).

Some hon. Members: Stand.

The Acting Speaker (Mr. Turner): Stand at the request of the government.

Mr. Goodale: Mr. Speaker, on a point of order. I believe there is common agreement to proceed this afternoon in the next hour with a motion for papers standing in the name of the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn).

Mr. Paproski: Agreed.

● (1700)

CORRESPONDENCE RELATING TO ESTABLISHMENT OF URANIUM REFINERY IN SASKATCHEWAN

Mr. Ray Hnatyshyn (Saskatoon-Biggar) moved:

That an humble address be presented to His Excellency praying that he will cause to be laid before this House copies of all documents relating to the establishment of a uranium refinery near Warman, Saskatchewan, or elsewhere in the province of Saskatchewan, by Eldorado Nuclear Limited, and copies of any agreement between the government of Canada and the province of Saskatchewan or their respective agencies.

He said: Mr. Speaker, my reason for rising at this time is the refusal of the government to provide the documents I requested relating to the establishment of a uranium refinery in the province of Saskatchewan. The documents are agreements or other documents between the government of Canada and the province of Saskatchewan, and any other documents of Eldorado Nuclear Limited relating to the establishment of a refinery in Saskatchewan. It is rather coincidental that this motion is being debated today. There have been two important by-elections in the province of Saskatchewan and I am very happy to say that the candidates of the Progressive Conservative party were successful.

Some hon. Members: Hear, hear!

Mr. Hnatyshyn: I do not mention this to boast about a particular victory. I would never do that, because that would imply that the people of Saskatchewan did not know what they are doing—and they always know what they are doing, particularly yesterday. It is significant that one of the platforms upon which the provincial Progressive Conservative party ran was to the effect of sending a message to Ottawa and Regina; and I think it is important, when we consider the success of the Conservative party, to understand also that the two by-elections took place in ridings which are adjacent to what has now apparently been determined to be the prime location for the establishment of a uranium refinery.

I can tell hon. members that the people of these areas are very concerned about the development of this facility which apparently is to be built near Warman, Saskatchewan, which is about ten miles away from Saskatoon. The people there are concerned not so much about the fact that there is to be a government facility built there, as they are by the fact that they have been denied information by both levels of government, the federal government and the provincial government.

The matter has progressed to the point where the New Democratic Party, at its annual convention completed at the end of last year, received and passed a number of resolutions strongly condemning the provincial government for the position it has taken relating to the establishment of a uranium refinery near Saskatoon and the attitude which has been taken with respect to the giving out of information to the citizens of Saskatchewan relating to this project.

I was very surprised when the federal government took the position it did with respect to this motion. I want to remind the House of the response I received to a question I raised in the House last October 22 when I asked the Minister of Energy, Mines and Resources (Mr. Gillespie) whether, in the spirit of openness mentioned in the Speech from the Throne, he would table all documents relating to the establishment of the refinery instead of keeping the matter wrapped in the kind of secrecy which would be appropriate to wartime circumstances.

I want to quote the minister's answer specifically so that I cannot be accused of misleading the House. I know that the minister and the parliamentary secretary would not want anyone to mislead the House with respect to this issue. I quote the minister's words so that we can be clear on what basis I am surprised that the documents I have requested are not being tabled. The minister said the following:

I am not sure that the discussions have yet moved to the point where it would be useful to table documents. I can tell the hon. member that when the time comes, I will be pleased to table them, provided we also get the approval of the province of Saskatchewan.

That was an unequivocal undertaking on the part of the minister, subject to the approval of the province of Saskatchewan, to table documents relating to the establishment of this refinery. Whatever those doduments are, there was no qualification or limitation in the minister's answer. As I understand it, it was an undertaking, and if the minister is a man to be believed I see no reason for him to refuse on a very flimsy excuse—which I will deal with—and on very flimsy grounds to table the documents which are of such importance and interest to the people of Saskatchewan.

At the time this motion was called, the parliamentary secretary indicated that the government refused to table the documents, ostensibly because they are commercial documents and the information is proprietary. In the name of common

sense, when a facility of this kind is going to be built at public expense, a facility built by a Crown corporation of the government of Canada, what kind of logic would compel a government to say it does not want to disclose the documents because there is some sort of commercial aspect to the establishment of a uranium refinery?

In this country we do not have competition with regard to control over uranium. I do not understand the argument that matters concerning uranium are shared or are joint matters. The government of Canada has complete and absolute control over uranium once it comes out of the ground. It has control over the processing of uranium. It has control over the export of any products which occur by virtue of that processing. This is not a shared responsibility. It is not a question of competition with a number of private concerns. The government has absolute control, regardless of the fact that there is some commercial aspect.

It is rather difficult for me to understand what the government is referring to. I fail to understand why the government denies this information to the people of Saskatchewan on this basis, particularly when in the Speech from the Throne there is an undertaking on the part of the government to have a new spirit of openness and a new spirit of participatory democracy with the people of our country so that we out in the boondocks of Saskatchewan can have some idea of what is going on and what will happen with respect to the establishment of this kind of facility.

It is interesting to note that the government has set up a set of guidelines respecting the production of papers. The document I have here has been presented to the House of Commons, and the hon. member for Peace River (Mr. Baldwin) is very familiar with it. This document sets out the exemptions with regard to the production of documents in the House of Commons. For the record, I would like to quote from it so there can be no misunderstanding of the spirit of these exemptions. The general principle stated in these guidelines is as follows:

> To enable members of parliament to secure factual information about the operations of government to carry out their parliamentary duties and to make public as much factual information as possible consistent with effective administration, the protection of the security of the state, rights to privacy and other such matters, government papers, documents and consultant reports should be produced on Notice of Motion for the Production of Papers unless falling within the categories outlined below in which case an exemption is to be claimed from production.

Mr. Dupras: Read on.

● (1710)

Mr. Hnatyshyn: I could go down the list and have the parliamentary secretary explain the reference to "proprietary nature". He will have his opportunity to speak.

Mr. Dupras: I have a list of the exemptions.

Mr. Hnatyshyn: The list is here, and it is quite clear. I am sure the government is going to say that this falls into some kind of contractual document. In reply to my question of October 22, the minister did not indicate he was going to claim any exemption. I would ask the parliamentary secretary to explain whether the minister at that time was innocently or otherwise attempting to mislead the House or mislead me, as the representative of the constituency where this uranium refinery is proposed to be established, and whether he is to be believed or his words are to be taken with a grain of salt from now on. This matter is not without importance in the province of Saskatchewan, and naturally there is great interest there.

I do not have to point out to members of the House the extent of the concern expressed with respect to activities around Port Hope, Ontario. As an individual and a citizen of the area concerned, I am quite prepared to accept reasonable assurances from Eldorado and the federal government that the planned facility will be built with the greatest safeguards, the greatest consideration for environmental protection, and that there will be no danger of any description to people in the area. But every time the government stonewalls what I consider to be a legitimate and reasonable request for information or documents, I become apprehensive about what is going on. I do not know why the government is trying to conceal this information. Do they think they know better than the people of the area, or are they concerned that if the information gets out the people of the area will have something with which to attack them? I just do not know why the government is concerned about keeping this to themselves.

If ever I saw an example of the refusal to get information of a factural nature that would tend to support the passage of legislation introduced in this House by my colleague, the hon. member for Peace River, this is it. This is not the first time I have raised the matter in the House. The peculiar part of the whole process is that there was no prior announcement of the intention of the government to locate near Saskatoon. This information came to light by accident, by virtue of the discovery by a Conservative member of the Saskatchewan legislative assembly, Mr. Ralph Katzman, who represents Rosthern, of the fact that, in conjunction with Eldorado, the Saskatchewan Economic Development Corporation was acquiring for unnamed principals an option on land near Warman, Saskatchewan. After considerable digging he was able to determine the land was being acquired for Eldorado.

This matter has been going on for some time between the province and the government through Eldorado or the Department of Energy, Mines and Resources. We find out now when it has become public and the accusations are rather hard on the people there. I think the parliamentary secretary should inform his minister what his counterpart in Saskatchewan thinks about Eldorado and the Minister of Energy, Mines and Resources. The Saskatchewan minister of the environment, Mr. Neil Byers, has been very critical of Eldorado Nuclear. He says they are poor communicators and has expressed concern that they have started to assess the Warman site without providing information to the provinces on the advantages and disadvantages of it compared with other locations in the province. Yet a department of the federal government says they do not have all the information from Eldorado. Mr. Speaker, I do not spend much of my time supporting the

provincial New Democratic Party government. But if they cannot get the information in the province in which the facility is to be situated, I wonder what chance the average citizen or a member of parliament has.

An editorial in the Saskatoon *Star-Phoenix* of February 26 points out that Mr. Byers should not stop there but perhaps should look at his own operation and point his finger at the Saskatchewan Economic Development Corporation for the way they have carried on. I must say I agree with that. The editorial reads:

> A lot of Saskatchewan residents would agree that Eldorado had been less than eager to communicate on plans, whatever they may be, for a uranium refinery in this province. But most would also suggest that the provincial government should have been a lot closer to the action than the average person because of SEDCO's involvement.

The editorial continues:

> —Saskatchewan has set up the structure for a public inquiry over Eldorado's plans, as well as other facets of uranium mining in the province and nuclear energy in general.

This government's abdication of its responsibility relating to nuclear power and the uranium industry has been the subject of a lot of inquiry on our part. Over a period of time the leader of my party has persistently requested that the government take up its responsibilities and set an inquiry in motion—preferably a parliamentary inquiry—with respect to the future of Canada's nuclear energy policy and the mining and exportation of uranium. He wrote to the Minister of Energy, Mines and Resources outlining his concern that the government had failed in the responsibilities given to it by statute and constitutional jurisdiction. He pointed out that the government had responsibility to assess and report to the people of Canada in a public forum, preferably in the parliamentary context through a special committee of the House. It has a responsibility to receive the representations and views of the widest possible range of citizens.

The abdication of responsibility is so bad that not only in the province of Ontario has the provincial authority been required, through the Porter commission, to look into this matter on its own, but in the province of Saskatchewan public pressure has been brought to bear. A commission was recently appointed under Mr. Justice E. D. Bayda to look into uranium development in the province. One of the things that interested me about that study is that the provincial government is looking into matters which I perceive to be exclusively federal in responsibility and jurisdiction.

What kind of government is it that refuses to give any information upon which people can base an assessment of what should be done in one facet of our nuclear energy program, the uranium side, and does not take any initiative to allow public participation in the development of policy across the country but relies on provincial jurisdiction?

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, but his allotted time has expired.

An hon. Member: Go on.

The Acting Speaker (Mr. Turner): The hon. member may continue with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Hnatyshyn: I appreciate that very much, Mr. Speaker, as this is a matter about which I feel very strongly. The people of my area feel equally strongly about it.

● (1720)

I was surprised at the answers I received today to some questions I had placed on the order paper relating to the establishment of a uranium refinery in Saskatchewan. Incidentally, I note the presence in the chamber of the parliamentary secretary to the president of the privy council (Mr. Goodale). Having examined the returns, I can say that the information the government provided could not be called an answer even in the most general sense. True, there is information here, but nothing of significance or consequence which one could not obtain by examining some of Eldorado's press releases. One could not describe these returns as answers.

It appears that Eldorado Nuclear Limited has publicly announced that it has acquired options to purchase 1,200 acres near Warman, Saskatchewan; that detailed environmental studies are to be conducted; that arrangements for these studies are now being completed and will be announced in early 1977; and that 11 areas in Saskatchewan have been assessed environmentally with respect to 14 possible refinery locations. I ask, in passing, why are the people of the area concerned—indeed, all our people—about not being given information about such environmental studies? The minister indicated that environmental studies have continued for the past year, and are continuing. I suggest that this information ought to be in the hands of the people concerned. Otherwise, how are they reasonably and rationally to assess all the implications of the establishment of this refinery in Saskatchewan? They can only do it, I submit, if they possess the factual information commissioned by the government of Canada through Eldorado Nuclear Limited and paid for by the public.

The returns indicate that we shall see some form of public hearing. But that hearing will not be conducted until other, more detailed, environmental assessments have been made. I understand that the authorities are embarked upon a continuing process of assessing the environmental implications relating to the establishment of this refinery. They are concerned not only about air and water supply but about other factors which must be considered. Unfortunately, we have not been provided with the details of the matter. We have not seen any documents and there is no information available which could let the people of Saskatchewan determine if such a refinery should be established near Saskatoon. Further, we do not know which other areas have been considered. The returns omit to say how extensive an assessment has been made or how much has been done in this regard. Surely the provision of such information could not hurt any commercial enterprise of the government of Canada. How much was spent on these studies?

Was it $10, or $100,000? We should know, because such studies may be nothing but window-dressing.

I am not against the development of nuclear energy per se. But I am concerned because although I represent the constituency in which it is proposed to place this refinery, I would have been given more information and seen more evidence of co-operation if I were a citizen of Tanzania or Outer Mongolia. Is this the way a representative government should run its affairs? Surely this shows how badly we need a freedom of information act.

I am in the opposition, true, but I do not think the provision of this information would hurt the government. Surely, this issue shows the need for the immediate passage of a freedom of information bill as suggested by my colleague for Peace River. If such legislation were adopted, the information would be available. I wish that an independent arbitrator, judge, or someone responsible within the government would urge the making public of this kind of information so that the people of the area concerned would know where the uranium refinery is to be established.

We have often criticized our neighbours to the south, but at least they took the initiative with respect to freedom of information—an initiative we should imitate. Freedom of information legislation is long overdue. Therefore, I am pleased to note the presence of my colleague for Peace River and I hope he will participate in this debate.

Mr. Maurice Foster (Algoma): Mr. Speaker, I wish to make one or two comments about the motion presently before the House. I am interested in uranium production, refining and use in Canada and in the world. The refinery which is to be established in Saskatchewan of which the hon. member spoke will be the result of the policy adopted by the federal government in September, 1974. That policy proposed that the further upgrading of uranium and the "value added" process with respect to uranium produced in Canada should take place in this country, for in that way we could develop our uranium refining capacity in Canada and ensure that more jobs would stay in this country. At the time of the adoption of this policy, between 4,000 and 5,000 tons of uranium yellow cake were produced in this country.

The new uranium mine which came on-stream in Saskatchewan during the past year will lead to increased production, and the traditional producing areas of Beaver Lodge northern Saskatchewan, and Elliot Lake, Ontario, will also contribute to this increased production in Canada. I believe that by 1985 production in this country will amount to some 15,000 tons per year of yellow cake. The increased production of this mineral; will be tremendously valuable to Canada. Indeed, its value is escalating rapidly. Five or six years ago, uranium yellow cake sold at between $5 and $6 per pound. Today's spot prices are as high are as high as $40 a pound. Therefore, the further upgrading of our uranium to uranium hexafluoride or uranium oxide is important for our country.

[Mr. Hnatyshyn.]

• (1730)

I want to carry that argument a little bit further. I suggest that wherever possible uranium refineries should be located close by the areas where uranium is produced. For example, in Ontario our present refining capacity is located in southern Ontario. As we move to have additional uranium refineries constructed in the province, these should be located in northern Ontario where the principal mines are located. The secondary manufacturing processing jobs would then be located in the north.

Since 1969 we adopted a policy of regional development in Canada. It is designed to create more equality between the various areas of our country by having secondary manufacturing and processing plants locate in the slow growth areas of our country. We have provided incentives through the R.D.I.A. Act. If we have a policy where we take taxpayers' dollars to provide incentives to locate plants in designated areas of our country, we should carry it a step further and see that Crown corporations such as Eldorado locate their plants in the slow growth areas of Canada.

If we look at the plan being proposed for Ontario, we see that there exists an opportunity for this to be located on the north shore of Lake Huron. It would provide 150 or 200 new jobs processing the resources of that part of Canada.

If we look at the unemployment levels in certain areas of the north shore of Lake Huron, we see that over $12 million has been paid as an average over the past four or five years in unemployment insurance benefits. We see large expenditures for the LIP and Canada Works programs. The LIP program has provided seasonal jobs during the winter months. Now with the Canada Works program it will cover other times of the year as well. There is a great advantage in seeing plants of this nature locate in northern Ontario where they would provide the jobs.

There is another aspect to the matter which bears consideration. If we locate uranium refineries close to areas where the productive capacity of the mines exist, we have an opportunity to dispose of the nuclear waste from the uranium refineries in the uranium disposal waste facilities that are there for uranium mines. That would seem to be a wise move rather than establishing new nuclear waste disposal sites at various locations throughout the country. Indeed, many people who have studied this problem believe that our nuclear waste should be put back into worked out uranium mines which is the ultimate place to dispose of nuclear waste.

Another aspect of locating uranium refineries in the general area of the producing mines is the public acceptance of this type of facility. In the north shore area, for example, practically every municipality has passed a resolution supporting the second uranium refinery for Ontario being located in the north shore area. Chambers of commerce in most communities in the area have supported the location of a refinery in that area, as well as many individuals and community groups. There is that public acceptance, understanding, and knowledge of the further processing of uranium in an area where there already is uranium production.

We should look at the sense of justice to the uranium producing areas which went through very severe economic crises during the sixties. Hon. members will recall that in the fifties there was great pressure to produce uranium for military purposes for the United States. During the sixties, the agreements which had been reached during the fifties for further options of production of uranium were cancelled.

Communities like Elliot Lake practically collapsed. They went from 20,000 or 25,000 people down to 5,000 or 6,000. The build-up from that to the present day situation, where there is a tremendous boom and expansion taking place, was long delayed because of the very uncertain future of uranium production during the sixties and early seventies. These communities have seen very difficult periods of time.

The situation now is very different. The ore bodies in areas like Algoma are worth dozens of billions of dollars with today's value of uranium. There is a strong feeling that areas like this should not only have the mining and plant jobs that occur with a uranium mining operation, but the secondary processing jobs should be located in those communities as well.

If we look at the uranium stock piling program of the sixties, we see that the uranium, most of which comes from Elliot Lake and is now stored by the government, has produced a profit of several hundreds of millions of dollars for the government.

If we look at the kinds of production of uranium ore that will take place during the next quarter century and the amount of tax dollars and royalties which will be realized by the federal and provincial governments, we see revenues flowing into federal and provincial coffers from this source ranking in the billions of dollars.

There is a very strong feeling that when uranium refineries are located in Ontario they should be located in the north. Thus not only would the mining jobs be realized, but also the jobs in secondary processing plants.

We realize that studies which have been carried out in Ontario, like those carried out in Saskatchewan, into the environment and economic feasibility play a factor. Indeed there would probably be an additional cost to locate a plant like this in northern Ontario. In addition to looking at the economic factors, I believe we should look at public acceptance and the possibility of the disposal of waste in the worked out uranium mines. These are compensating factors that should be recognized by the government and by Crown corporations such as Eldorado.

I hope these considerations will be taken into account by the government and by the Crown corporation when they locate plants like this, whether it be in northern Ontario where we have such a tremendous productive capacity for this mineral, or in Saskatchewan with its new discoveries in certain areas where it looks as though there will be significant production of uranium in the next quarter century.

Energy

● (1740)

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I want to congratulate the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) on seizing the initiative to bring before the House and ultimately, I hope, before the people of Canada, this important issue touching upon the right of the people to be informed regarding this project, and, incidentally, their right to be informed generally.

The hon. member for Algoma (Mr. Foster) made a very reasoned speech in favour of the development of nuclear power, but that is not the issue. We are not dealing with that aspect today. I think he made a good speech. I admire the hon. member, though I disagree with him from time to time, as I admire the parliamentary secretary who, no doubt, will be speaking later and who, as an agent for the government, will be compelled to state an argument for which I imagine he has no real heart. After I have finished speaking, I hope he will acknowledge this to me.

The reasons assigned by the parliamentary secretary to this House for refusing to make the documents available were that since they related to the establishment of a refinery they were commercial documents and the information was proprietary. First of all, I should say that this is not among the exemptions cited in the list which was brought down by the then president of the privy council on March 17, 1973. It does not fall squarely within any of the exemptions stated there, and consequently I would ask the parliamentary secretary to identify which of the 16 grounds for exemption he considers to be operative in this case.

Mr. Dupras: I am addressing myself now to that very task.

Mr. Baldwin: The parliamentary secretary might need a month to define the ground on which he can base his defence.

Mr. Knowles (Winnipeg North Centre): Even so, it is a list unilaterally compiled!

Mr. Baldwin: To whom does this information belong? Who pays for it? This information, Mr. Speaker, is the property of the people of Canada.

Some hon. Members: Hear, hear!

Mr. Baldwin: We are dealing in this case with nuclear energy, a very dangerous field. I can understand why so many people are security minded about it. Thirty or 40 years ago, after the second world war, as developments in the atomic energy field were passing into civilian hands, there was a great deal of secrecy attached to it. The United States passed legislation imposing stringent secrecy with regard to the dissemination of certain information, and this attitude spilled over into Canada. But that was 35 or 40 years ago. We are now in a different era.

We have had experience, particularly in Ontario, of the serious consequences of the development of atomic energy. There is grave apprehension on the part of a great many people in Ontario and elsewhere because of developments in

Port Hope, Elliot Lake, and other places. I am sure that all kinds of assurances were given by the government and by the corporation at that time to the people living in the areas involved, just as I have no doubt that assurances will be given to the people of Saskatchewan. But in the light of what has happened, in the light of the serious concern felt by knowledgeable people in Canada and in other parts of the world, it is not good enough for us to accept bland assurances by government people, even by people as eminent as the parliamentary secretary, that everything is perfectly all right and that there is no need for us to be given the information for which we are asking.

I recall examining one government witness in connection with this question of the provision of information. He reacted with astonishment and alarm. He asked, "Why should you know what our experts know?"

My contention is that this information we are seeking today should be the property of the people. It relates, in particular, to those living in the area which is to be developed as a nuclear project. After all, it is their health, their lives, their property and their future which are at stake. Surely in these circumstances they should be privy to all decisions which are made, and the information should be available to them as long as it does not come within the category of being contrary to national security.

The parliamentary secretary says it is a commercial enterprise. There are indeed circumstances in which information which might give advantages to competitors of a corporation ought to be withheld. But this is not being cited as one of the grounds for withholding information in this case. I suggest as strongly as I can, because of what we know, that if there is any proprietary right at all here, that right is the property of the people of Canada. And the only way this right can be asserted is through the disclosure of the information.

Some hon. Members: Hear, hear!

Mr. Baldwin: The hon. member for Saskatoon-Biggar referred to the principles guiding the government when dealing with motions for the production of papers. There is a paragraph in the guidelines about protecting the security of the state. All too often, it seems to me, what we are really looking after is the security of the Liberal party and I, for one, believe there is a great distinction between the security of the state and the security of the Liberal party. Indeed, I would go so far as to say that the security of the state is threatened by the continued security of the Liberal party.

Some hon. Members: Hear, hear!

Mr. Baldwin: I heard a very interesting statement over the radio the other day. At the time of the Viet Nam war, when the Nixon administration found itself caught up in some of the lies and deception it had practised with regard to the translation of the war into Cambodia and elsewhere, an assistant secretary of the U.S. defence department, confronted with this situation at a press conference, said, boldly, "Every government has a right to lie to save itself." That is the kind of statement which, we fear, would be approved by all governments. The government opposite is particularly adept at it; from its experience in the last 20 or 30 years it has become expert at lying to defend itself.

Mr. Dupras: That should be beneath your dignity.

Mr. Baldwin: That brings me to the right of the government to refuse the information which the hon. member is requesting. I suggest that even the parliamentary secretary will find it difficult to bring this within one of the 16 grounds set out in the guidelines, however much ingenuity he exercises.

Only today we were given an example of the way in which the government conceals information. Only today, with this very debate in mind, I asked the President of the Privy Council (Mr. MacEachen) when he intends to do something about freedom of information. We have had to look outside the country at what was said by the vice-president of a corporation in Korea, and at some information which the American Security Commission was able to elicit due to the more advanced laws that exist in that country. I am compelled to sit here and wait for information to be given through sources of that kind. We are not allowed to obtain it ourselves.

● (1750)

The President of the Privy Council made a very smart alecky reply which is not worthy of him. He is a very good debater, a very good parliamentarian, but I think he slipped when he said that the opposition in the Public Accounts Committee were not doing their job. It is a matter of common knowledge, a matter of fact—everybody knows this—that the deception, the autocracy and contempt shown by those supporting the government, and by some of the witnesses appearing before that committee, have frustrated, and inhibited, and made it impossible for the opposition members of that committee to get the information they should have. There was just no way they could do it under the laws we have in Canada today.

As my hon. friend has said, information of a contractual nature is surely the sort of information that should be open. A contract has been signed, and we must know what the safeguards are, the financial implications, what is involved in it for the people of the district, and what is going to be put in that area.

Apparently some decisions have been made, some contracts entered into. Because of the dangerous nature of the project, it seems to me it would be most difficult for any member of the public or any member of the government to say, "We are going to refuse you this information." Surely that is proof complete of the requirement in this country for information which would be available to people when requested.

We all agree there have to be exemptions, but this is not a case for exemption. The refusal of the government to give these facts and information constitutes a contempt of this parliament, of the people of Canada. I hope when this matter comes to a vote, as it will in due course, that hon. members on the other side, who will have to meet their electors at the polls one of these days, will remember well what they do. I suggest,

through you, Mr. Speaker, to them that it will be held against them if they vote against this motion.

Mr. Maurice Dupras (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, my two distinguished colleagues, the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn), and his seatmate, the very distinguished member for Peace River (Mr. Baldwin), have taken so much time that I will not attempt to answer all their arguments. Nevertheless, I should like to respond to a few of their remarks in regard to some of the questions that they raised.

First of all I should like to deal with the grounds I was invited to mention regarding the production of papers, as well as the exemptions to the criteria to be applied in determining whether government papers or documents should be precluded from production. I would invite my two colleagues to consider exemption No. 4, which is as follows:

Papers, the release of which might be detrimental to the future conduct of federal-provincial relations or the relations of provinces inter se; (the release of papers received from provinces to be subject to the consent of the originating province).

Sedco is the company that Eldorado requested to make these studies. Exemption No. 5 reads:

Papers containing information, the release of which could allow or result in direct personal financial gain or loss by a person or a group of persons.

It is obvious that this is a strong enough ground on which to deny some of the information. As I begin to list all the instances in which an attempt has been made to give more information to the hon. member for Saskatoon-Biggar I think it will be apparent that we began to supply information as early as July 6, 1976. This was followed by instances on July 26, 1976; October 22, November 8, November 18, December 21; January 17, 1977, again on January 18, February 11, March 1, and today. The questions have been put on the order paper by the hon. member for Saskatoon-Biggar, Nos. 820, 821, 853 and 856. I wonder if the hon. member is aware that information has been made available in these cases.

For the benefit of the hon. member I should also read exemption No. 10:

Papers relating to negotiations leading up to a contract until the contract has been executed or the negotiations have been concluded.

Finally, exemption No. 16:

Papers requested, submitted or received in confidence by the government from sources outside the government.

It is obvious that such a situation exists here. Before I forget, the hon. member for Saskatoon-Biggar mentioned that we do not know what the Saskatchewan government thinks of the project. I already know what Jack Messer, the industry and commerce minister, thinks about the project, and I can see from the nod of the hon. member for Saskatoon-Biggar that he too knows.

Let me quote some of the information that was given in a speech by the premier of Saskatchewan on November 8 last. Among other things the premier said:

Our party and our government have been committed to the peaceful use of atomic energy in the world for over 20 years. Uranium has been mined, yellow cake has been produced and exported from this province continuously for more than 20 years and this is still taking place.

This is nothing new in Saskatchewan. Further he said:

The government of Saskatchewan has a policy that no major industrial enterprise should be proceeded with without the proposed developer giving a detailed outline of the project proposed, following which there is to be an environmental impact study (to be made public)—

This is exactly what is going to take place, as I have told the hon. member for Saskatoon-Biggar many times in this House.

—following which there are to be public hearings.

I could speak until seven o'clock, Mr. Speaker, about all the information that we have supplied.

The hon. member for Peace River mentioned the financial implications of this project.

The Acting Speaker (Mr. Turner): Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

NATIONAL TRANSPORTATION ACT

MEASURE TO REDEFINE OBJECTIVE OF TRANSPORTATION POLICY

The House resumed consideration of the motion of Mr. Basford (for the Minister of Transport) that Bill C-33, to amend the National Transportation Act and the Department of Transport Act for the purpose of defining the objective of the transportation policy of Canada and authorizing the consequential rearrangement of powers and duties relating to transport and to amend the Transport Act and the Railway Act in respect of freight rates and other matters, be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, as I recall, this afternoon at five o'clock when I concluded my preliminary remarks we were actually looking at the bill itself, which is somewhat unique in this Chamber. From time to time I think it is useful for members to read what they are passing.

I want now to refer to proposed section 3(2) (d), which I will quote. It is the prime principle of this legislation which is now enshrined in the law that in the field of transportation

—competition within and between modes of transport should be encouraged where economic and technical factors permit;

That is the second major reason why this party cannot support the bill. What is outlined here is the enshrinement of the failure of the transportation policy of this and previous governments. It enshrines the kind of failure that we had right here in Ottawa when we put STOL aircraft to fly between this city and Montreal. That is the kind of competitiveness that is enshrined in the bill. If we continue to use that kind of philosophy in providing transportation in Canada, we will dig ourselves deeper and deeper into the mire. We will get into a hole which is even larger than the one we have now. When you go for the principle of competition between private carriers, what you will find is that the private carriers will take all the profitable parts of transportation, and the rest, us suckers, will carry the bill. That is what will happen to an even worse degree now. When you enshrine that principle, you eliminate the possibility of a cross-subsidy. Cross-subsidization means that with viable, efficient and profitable transport you eliminate the possibility of using the revenues to subsidize areas in the country which will never pay for themselves. They will never pay for themselves because that is not the kind of country in which we live. We do not have a situation like the situation in western Europe. Our country is almost unique in terms of transportation. The Soviet Union is one of the other countries in the world which faces the same kind of problems we have.

● (2010)

Mr. Woolliams: Yes, but they give service.

Mr. Leggatt: I am glad to see that the hon. member for Calgary North (Mr. Woolliams) is continuing his support of the Soviet Union. I appreciate his views. It is good to see that the Soviet Union has friends in the House.

Mr. Knowles (Winnipeg North Centre): He is one of those Red Tories.

Mr. Friesen: One of those red-in-the-face Tories.

Mr. Leggatt: I do not think we should compare our transportation system with that of the Soviet Union. I suspect theirs is better, although I have not had the advantage of examining it. I suspect that our transportation system also has some advantages, but if I could just reiterate my point about eliminating the possibility of cross subsidy, when you allow private carriers to cream off the best part of the transportation system, the rest of the country has to carry the load for those parts which will always find themselves in a losing position.

Mr. Woolliams: Like Air Canada.

Mr. Leggatt: We talked this afternoon about who really pays for transport in this country. There is not a single system of transport which is not subsidized. Every time we walk on a sidewalk we should remember that the municipality subsidizes that sidewalk. The roads we drive on are subsidized. What really is amazing is that every time we take an aircraft our ticket pays only 31 per cent of the cost of that service. We are not paying for the air traffic controllers, for the runways, or for the Mirabels across this country.

From this minister we have seen an elitist transportation policy. It is nice for us as members of parliament to fly back and forth across the country, but it is not much good for those who do not fly and, believe it or not, the vast majority of people of this country rarely, if ever, use an aircraft. If we could keep that in mind we could reverse these priorities a little bit, and we could see to it that ordinary people would have a proper and efficient means of transport. However, we will not have that as long as we enshrine these two principles into the law. One is the principle of competition between existing modes of transport, and the second is commercial viability.

Most people in this House have not had a chance, but we on the west coast have had a chance to examine the new policy the minister is introducing, the user pay concept. We have seen that in operation. We are the pilot project which the minister is using to demonstrate his user pay philosophy. The minister has accomplished some great things so far. I want to list some of the benefits the user pay concept has brought to British Columbia.

The minister has dismembered a viable company with ships which were specially constructed for the purpose of supplying isolated ports in British Columbia. That company could have operated with a profit had the minister simply followed the report of his own advisers. I refer to the Acres report, which suggested those ships could have been upgraded with further capital investment, and we would not have needed to subsidize that particular service. Instead, because of a rash and, I would say, ideological decision, or a decision which was without any flexibility at all, the minister destroyed a viable company.

This concept left 300 people working in that company without work. Some, however, did find work. Six jobs for these seamen were found in Halifax. That is the extent to which they have been able to re-employ the workers who lost their jobs as a result of the minister's destruction of Northland Navigation. I am glad to see the hon. member for Vancouver East (Mr. Lee) in the House because most of the people who live in his riding are very interested in finding out what is going to happen.

Another thing the user pay concept has brought about is the loss of all the spin-offs as a result of the drying up of that water transportation business. I received a letter today from longshoremen in Prince Rupert who are now crying because they do not have enough cargo to keep them working. The port is being dried up to some extent. There has been a reduction in the amount of cargo which is being carried to that port, and not least of all is the disruption of normal communication to over 100 communities in the isolated parts of British Columbia.

What the minister has really done in a back-handed way has been to dump the entire passenger load and the entire traffic burden on the province of British Columbia. However, I am not going to get too excited about this because I think the minister has a rabbit in his hat, or something in his pocket. He

has been out in British Columbia. I know he has been working very hard. I would say he has been working in desperation more than anything else, but he has been working very hard.

I certainly give the minister credit for trying to pull his own chestnuts out of the fire. He is always running around trying to solve problems he has created. It is a wonderful way to seem busy all the time. The minister creates a disaster and goes back, grabs a bucket of water, and tries to put out the fire. That is what he has been doing in British Columbia, and I hope for the sake of British Columbians that he has something for us. I hope he is able to produce something in the way of rational transportation, something different from sending the *Prince Rupert* into Bella Bella, letting the lifeboat over the side to try to load the passengers from Bella Bella. That was an excellent challenge to the people of Bella Bella. I thought they were not as amused as they should have been, and we were lucky we did not lose anyone over the side, but it worked. That is another one of those little pilot projects upon which the minister is working. He just drops those lifeboats over the side and gets everybody to row out.

I would like to tell the minister that just because he is running the *Lumba Lumba* out of Prince Rupert does not mean we are in Tahiti. We actually need boats to move people out to those vessels. This really would be a laughable subject if it were not so serious to the people of British Columbia. This is a serious situation for isolated ports in British Columbia. Somebody should write a novel about what has happened to water transport in British Columbia.

We do know one thing, though, and that is that there are Liberal members of parliament from British Columbia who have been working very hard at this problem. Three of those members, the Minister of State (Fitness and Amateur Sport) (Mrs. Campagnolo), the hon. member for Comox-Alberni (Mr. Anderson), and the hon. member for Coast Chilcotin (Mr. Pearsall) were very proud to say that they were involved in the planning of this decision. There was a super press release, but the hon. member for Coast Chilcotin found out that it was not such a good plan, so he jumped out right away. He got off the boat.

The hon. member for Coast Chilcotin did not even use a lifeboat; he dived in right away. He did not fool around, and I must give him credit for getting off that sinking ship. Then there was the Minister of State (Fitness and Amateur Sport), who did not quite dive off the boat; she just stood on the burning deck and said, "My resignation is coming in six weeks if this ship burns". That is what she said. That is one of the promises we thought might be kept, but that was last fall and we have been waiting to see the resignation come. She is hanging in there and I think she has learned how to skate. Maybe it is the practice she had on the canal, but she has been skating very fast. She is making Guy Lafleur look foolish.

● (2020)

Some hon. Members: Hear, hear!

Mr. Leggatt: I wish she were here, Mr. Speaker, for she is a charming lady and I always like to hear what she has to say.

We are faced with this strange situation where all these Liberal backbenchers got together to develop this plan for British Columbia. They went up in the aircraft, but when they found out that it did not fly they said, "Somebody else made it, we are getting out."

Where do we go from here? I expect the minister is going to make an announcement, so let us try to guess what it might be. I expect that the routes from Prince Rupert to the Queen Charlottes, Vancouver to Nanaimo, and Tawassan to Victoria are to be part of the trans-Canada highway. If it is anything less than that, then it seems to me that British Columbia is still getting a bad deal. There is a special reason why that is a bad deal. We usually talk about national unity in connection with the problems of Quebec, but when this country was formed Sir John A. Macdonald promised British Columbia a rail line to Victoria.

An hon. Member: He was a Tory.

Mr. Leggatt: It has never been delivered. There is a breach of contract somewhere. Perhaps British Columbia will have to take the federal government to court for breach of contract because it did not provide the service promised under which, by contract, we came into this wonderful country. The pending announcement should be to the effect that these three routes will form part of the trans-Canada highway. They are part of a federal obligation made in 1871 to the province of British Columbia.

Mr. Lee: I did not know Sir John promised this highway.

Mr. Woolliams: We cannot help illiteracy!

Mr. Leggatt: Mr. Speaker, I want to refer now to an editorial in a newspaper that has been a traditional friend of the Liberal party of Canada, the Vancouver *Sun*. It is remarkably loyal to the Liberal party, but it looked in the mirror and said, "We just cannot keep supporting these people." The editorial of November 4—

Mr. Woolliams: Don't read the one of November 5; that is against me.

Mr. Leggatt: No, they like you. They want to keep you Neanderthals alive. Mr. Speaker, the editorial reads in part as follows:

> And although there is to be some kind of substitute for the service, what happened leaves a distinctly bad taste in the mouth.
>
> Mr. Lang's conduct throughout this affair smacks of callous indifference to the needs of the company, its employees and the people of the coastal villages it has been serving. In essence, he held them to ransom in an attempt to force the provincial government to assume full responsibility for coastal shipping, then cast them aside when half the ransom was paid.

Some hon. Members: Hear, Hear!

Mr. Leggatt: It seems strange that in this country we have an adequate description of the geography but not an adequate description of the kind of people who live here. I believe the

people want to keep this country together, and I believe that is true of every part of the country. There is no more important way to keep the country together than have people exchange visits. We are running empty passenger trains back and forth, and they are losing money. The senior citizens in my riding would like a chance to travel in those empty cars. They would travel on standby and a nominal fare could be charged. Then they could see the province of Quebec and perhaps understand its problems, and Quebecers could understand the problems of British Columbia, if we had the courage to use our public transportation system to keep this country together.

The theme of my remarks, Mr. Speaker, is that we have a public transportation company and should not confuse it with the free enterprise ethic and competitiveness in the system. That does not work. We can make it help hold the country together if the government will have the courage to use the system and have people travel everywhere in Canada so that they can understand what a great country we have.

Some hon. Members: Hear, hear!

Mr. Maurice Harquail (Restigouche): Mr. Speaker, I am delighted to have an opportunity to participate in the debate today respecting Bill C-33. First of all I want to say that I support the bill. I have noticed the serious tone of the debate, and it is easy to understand why it would be serious when we consider that the total budget for the department for 1977-78 is well over $1 billion.

I wish to put forward some facts concerning these figures. For example, the number of Transport Canada employees, including the Canadian Transport Commission, is 21,629; Air Canada 20,600; Canadian National Railways, 82,256; and the approximate total for Crown corporations including the National Harbours Board, 108,000.

When we look at the tax dollars that form the total budget of Transport Canada, we can quickly come to the position of support for a bill which would give the minister more power to carry out his responsibilities.

In recent years there have been suggestions about a Canadian merchant navy that would put us in a better position to control the shipment of our natural resources, and there has been talk of action in regard to the Canadian railway debt similar to that recently announced for the St. Lawrence Seaway debt.

The figures will not only show but prove the importance of transportation policies and of planning together with general operations across the country. However, one cannot but wonder about the top-heavy bureaucracy found within the Department of Transport, with its many technocrats and bureaucrats. What chance of survival do these programs and policies have after they have gone through so many hands, and what one could term the watering down process?

● (2030)

I suggest that anyone familiar with Canadian transportation history will say that this is an excellent time to review possible changes and to consider changing the structure and hierarchy of the Department of Transport. Therefore, logically, we ought to establish a superministry of transport, under which would come two junior ministries with responsibility for implementing our transport policy. Certainly the present job is too onerous for one man. I suggest that the Minister of Transport (Mr. Lang) cannot at the same time oversee the day-to-day operations of the ministry of transport, the CNR and Air Canada while carrying out his additional responsibilities for the Canadian Wheat Board.

Mr. Johnston: Who wrote that—Otto Lang?

Mr. Harquail: I now wish to mention something I have thought for some time. We need to alter the present top-heavy, all-too-powerful bureaucratic structure. If we are to resolve our current problems, I suggest we should take the responsibility away from deputy ministers who are not elected and give it to elected representatives.

Some hon. Members: Hear, hear!

Mr. Harquail: I have thought of some new titles. For instance, deputy ministers could be known as chief administrators, or chiefs of Staff, and parliamentary secretaries as deputy ministers reporting directly to the House. For too long we have heard references about various departments of the federal government working at cross-purposes. This has been counter-productive and created, indeed compounded, some of our present problems.

While considering amendments to the act I suggest that we should look closely at how efficiently the large numbers of employees presently employed by MOT do their work. I sometimes feel that if they are not compelled to work efficiently and productively they could well fall into the category of the invisible unemployed.

I now mention transport subsidies, specifically in the Atlantic region, and wish to put some facts and figures on record. Three major transport subsidy payments, covering five areas, transferred approximately $280 million to the Atlantic region in 1976. These payments can be broken down as follows: for rail passenger subsidy, $35 million; ferry and coastal services, $100 million; west bound freight subsidies, to rail $8 million, and to truck $3.5 million; west bound selective freight, to rail $2 million, and to truck $1.5 million; intra-provincial freight subsidy, to rail $10 million, and to truck $20 million. Where will all this money go when the proposed changes regarding these subsidies are implemented? Keep in mind that in excess of $1 billion has already been allotted to the Department of Transport budget. Therefore it should be obvious that only a small percentage of the department's total expenditures have application to the Atlantic provinces.

Considering recent decisions concerning subsidies, and previous speakers spoke about subsidies to east and west coast ferries, it is clear that we must let the public understand the philosophy which will lead to a change in subsidy policy in Canada. We have already seen evidence of the workings of this philosophy on both the east and west coasts. One cannot cut

subsidies without negotiating and consulting with those who entered into original agreements in good faith. Agreements have been reached with certain provinces. I say that we must be cautious in our attempts to reduce subsidies in various provinces. Surely one will not argue that the matter of reducing assistance with respect to the Crowsnest Pass ought to have been addressed some 20 years ago. Why not commence negotiations to bring that particular agreement into line with modern day needs? If an agency which requires 30 per cent assistance receives a subsidy of 70 per cent, I am sure the Canadian people would want that particular subsidy to be discussed, negotiated, and adjusted.

We must be cautious not to forget our direct responsibilities. I say this because subsidy payments in the estimates submitted this morning by the Minister of Transport accounted for more than half the 1977-78 budget of the department, or more than $500 million.

When the Standing Committee on Transport and Communications visited the west coast last year it saw the harbour facilities at Vancouver, and visited Seattle, U.S.A. We quickly saw that equipment at Vancouver needed modernization. I am speaking both of dry dock facilities and over-the-side equipment for loading goods and grain. Obviously, we shall need to do something to remain competitive. We must upgrade our facilities to maintain our excellent reputation and induce ships to use our ports on the west coast, as well as those on the east coast. We shall need to spend money on additional equipment, and on upgrading existing facilities at Halifax and Saint John, New Brunswick, as well.

I now turn to the matter of debt. The CN debt has already been mentioned, and we know Air Canada incurred a $25 million deficit last year. This morning, when the committee was considering the 1977-78 estimates, I addressed a question to the Minister of Transport. I know that steps will be taken, under spending policies to be implemented, to curb, if not eliminate, that deficit.

Talking of Air Canada brings me to the problems confronting Eastern Provincial Airways serving Atlantic Canada, and the airline's application before the Canadian Transport Commission last year. I cannot participate in this debate without, in all justice, stating the case of the citizens of Atlantic Canada. The chairman of the air branch of the commission brought down a most unsatisfactory decision. He is a westerner and visited the Maritimes more than once to conduct hearings.

● (2040)

Consider the effort that goes into the presentations that are made to the air branch of the Canadian Transport Commission. Many long hours and a lot of money go into their preparation. What is the result? Last December the decision was handed down by the chairman of the committee. He did not give a positive consideration to the applications placed before the CTC. The applicants were willing, ready and able to implement the program of transportation for which they were seeking the class two licence. In its wisdom, the CTC air branch decided to give it to a firm which had encountered financial difficulties three months prior to the decision being handed down.

Decisions of this type encourage me to speak in favour of the amendments contained in Bill C-33. The bill recommends that some of the decision making process be taken out of the hands of the CTC and more of this power given to the Minister of Transport.

I witnessed the disppointment and frustration as the result of the negative approach taken by the air branch of the CTC with regard to giving positive consideration to the plight of the citizens of Atlantic Canada. It almost brings one to look for the resignation of, if not the whole board, at least the chairman.

Consider the expenditure involved in conducting these hearings. Think of the time, effort and investment, both financial and sweat equity, that are contributed to these hearings. With a negative response like that, we wonder whether it is worth wasting our time following that type of procedure.

In central Canada there is talk of improving the Windsor corridor. We hear about better transportation for Ottawa, Toronto, Montreal, Quebec and Vancouver. However, in 1977 there is no modern air passenger service linking the four Atlantic provinces.

I live in northern New Brunswick. In order to travel to Halifax, I have to get on a train at six o'clock in the morning. Twelve hours later I arrive in Halifax. No modern air facilities are available. In order to get to the capital of the province of New Brunswick I have to spend six hours on roads that are exactly not up to trans-Canada specifications.

Mr. Béchard: Speak to the provincial government.

Mr. Harquail: If I understand the news correctly, they have problems other than highways at the moment. However, that is not what I wanted to speak about.

There has been positive input by DREE and the Department of Transport to try to eradicate that kind of situation. There was a recent announcement of $42 million to match the $10 million or $11 million being put in by the province to continue improving the highway network between Moncton and Campbellton, New Brunswick, Route 11. Another $5.5 million will be spent on Route 17. There is no question as to the urgency, considering how many years the trans-Canada has been completed from Newfoundland to British Columbia.

It is about time the provincial government accepted its responsibility to complete that important link which brings us to la Belle Province and the Gaspé area, not only for economic reasons and the whole question of regional development but the very matter of tourism.

To come back to the negative decision by the Canadian Transport Commission, the applicant that had the technical wherewithal to implement that service did not receive a favourable hearing. E.P.A. Ltd. could not get approval for a class two licence. E.P.A. Ltd. recently cancelled its order with the de Havilland Corporation at Downsview for a Dash-7. This

50 passenger aircraft would have been used to link the four Atlantic provinces. It is the obvious answer to a most serious problem.

From conversation with the Council of Maritime Premiers and other elected representatives, I know they have not given up on this. In fact they are now working in earnest. If that is the attitude of those who sit on the board and conduct the hearings, we will have to set our sails and cut the cloth accordingly.

I am convinced there will be complete co-operation and support from all elected representatives from that area for a new approach. In the very near future a new application will be made to the Ministry of Transport for a more favourable consideration with regard to the approval of funds in order that we in the maritimes might have modern air facilities. We would like to enjoy the same facilities as the rest of Canadians.

I support the view that was expressed previously with regard to the top heaviness of various departments. A good example is in the Department of Transport and the Crown corporations such CN and Air Canada.

There should be a better system for input by members of this House. Much debate could go on as to what the format should be. I stated previously that we should look seriously at stripping some of the powers away from the too powerful bureaucrats such as deputy ministers who sometimes get carried away with their ivory tower building. They forget the human side, the needs and aspirations of Canadians on many different fronts.

One solution with regard to the day to day operations of corporations such as CN and Air Canada might be to have more input by politicians at some level, whether they sit directly on the board or act as advisers. I am not looking for more structure. We have enough of that now. However, it is time to bring some of the decision making process to where it should be, with the elected representatives.

There is no question but that our transportation system, rail and air, is one of the best operated compared with other countries. Notwithstanding the problems of wrestling with the media, the present minister is very dedicated and hard working. He has to tolerate jabs and babblings in our day-to-day deliberations and debate in this House. I am sure all serious Canadians will agree with me when I say this minister has dedicated his energy 100 per cent in an effort to come to grips with the problems which face us. The importance of the transportation sector and the proportion of Canadian tax dollars which it consumes make it evident that the time has come not only to support the amendments in Bill C-33 but to support the minister in a more positive way so that in the implementation of these policies he can bring about even better solutions.

● (2050)

We have heard presentations by members in all quarters of the House, both in this Chamber and in committees, in favour of the establishment of a Canadian merchant marine. While no provision is made for this in the estimates, this is a possibility we ought seriously to consider especially in the light of such developments as the export of increasing quantities of coal to Japan. There is no reason why we should not place ourselves in the position of exercising better control over the distribution of our national resources.

I conclude, as I began, by saying I will support the amendments contained in Bill C-33.

Mr. David MacDonald (Egmont): Mr. Speaker, in rising to speak on this bill I must say at the outset that I was more than a little surprised that the minister himself did not choose to present the first major revision of the National Transportation Act since its passage almost ten years ago. Though he has not addressed the House on this bill, I trust he has read the speech which was delivered by the Minister of Justice (Mr. Basford) on his behalf, and that at least he approved it. It would be fair, I suggest, to hold him in some way accountable for what was said by the Minister of Justice when he introduced this measure.

In a way, the absence of the minister was ironic. The minister chose not to be present, but on the other hand he is asking for great power to be restored to the Department of Transport with respect to the day-to-day workings of the transportation system. Under the new legislation, policies could be changed at will and transportation programs could be made to operate to the great benefit of certain regions or, conversely to their detriment. As I say, I find it passing strange that the minister should have chosen not to be present on this occasion, and I see that my feelings are shared by the hon. member for Crowfoot (Mr. Horner).

Nevertheless, we are grateful that the hon. gentleman, among all the ministers who have presided over the National Transportation Act, has been the most frank. He alone has been prepared to say what none of his predecessors dared say, that is, that the legislation enacted by Mr. Pickersgill was an attempt to put the transportation system on a footing completely different from that of a policy based on consideration for the social and economic well-being of the country as a whole. It is clear in retrospect—and later I should like to quote a passage from the remarks of the Minister of Justice, one which no doubt reflects the minister's own views—that the fundamental shift which took place as a result of the MacPherson Royal Commission and later the Transportation Act, was to enunciate that a first priority would be to make a transportation system in this country commercially viable and that in a sense every other aspect of transportation policy would have to be subservient to that basic goal and commitment.

I suppose that anyone who looks at this concept superficially would say it makes a great deal of sense—surely a transportation system should be commercially viable and efficient to the extent possible. The only difficulty is that when we make this the main *raison d'être* of a transportation policy we begin to fly in the face of the economic, social, and political history of this country. A number of speakers in the debate have referred to this aspect and to the damage which the act and its administration have done to the several regions. Indeed, it was

the minister's own surrogate, the Minister of Justice, who said, on Tuesday, I think it was—and I quote from page 3526 of *Hansard*—referring to the probable national implications of various direct and indirect freight subsidies:

> Most of these were implemented when the economic and transportation needs of the West, Ontario, Quebec and the Atlantic provinces were significantly different from what they will be in the coming decades. Some of these programs, however well-intentioned and effective years ago, now actually inhibit the development of certain regions and parts of the transportation system. Therefore, Mr. Speaker, the Minister of Transport has proposed changes in a number of these assistance programs.

Those of us who come from the more distant regions of the country should be grateful for two things. First, for recognition that the actual impact of the transportation policy has for the last decade been one of "user pay". That has been the reality of the present transport policy. The second is because the minister has recognized that the policies which have been in place affecting a great many of these regions have been inappropriate and must be changed.

I suppose the minister was bound to get the message eventually. Certainly it was delivered to him from a number of different quarters. Almost a year ago the Minister of Regional Economic Expansion (Mr. Lessard) tabled a report in which he analyzed various sectors within his jurisdiction. With respect to transportation in Prince Edward Island he said in a document tabled before the standing committee last spring:

> The report stated that the problems involved in transporting commodities using existing facilities are expected to be extreme by 1977.

That opinion was fortified by further comments made by provincial ministers in the legislature of Prince Edward Island during the spring session of a year ago.

When I asked the minister on March 26 of last year what steps were being taken to head off this impending crisis, he replied, in the way he so often does:

> We always try to analyze traffic trends and look ahead to the steps to be taken to accomodate them, and that is what we are doing.

That kind of bland assurance does not convince us that the minister recognized the seriousness of the situation. It did not take too long for the provincial governments of Nova Scotia, Prince Edward Island, and New Brunswick to come back with a much sharper review and to remind the minister, if there is any danger of his forgetting, that there were serious problems respecting transportation policy in the region and that there seemed to be no awareness of this on his part, or on the part of the federal government generally.

● (2100)

At the twenty-second meeting of the Council of Maritime Premiers, which took place shortly after that in Charlottetown, the maritime premiers went on record as saying, first of all, that they would request an early meeting with the federal Minister of Transport. The premiers reaffirmed their position that transportation systems should be used by governments as positive tools for the attainment of national and regional objectives. But they stated that, despite the federal government's agreement with their position, there was an alarming lack of hard evidence that transportation is in fact being used as a positive development tool. Indeed, they said there were examples of just the opposite. They went on to say:

> The premiers expressed concern that the federal government is increasing cost recovery within some transportation systems without considering the effects of this on the over-all economy.

Finally the Minister of Transport in his generosity agreed to meet last summer with the maritime premiers to consider their particular plight. I would like very much to have the tapes of that particular meeting because I understand that it was a very stormy and long affair. However, at that point at least, it did not provide any evidence of change on the part of the Minister of Transport with respect to his various policies.

It took considerably more time before the minister finally responded. The response, as hon. members know, came just a few days ago at the meeting which took place in Charlottetown, where he met with the three provincial premiers and the minister of transport for Newfoundland. I am going to say something about the results of that meeting in a few minutes, Mr. Speaker, but I merely rehearse these facts to indicate what a dreadfully long time it took, and what a difficult task it was, to convince this government that it indeed had some responsibility with respect to the regional impact of national transportation policies.

The danger I see in general terms in the position that the minister has had advanced on his behalf by the Minister of Justice, and indeed by the nature of agreements that seem to have been arrived at, is that in some way the minister is prepared to rationalize the Canadian transportation system as some kind of cost accounting method of bringing down certain expenditures within the Department of Transport, and in very real terms will lock in the status quo.

The tip of the hat that the minister has now given in the context of his meeting with the Atlantic premiers recognizes that the factor of regional, economic and social need will play a part. But beyond that general statement, which is stated quite often in the speech that was made on Tuesday, there is no real definition regarding what major change of policy will take place. Indeed we were told as a result of that meeting that there will be specific amendments made to the transportation act, which in itself is an amendment before the House; but so far the minister has not seen fit to present these amendments. He was not here to introduce his bill, and he has not yet said what form these amendments will take. We are merely told that some consultations are going on with Atlantic governments and that at some point after second reading, presumably in committee, the minister will bring forth some amendments to this bill.

I think that that kind of general but non-commital indication is insufficient to guarantee to the regions of this country that the government has satisfactorily learned of the disadvantage and disparity that it has created through the operation of this transportation policy over the last decade. Surely until we get some firm indication of the exact details of these transportation amendments, it would be a foolish thing for any member, from the government or from the opposition, to give his blank cheque for the speedy passage of this legislation.

Much of our attention in the context of this debate focuses quite naturally on the railroad. It was, after all, the building of the railroad itself which, in a sense, drew together the fragments of this country into one nation. As the hon. member for New Westminster (Mr. Leggatt) mentioned a little earlier, even portions of that have not yet been completed. We are seeing the sorry spectacle in some instances of railroads not being completed and rail lines being abandoned.

Those of us from Atlantic Canada, particularly from the provinces of Newfoundland and Prince Edward Island, are less than enthusiastic about the way in which the Canadian National Railways have defaulted in their responsibility to contribute to the economic well-being of these two provinces. Surely the basis for British Columbia and the maritime provinces joining Confederation was that of establishing some firm rail connections to link the country together. Indeed the very history of Prince Edward Island's entrance into Confederation was the sorry spectacle of a railroad that wandered everywhere but in the right direction. Having exhausted the financial capacity of the territory, as it was then, it was forced through bankruptcy to enter Confederation.

The railroad, like fiscal arrangements, is mentioned in the British North America Act, a sign of its importance in the eyes of maritime governments. With respect to the particular history concerning freight rates, which has been a continuing burden for the Atlantic provinces, it is important for members to have recalled to them briefly how we have arrived at the situation where today rail transportation has put an enormous burden on the backs of those people in Atlantic Canada.

The Maritime Freight Rates Act, which was passed by parliament in the early months of 1927, was a direct result of the Royal Commission on Maritime Claims, very often referred to as the Duncan commission. This commission was appointed in 1926. It attempted to study what had happened with respect to freight costs, particularly between the time 1912 to 1925. It discovered in fact that, using statistics supplied by the railways, between 1912 and 1925 there was a 92 per cent increase in rates, while elsewhere in Canada they had increased in the same period by only 55 per cent. It would seem that this royal commission was able to uncover the very great burden that was disproportionately placed during that period on the people of Atlantic Canada. I quote two brief sections that appear on page 21 of the report of that royal commission:

> The lower level of rates that prevailed on the Intercolonial Railway system prior to 1912 is, in our view, rightly to be interpreted as the fulfilment by successive governments of the policy and pledges that surrounded the railway from its inception.

There was a policy, particularly when the railroad was very largely controlled in the region, to use transportation as a development tool, so that during that period local industry and other opportunities could be developed to their full.

Then the Duncan commission went on to state:

● (2110)

> On the broader question, however, of the incidence of the existing rates as a whole upon industry and employment in the Maritimes, we have come very definitely to the conclusion that the rate structure as it has been altered since 1912 has placed upon the trade and commerce of the Maritime Provinces (a) a burden which, as we have read the pronouncements and obligations undertaken at Confederation, it was never intended it should bear, and (b) a burden which is, in fact, responsible in very considerable measure for depressing abnormally in the Maritimes today business and enterprise which had originated and developed before 1912 on the basis and faith of the rate structure as it then stood.

I think that, therefore, this kind of disproportionate increase is to recognize one of the sad facts that has been all too frequent since Confederation. Transportation, rather than being used as a tool of development, even though that was its basic concept at the time of Confederation, has been used to the disadvantage of the region, but perhaps nowhere more deliberately or more frequently has this occurred than since the enunciation of the National Transportation Act about a decade ago.

I should like to quote from a question of my colleague, the hon. member for Dartmouth-Halifax East (Mr. Forrestall), on July 12, 1975, as reported at page 7813 of *Hansard*. He was comparing here the situation in terms of rate increases on the St. Lawrence Seaway as against rail rates in Atlantic Canada. He asked:

> How many times has the government raised rates on the St. Lawrence Seaway system since 1959?

The answer was:

> The St. Lawrence Seaway Authority advised as follows: 1. There have been no increases in the Montreal-Lake Ontario section of the seaway. Tolls on the Welland canal were suspended in 1962. A lockage fee, phased in over five years, was introduced on this canal in 1967.

The second question was:

> How many times were rail rates from Atlantic Canada inland raised since 1959?

The answer was:

> The Canadian Transport Commission advises as follows: 2. During the period January 1, 1959 to June 11, 1975 inclusive, rail rates from Atlantic Canada inland were raised as follows; under categories indicated: (a) normal class and commodity rates, eight times. (b) Truck and water competitive rates eleven times. (c) Agreed charges, six times.

Since that question was tabled a little over a year and a half ago there have been at least four more freight increases. The sad fact is that there has been an acceleration in increases, particularly since the late 1960's. Under the Maritime Freight Rate Act, which was in existence prior to that time, there was a ceiling with respect to these increases, but the exorbitant and unwarranted increases that have occurred since the late 1960's have increasingly placed Atlantic Canada at a competitive disadvantage. It is for that reason, if for no other, that there is adequate need for us to have a revision, not only of the National Transportation Act, which is certainly long overdue, but of the policies and programs that will go with it.

I think it is obvious that the outcry of the Maritime premiers last year, and the comments of the Minister of Regional Economic Expansion (Mr. Lessard), give an indica-

tion of the general anxiety and the general awareness that there is need of concrete action on the part of the minister, the department and the government.

What I am concerned about is that the minister act on the verbal commitments that were given to the maritime premiers and to the Newfoundland minister of transport. There are some specifics. Certainly the situation in Prince Edward Island with respect to commodity transport is becoming extremely serious. Not only I but my colleagues on the other side of the House have tried to bring this to the attention of both the Minister of Transport and the Minister of Agriculture (Mr. Whelan) with respect to the transportation of our basic commodity, that is, potatoes. But there seems to be a very indolent or half-hearted attitude concerning the carriers that will be used to move these potatoes to market.

There has been little or no recognition of the fact that we have seen a very rapid decline both in number and in quality of the reefers that have been used to move potatoes to market. Less than a decade ago we had well in excess of 4,000 of these cars; four or five years ago we were down to 2,500. It was originally expected that we might be down to about 1,500 this year, but the figure is much closer to 1,000.

As the minister would know if he contacted authorities in the potato industry in P.E.I. and New Brunswick, there are reports of increasing shortages this season. There are difficulties in organizing shipments of potatoes either to port or to export markets or to central Canadian markets, and yet the minister tells us that studies are going on, that there has not yet been a decision as to whether or not the new intermodal use, the use of trailers that will be driven to central points and loaded by piggyback on the train and taken to central Canadian markets, will replace the present use of rail cars. Yet I have not met one single individual, either in the potato industry or working with CNR, who believes to any degree that for many years to come we will not need a substantial number of rail cars to move well over two-thirds or three-quarters of our crop to market.

For a whole variety of reasons, both in terms of terminal points and in terms of having sufficient carriers available at reasonable cost, and in terms of organizing shipments that can get to market in this fashion, it will not be possible for five, ten, or 15 years to move more than a small percentage, perhaps no more than 15 per cent or 20 per cent at maximum by the intermodal system. In the foreseeable future we will depend on the railroad to move potatoes to the market. Yet the minister is reluctant even to place an order for 500, 700, or 800 reefer cars to tide us over this serious situtation. He said that more study must go on, more consultation. This week his colleague, the Minister of Agriculture, told us that he is not sure the producers will actually use these cars. He is certainly not basing that on any direct conversation he has had with anyone in the potato industry. Quite likely he is basing it on some reports from the CNR and on some cars that stood idle early in the season when everything was moving directly by ship to European markets.

It is about time the minister got together with some of his colleagues. It is about time he took action, or the kind of extreme situation that was forecast by his colleague, the Minister of Regional Economic Expansion, a year ago will come to fruition. It will not make me or any other member of the House happy to be able to say, "We told you so". That will not help the poor potato grower who will be stuck with a product which he will in no way be able to get to market. It is obvious that a decision will have to be taken with respect to this commodity.

The only question is how soon the minister will move, and whether he will move soon enough to head off a crisis which could well arise. The minister has been willing in the past to order some thousands of grain cars to service a market which he knows exists and requires this service primarily in western Canada. It is unexplainable to the people in my area why that same kind of response cannot occur with respect to the situation in P.E.I. and New Brunswick. I understand it could well be important because of a different delivery system for some of the horticultural producers in western Canada.

There are other questions. I do not want to spend all my time on this issue even though it is of basic concern to me as a representative from the potato growing area. I hope that the minister and his officials will take this additional plea very seriously.

I do want to deal, however, with the more general issue with respect to the minister's commitment about taking regional needs, objectives, and ends much more seriously. It seems to me there are a number of unanswered questions, questions which I think must be looked at very squarely. When the minister or his colleague, the Minister of Justice, said that basic consideration will be given or, to be more accurate, when he said that the policy basically implies that whenever national or regional, economic or social ends do not justify a transportation subsidy then the user of the facility or service should pay, what did he mean by national or regional, economic or social ends? There have been no indications since the meeting which the minister had with the Atlantic premiers back in the early part of February that he has a definite concept in mind of what kind of agreements he wanted to reach. What criteria will exist, so that everyone will know that this policy will be administered according to those particular ends and objectives?

● (2120)

Perhaps more important than the criteria—though certainly the criteria are a fundamental consideration—the second question is, who will make the determination? We are told that there is going to be much more consultation and co-operation. I am sure there are many people with a direct interest in the transportation industry who will be delighted to hear that the minister has discovered that transportation is something about which there has to be very close consultation and co-operation. But with whom will there be this consultation and co-operation? I suppose it will be with the provincial governments, with agencies, Crown corporations and others involved in the trans-

portation field, but does it also mean other federal departments? Will it also be with respect to the development of employment opportunities under the Department of Manpower and Immigration, or with respect to commitments to develop new industry under DREE, or a change in tariff policy under the Department of Industry, Trade and Commerce, or with respect to the improvement or expansion of agriculture so that these will be factors bearing on the situation concerning regional, economic or social ends? We are not told. We have not heard. The minister has remained silent, both inside and outside this House.

We have a press release which the minister kindly circulated, but that gives little information or clarity to the responsibilities the minister or his department will exercise in this regard. Perhaps more important even than the question of criteria or who makes the determination is the basic dollar and cents question as to what funds we are talking about. Indeed it is in the area of funding that I am beginning to wonder whether the minister has really made any commitment at all because at one point in his release, which is also carried in the press communiqué from the twenty-fifth session of the Council of Maritime Premiers, the minister says, and I quote:

> Mr. Lang indicated his acceptance of the general principle that the federal government would re-allocate funds, resulting from a reduction in subsidy payments, to other essential priority transportation projects and programs in the region.

What a beautiful phrase, but how little it tells us of what funds, and to what extent these funds will be used to make transportation a positive tool for development in the regions of economic and social disparity in this country. Without some clear commitment as to the amount of funds we are talking about, more than vague terms such as re-allocation and re-orientation, we have very little to make us believe that there will be any substantial improvement or closing of the gap with respect to disastrous transportation policies and costs which have been in effect over the past decade.

Then, I suppose, most of all we have to be clear as to how this transportation policy with respect to regional objectives and ends is going to be administered and how it is going to be implemented. There are a whole series of questions which I would love to have the time to put on the record arising out of one report which was produced a little less than a year ago by the Atlantic Provinces Transportation Commission. They made a number of pungent observations, and raised a number of questions which surely need to be answered in the context of the agreement the minister appears to have arrived at with the four Atlantic governments.

I am going to quote two or three questions. The report notes on page 9 that rail freight traffic originating in the Atlantic provinces is in decline. What are the longer term implications for the region of this decline? Are there any viable methods by which the existing rail network could be more vigorously used to assist the region, or is it not worth the effort and the expense?

With respect to the over-all freight rate increase for rail of 85 per cent to 90 per cent last year, how serious is this for an

Atlantic producer competing in the Ontario market? Were the various rate increases spread out fairly evenly across the country, or did they favour certain regions and industries more than others? What would be the effect of giving the provinces more jurisdiction over rates within their borders?

As I say, those connected with transportation within the region have a number of basic questions which need to be answered, but it seems to me that perhaps the most fundamental question of all is the question which has not yet been answered by the minister either in his press communiqué or, I doubt, in his meeting with the Atlantic premiers, or in any other place of which I am aware, and that question is, how does he view the long-term development of this country?

Does the minister believe that in administering the proposed transportation legislation he has some duty and some responsibility to play an activist role with respect to the chronic economic and social disparity which has existed in certain regions of the country for too long? Does he believe, when he looks at the income situation in certain communities in areas in parts of Newfoundland, Cape Breton, Prince Edward Island, or in eastern Quebec, which reflect an income of half the level of the national average of this country, that transportation is involved in that question? When he looks at the recent figures indicating that half the people who are unemployed come from east of the St. Lawrence River—roughly half a million people—does he believe that transportation is critically involved in solving that unacceptable human tragedy? What are the over-all goals of a new transportation act? That is perhaps where we should end this little talk this evening in looking at the National Transportation Act itself.

When one looks at the goals and the objectives set out in this bill, it is no wonder that the four governments of the Atlantic provinces unanimously agreed that, right at the outset, both in terms of the preamble and the objectives of this bill, there is not a clear recognition that transportation should be used as a tool for the economic and social health of the regions of this country. It is true that in one clause we read:

> It is hereby declared that the objective of the transportation policy for Canada is to achieve a transportation system that
>
> (a) is efficient,
>
> (b) is an effective instrument of support for the achievement of national and regional social and economic objectives . . .

I understand that by changing that and a couple of other clauses, there may be some further recognition of responsibility, but from my point of view, and perhaps from the point of view of very many people, unless the minister can clearly state at the outset that this bill is seen in the context of transportation as serving the reduction of regional disparities and the elimination of long-standing transportation inequities which exist in this country, we will not feel we have benefited from the amendments the minister placed before us this week. Quite frankly, for a Minister of Transport not to realize that, is surely to miss the essential point of this country. Surely there are two things which stand out for someone who looks at this just for a moment. I think we are the second largest country in the world and yet we have a population which is so small,

relatively speaking. But it is so strung out that our great problem on a day-to-day basis is remaining viable as a country.

There has been a tremendous amount of attention paid to the situation vis-à-vis the future of Quebec and its relationship to the rest of the country, but surely germane to that situation and to all the provinces and regions of the country is the fact that unless something as basic as transportation works day by day in a whole series of ways to relieve the difficulties and the disadvantages which exist for a person who is a consumer in Charlottetown or a potato grower in part of my riding, it is not serving the nation well as a whole. Frankly, I have been disturbed that the Minister of Transport has taken so long even to begin to recognize that situation. Even in response to the questions that I and others have raised with him about the concept of user-pay, he having recognized it was no longer valid, and whether he would state clearly and unequivocally that from this time forth transportation policies would be used as a positive tool for development and, if you like, national equalization, as a positive tool to open up communities that have existed far too long at the end of transportation links that have done them a disservice—and whether this will be overcome with avengeance—that is not what I hear from the Minister of Transport. I hear that if it is appropriate, and if the objective is warranted, there will be relocation and reorientation.

● (2130)

At another point we are told that the minister and the maritime premiers agreed that, where economic development objectives required it, these objectives would take precedence over the commercial viabilities of the services concerned, and that later on they agreed on the merits of applying the subsidy only to selected commodities and only to shippers of regionally produced commodities. Even there, there is no recognition of the inbound situation. There was some grudging admission that perhaps we should do something for producers in places like the Atlantic region with respect to central Canadian markets. That is only half the equation; there is still the importing of raw materials and equipment in order to begin to be productive and competitive with the rest of the country.

To date we have heard no explanations, no assurances, no call to establish a transportation policy that is really going to reduce and redress regional imbalances and inequities. Without that assurance we do not have a real transportation policy, but a hollow mockery of one.

Mr. Alan Martin (Scarborough West): Mr. Speaker, in engaging in this debate on major transportation policy I should like to discuss a number of issues of particular interest to me, and I would gather them under five separate headings.

The first is one which I know other members from urban areas have already spoken about. It relates to the pressing need for federal aid to urban transit.

The second issue I should like to speak about, perhaps a little more philosophically, and to put forward ideas on that I think are important, relates to inter-urban transport.

The third matter I should like to touch upon is what I consider a very important subject relating to the safety factor at open level crossings. I refer more specifically to major urban areas where this is a continuing and serious problem.

The fourth matter I should like to address myself to is the construction of grade separations, which has some direct reference to the earlier topic, but still is a topic on its own because of the vast sums of money that will ultimately be needed.

The last topic is the role of the Canadian Transport Commission in some of the areas of its responsibility, particularly its role as I see it as a responsible public forum in the service of the people of Canada.

On the matter of aid to urban transit, I think this is indeed a most important area in which governments should and must become involved, including the federal government. In coming to this general conclusion I think one only needs to pose the question of what kinds of areas should government be involved in, in the first place, and specifically the federal government. It seems to me that the answer is government at the federal level should be involved where there is a need felt by a large number of citizens, where there are social injustices, of one kind or another, and the demand, for whatever reason, is there.

In cities like Montreal and Toronto we have some 20 per cent of the Canadian population. I do not have exact figures but I would guess that probably 40 per cent of the population in those two cities is moving about every day from home to job and back—not in inter-urban transportation, not flying from city to city or travelling by train from city to city, but getting up in the morning and going to work, not travelling for pleasure or enjoyment but simply to earn a living and in effect help keep the economy ticking. That seems to me to suggest a need for government at the federal level to be extremely interested.

There are other goals that can be accomplished in the area of urban transit such as energy conservation, a goal that I think is very much before Canadians at this time.

Then there is the extreme cost of expressways. In other words, if we do not have adequate urban transit it means indirectly that we must continue to promote the use of the automobile from home to work and back. We have come to the realization that the means of providing channels for these automobiles to move on, expressways and major roads, is a major expenditure in terms of dollars, of environmental pollution, and of parking. A failure to recognize the need for urban transit is an admission that we accept the other option, which is to continue to promote the use of the automobile for this purpose.

If there is any doubt about the relationship of federal aid to urban transit for the ordinary urban taxpayer, I suggest it is not entirely different to the kind of expenditures that the federal government still makes for medicare, family allowances, and old age pensions, where the benefit can be felt in

the pocketbook of the individual taxpayer who lives in the urban community. His mode of urban transit is basic to his daily life. All levels of government must be involved, just as they are in medicare. Municipal governments must be involved in ensuring there are adequate hospitals in the area, while provincial and federal governments provide funding. I suggest no level of government can stand aside in this day and age from the needs of urban transit.

I should like to feel that it was in direct recognition of this need—in fact, specifically in recognition of this need—that this government, or that in office during the twenty-ninth parliament, decided in its wisdom during the last election campaign to recognize the need to make a commitment to the Canadian people that there would be substantial capital assistance to municipalities to assist them to acquire the much-needed new equipment to improve urban transit. I believe the commitment was somewhere in the area of $300 million. It is important to recognize that approximately one-third of this, $100 million, has already been put into this project and will start working its way into the system this spring. But that is not enough, Mr. Speaker. There must be recognition of the remainder of the commitment. I am pleased to note that on more than one occasion in the House during this past week in the question period the Prime Minister (Mr. Trudeau) indicated that a decision on this has not been finalized. The cabinet is still considering the matter. I plead with it to look at this area of need, affecting ordinary citizens in the streets of our towns and cities, as it looks at other social services such as medicare, old age assistance, family allowances, etc., services which are basic to people's everyday lives.

● (2140)

It is important to discourage the use of vehicles which transport only one or two people to work, and to encourage the use of vehicles which will transport many people efficiently, save energy, and pollute the environment less. People will use rapid transit increasingly if it meets their needs, is clean, and efficient. They will not use it if it is inconvenient, for example if they must stand in the cold a long time waiting for a bus. Then they will say no, they will use their automobiles. The government can discourage the use of the automobile by providing services which will persuade people to switch to public transport.

Before leaving this topic I should like to refer to the reaction of certain municipal authorities to the announcement that the government's commitment in this area will possibly be curtailed this year. I note particularly the reaction of authorities in metropolitan Toronto. It disturbs me immensely to note that certain officials of metropolitan Toronto have indicated in the last ten days or two weeks that they are about to renege on their commitment to provide light, rapid transit for the borough of Scarborough. They do not help me in the case I am trying to make, that the federal government should contribute substantially to urban transit. It is unfortunate that municipal governments themselves cannot fix their policies, stay with them and stop equivocating. All the same I implore our federal authorities to remember their commitment. At the same time I plead with elected municipal officials to carry out their plans for providing the urban transit system our people demand.

It has been said that we cannot afford new urban transit systems, that they are a luxury at this time. I say that the $200 million-odd which was committed to this area was not to be spent on a luxury. It was to fill a real need. In view of the large budgets of various departments and large loans made to various Crown corporations, and in view of the amounts provided in estimates for various government services, I suggest that we could meet needs in transportation by bringing about a small shift in the ordering of priorities. Surely in a budget of over $40 billion it should not be difficult to rearrange some of our priorities and keep a basic commitment made during the 1974 election campaign, for that would give the ordinary taxpayer the feeling that the federal governement is concerned about those things which affect most of us day in, day out.

I come now to inter-urban transit. It is time we developed an over-all strategy in this country for inter-urban transit. At present we have three basic modes of transportation, air, rail, and road. One way or another, we subsidize those three modes. We subsidize extensively the air and rail services, and subsidize indirectly bus services. We do not subsidize bus services directly, but subsidize the roads on which they run. I suggest that we need some sort of transport strategy in this area, and I put forward once more recommendations I made in other forums. I suggest that we should provide buses which would give clean, efficient, and fast service for trips up to 200 miles. We should set up appropriate bus depots to meet needs, so that people would be encouraged to use the bus for trips of up to 200 miles. In southwestern and eastern Ontario such bus trips would cover trips to many of our major centres. Unfortunately in Scarborough, an area with a population of 400,000, we do not even have a bus terminal. There is something irrational about that. We spend millions on new airports, but there is not even one bus terminal to serve a community of 400,000.

For trips between 200 and 500 miles we should use rail service. We should provide fast, efficient, and economical rail service for trips of up to 500 miles. We should encourage Canadians to use aircraft only for trips greater than 500 miles. We need a strategy which will take into account air, rail, and bus services and encourage the maximum possible use of each mode instead of encouraging competition between them in any given transport corridor.

I shall now deal with the safety factor at level crossings. This subject is of concern to many members representing urban areas where the exposure factor is high. By the exposure factor I mean the factor arrived at by multiplying the number of trains with the number of automobiles and other vehicles crossing any given point. Personally I am not satisfied that the Canadian Transport Commission has been tough enough in this area, and not satisfied that it has acted sufficiently in the public interest. There has not been enough insistence on meeting safety requirements at level crossings where there is a high exposure factor. I have had some personal experience in this matter, for in Scarborough, a municipality of 400,000,

there are 35 level crossings. It has taken me a whole year to convince the commission that a new examination of each of those level crossings is needed to determine if the current safety factors are adequate.

I am concerned, because there seems to be an inclination on the part of the regulatory body when considering these crossings to be very conscious of the needs of the railways. If a train is normally permitted to travel at 90 miles an hour through an urban area, there seems to be an extreme reluctance to suggest that the speed limit be reduced to 50 or 60 miles an hour where there are a number of dangerous level crossings. There does not seem to be the same degree of concern over the expressed concern of individual citizens. What I am attempting to say is that the safety factor for level crossings is too frequently looked upon by the regulatory body as something that is there to ensure satisfaction on the part of the railway.

● (2150)

I have one interesting and recent example. Signal lights were installed at an intersection in my borough. I discovered that the signal lights had not been installed primarily because of a demand by the people. They were installed because of a demand by the railway so that its trains could move through that intersection without them being obligated to post a flagman and conduct the train through.

It is this whole area where I feel the concerns of the public need to receive more attention on the part of the regulatory body than now is the case. I think the regulatory body must lay down its regulations once it has examined each and every situation, and insist that the railways as well as the public carry out those regulations and follow them.

Grade separations are becoming an increasingly difficult subject because of the increasing expense of each grade separation. It has been estimated in my own community that to separate 16 of the most urgent crossings at the present time would cost $69 million, of which the federal government would make by far the largest contribution.

All I ask at this time is that the minister, in bringing this bill forward, do nothing to damage in any way or otherwise affect the relocation fund that is currently available and from which money can be drawn when approved applications come forward from the municipalities and are approved by the Canadian Transport Commission as warranting a grade separation. I feel this particular fund is working. I am most concerned that nothing be done in the course of implementing this bill to affect in any way the provision of those kinds of finances.

I realize that all grade separations cannot be done at once. It is a slow and methodical process. However, with increasing attention to the safety factor at level crossings, and an increasing push to move all of these grade seperations as they come forward and finance them at the federal-provincial level, we can eventually accomplish them all.

My real concern is if this fund were to disappear or in any way be transferred to another level of government to operate, we would be in serious trouble. I plead with the minister to ensure that, in this legislation at least, nothing will be done to give rise to any change in that particular type of funding.

Lastly, I want to speak of the role of the Canadian Transport Commission in those areas with which I am familiar. They are very limited, but they come from my own personal involvement. I have mentioned one, the matter of adequacy of safety standards.

There is another one to which I have addressed a private member's bill. It has received considerable support in this House and I trust it will continue to receive the support of the government as it goes through committee. I refer to the matter of requiring the railways to come before the CTC to have their plans for extension of marshalling yards or other facilities approved by the CTC before proceeding. This is an area where there is inadequate consideration of the concerns of the public. I mentioned the need for the ordinary property owners in most urban areas across this country to go to their municipality when they wish to put up the lightest type of building in their own back yard. However, because they possess a right of way, the railways are not required to go to anybody when they wish to construct on that right of way, no matter what type of facility they want to construct. There is a requirement that they do this for new branch lines.

I have suggested in my private member's bill and I urge the government to take an increasing interest in policy as a result of this bill, that when the railways have construction plans they should insist that they bring them before a public body, giving the neighbours in that particular community an opportunity to present themselves and speak in support of or against a particular proposal.

I urge the minister, in redirecting some of the responsibilities of the Canadian Transport Commission, to insist that it indeed become a body to serve the public and to be seen by the public as an instrument acting in their individual interest.

These are several remarks that I wish to address in connection with this particular bill. In some ways they are unrelated, but, in my view, all important. They all express the concern I have about the need of government to be active itself in transportation problems associated with people rather than with goods. I realize the problems in the area of goods, but this time I am addressing myself specifically to problems involving people.

I ask once again for further consideration of this commitment to aid for urban transit, bearing in mind that it is an area that is felt individually by each worker every day of his life as he goes back and forth to work. It is as important to him as having proper hospitalization, proper provision for his old age, proper assistance for other things over which he has no control.

I intend to support this bill. However, again I ask the minister to use his persuasive powers with his government colleagues on those matters to which I addressed myself tonight, as did my other colleagues, particularly those from the urban areas of Toronto and Montreal.

The Acting Speaker (Mr. Turner): The hon. member for Surrey-White Rock (Mr. Friesen).

Mr. Friesen: Ten o'clock, Mr. Speaker.

The Acting Speaker (Mr. Turner): It is ten o'clock, and I have recognized the hon. member for Surrey-White Rock.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

EXTERNAL AFFAIRS—SOVIET UNION—INQUIRY WHETHER REPRESENTATIONS MADE BY MINISTER FOR RELEASE OF GEORGI VINS

Mr. Jake Epp (Provencher): Mr. Speaker, I want to bring to the attention of the House tonight a topic that has received much publicity of recent date. That is the matter of the internment of prisoners of conscience in the USSR. Specifically I want to raise the case of one Georgi Vins.

● (2200)

In August, 1975, when the Helsinki accord was signed, and especially when the third basket was signed by the Prime Minister (Mr. Trudeau), along with the other leaders, I am sure most of us were filled with the hope that peace, stability, and specifically the recognition of human rights, would be upheld by the nations represented at the signing of the Helsinki accord. Moreover, human rights are guaranteed under article 18 of the United Nations Declaration on Human Rights.

But despite the signing of the Helsinki accord, prisoners of conscience in the USSR have spent time in Soviet prisons, they have spent time in labour camps, generally in Siberia, and further, as one of the most invidious forms of punishment ever devised, they have spent time in psychiatric institutions, hidden from the eyes of the world and hidden from international justice. The prisoner I want to mention today, Mr. Georgi Vins, is serving time for a crime no more serious than that of practising his religious faith. That is a crime in the USSR.

On November 14, 1976, I moved a motion under Standing Order 43 as follows:

> That members of this House urge the Prime Minister to make representations to the government of the USSR that Georgi Vins be released from imprisonment and that the government of the Soviet Union allow him and all other religious believers within its borders to worship God freely according to their own consciences, as the Soviet Union is committed to do by the provisions of its constitution and by the provisions of the United Nations covenant on civil and political rights which the Soviet Union has ratified.

That motion was denied unanimous consent. On the same day I asked the Secretary of State for External Affairs (Mr. Jamieson) whether he would make specific representations to the USSR on behalf of Mr. Vins, a Baptist pastor in the USSR who was arrested in March, 1974, for professing his faith and sentenced on June 28, 1975, to five years' imprisonment, plus an additional five years in exile, plus confiscation of property, a penalty which directly affects his family and, specifically, his five children. His offence? Teaching the Bible to those under the age of 18 and leading what was termed an unorganized religious group. He was tried under section 209 of the criminal code of the Ukrainian Soviet Socialist Republic.

The World Council of Churches has written to the USSR, saying in part:

> We have reason to believe, on the basis of information received, that the charges against Mr. Vins are made primarily because of his religious convictions and activities.

The Nobel prizewinner, Andrei Sakharov, wrote:

> The arrests, breaking-up of prayer meetings, fines, discrimination in school and at work, and, as the height of inhumanity, the taking away of children from their parents—all this is the lot of the Baptist and to one degree or another of many other religious groups who are inconvenient to the authorities.

What is to happen? World opinion today cannot allow itself to lessen its moral support for these prisoners of conscience. Western news media must focus attention on the struggle for human rights in the USSR, and we, as parliamentarians, must stand up and say that what is happening in the Soviet Union is wrong. When the Prime Minister went to see President Carter I was tremendously pleased with the direct approach the President had taken. Yet it was evident from the reply of the Secretary of State for External Affairs that direct representations on behalf of Georgi Vins have not been made.

The Prime Minister said this week that we intend to follow the diplomatic route rather than the direct route. I have not had time to explain the case in detail, but I want to say that what we as Canadians have done is not enough. What the Prime Minister has done is not enough. What we as parliamentarians have done is not enough.

The Helsinki accord is a farce in the USSR. It has been a total and absolute abdication of what the USSR authorities signed. The families of these men and women, and in many , many cases their blood, cry out for justice. I urge, I plead, that the Prime Minister, his officials, and for that matter all parliamentarians, stand up and voice the concern of a concerned world that human rights are being severely violated in the USSR, and that international world opinion demands a radical change of attitude and justice for these many people who are victims of a very, very cruel regime.

[*Translation*]

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, on November 4, 1976, the hon. member for Provencher (Mr. Epp) raised, and this with good reason, the problem of human rights in Russia. He is convinced, as everybody in the House is, that that problem is very important, and we are all very much concerned about it.

It is unfortunate that the hon. member for Provencher could not attend this afternoon's sitting of the Standing Committee on External Affairs and National Defence, when the Secretary of State for External Affairs (Mr. Jamieson) expressed his

opinion and discussed the policy of the government on that most important subject. Following many questions, both from opposition and from government members, the minister made important statements on the subject. I suggest that the hon. member read carefully the minutes which will be issued after that sitting, where he will certainly find detailed answers to the question he asked on November 4 and which is raised again tonight.

As I only have three minutes to speak, I shall simply say, to sum up the discussions we had this afternoon, that the Canadian government has a deep and constant commitment to find solutions to this problem of human rights. As a matter of fact, this subject has been discussed on a general basis during the minister's visit in Moscow last October, but no particular case has been mentioned except for certain cases concerning the reuniting of families. Towards the end of this year, during the Belgrade conference, the 35 countries which signed the Helsinki agreement will make a survey; they will re-examine all the aspects of this important problem and evaluate the performance of each country as far as this Helsinki agreement is concerned. At that time Canada will be able to avail itself of the opportunity to pursue its numerous representations to these countries, particularly those which would have failed to honour their commitments.

[*English*]

MANPOWER—GRANTS TO CONSTITUENCIES IN RESPECT OF MANPOWER MOBILITY

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I apologize for detaining the House at such a late hour. However, I am exercising an ancient and important right on behalf of a citizen who, I am sure the House will agree, has fallen into difficulty through no fault of his own.

I wish to compliment the minister and his department for taking action. After I gave his office notice of the question, the minister was good enough to have one of his officials give my constituent, Mr. Carlton Champion, landed immigrant status after almost six years in this country, four X-ray examinations, all of which were sent by registered mail to the department, and two other applications.

● (2210)

Unhappily, the department lost my constituent's file. The department alleges that my constituent moved too often. In fact he moved from the United States to Toronto, and from Toronto to Goose Bay, Labrador, where he was employed by one of the agencies of the government of Canada. His neighbour on one side was an immigration officer and so was his neighbour across the street, friends and acquaintances of his. He was registered with Manpower at Goose Bay and was registered with the immigration service at Goose Bay, so there was no question of any hiding. My constituent also underwent a security check with the government of Canada which included fingerprinting, so any question that he was avoiding publicizing where he was, is totally inaccurate. He was an employee of this government and of the Public Service of Canada.

In any event, the files were lost. My constituent came to this country in August of 1971, but only last week was a ministerial permit issued authorizing him to be in Canada, despite the fact that I have in front of me a letter from the Department of Manpower and Immigration dated August 12, 1971, Toronto, which reads:

> We have received an application for permanent admission to Canada from Mr. Carlton Champion. There is no objection on our part to the above named accepting employment, pending compliance with immigration requirements.
>
> Yours very truly,

It was signed for the district administrator of Canada Immigration Centre. The problem is that because his status was only settled last week, my constituent was ineligible for a manpower mobility payment. His wife and four children are in severely destitute circumstances. Here I want to pay another compliment to the department, the immigration people in Saint-John, New-Brunswick, who were so upset at the way this case has been handled that they have seen to it that my constituent has work. He has now returned to work for one of the government agencies. Unhappily, it is only for six weeks. But my constituent, who was at Goose Bay, Labrador, when the Goose Bay facility was phased out, had to move to Saint John, New Brunswick. He was told that he would be eligible for manpower mobility funding, and when it was discovered that his status, through no fault of his, had not been cleared up and he was still a stateless person until last week, he was denied manpower mobility funding.

I am exercising on his part his privilege, one I am glad to undertake, because I am sure that a sensitive and sympathetic department would wish, as I do, to go the second mile in unravelling this complicated and quite heartrending case. The department has solved the status issue about five years too late because my constituent will now have to wait three years, as I understand it, before claiming his right to citizenship, instead of being a citizen now, as he would have been if the department has not lost his file. He also, unhappily, has his furniture in storage. It is about to be re-possessed. I have gone to the trouble of sending a telegram asking the movers to hold up on selling the furniture until a sensitive, compassionate department can do what it should do on behalf of Carlton Champion and see to it that the manpower mobility payment is paid.

[*Translation*]

Mr. Arthur Portelance (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, Mr. Carl Champion was refused a manpower mobility grant because at the time he submitted his application, the Saint John, N.B., CMC considered that he was not a landed immigrant and, therefore, did not meet the requirements of the manpower mobility program regulations. On the other hand, the department officials who reviewed his case felt that the CMC had misinterpreted the manpower mobility program regulations in connection with Mr. Champion's immigration status. Therefore, Mr. Champion's application for a grant will be reassessed to determine if he meets the other requirements for a mobility grant and, if so, a mobility grant will be authorized so that he may obtain all the benefits he is eligible for.

Though Mr. Champion arrived in Canada in July 1971, a request for his entry, sponsored by his wife, was made on August 22, 1971. Before any of the formalities related to his request could be gone through, Mr. Champion moved several times without leaving any trace of his whereabouts or advising immigration authorities of his change of address. Only in January 1976 did he again get in touch with the immigration authorities with regard to his landed immigrant status. He was then advised that, to meet the requirements of the department, he and his dependents would have to get a medical. He took his medical on April 5, 1976, but his dependents did not until September 21, 1976.

The civil servants advised me that Mr. Carlton Champion and his dependents were granted landed immigrant status on February 25, 1977. If Mr. Champion wants a settlement grant, he must go to his local immigration centre and his request will be studied in the light of current rules. In view of the circumstances I have just described, in all sincerity I feel the department acted in good faith with Mr. Champion.

[*English*]

NORTHERN AFFAIRS—LOG HOUSING PROGRAM FOR NORTHERN CANADA

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I am glad to have this opportunity to raise once again a matter which is of great importance. I have mentioned this matter in this House many times. I have raised it in public and in committee.

Generally speaking, I have found agreement with this idea. It is not a new one. It is one I have been pursuing for sometime, and I have been trying to get some response from the government. I have been trying to get the government to take the initiative whereby a good housing program can be put into place in the Northwest Territories, especially in the Mackenzie district. I have been advocating a good log housing program under which people can build their own homes in the Mackenzie district using a local renewable resource, namely, logs, which are in abundance, especially along the Mackenzie and in the Liard area. I think this idea makes sense for the simple reason that a good log housing program would make use of a local, renewable, natural resource. It would provide badly needed jobs, and it would also provide housing for people in the Mackenzie district.

I have described the area at other times in this place as a disaster area, and that it is. I know this because I have travelled in the Mackenzie district. I have travelled in many parts of the Northwest Territories for many years. As hon. members know, I canvassed door to door in my campaign to become elected to the House of Commons.

● (2220)

I am raising this question again because I have not been able to get a positive response from the department. As most people know, bad housing creates social problems. Children do not do well in school, young people in the family may not be able to hold jobs, there are health problems, and there are

mental health problems, especially, in a very, very, cold climate. For some time I have been advocating that the territorial administration, through the Department of Indian Affairs and Northern Development, initiate a good log housing program in the Mackenzie district of the Northwest Territories. People there who already have good log houses know that they will last for 100 years or more. As a rule maintenance is minimal and, as the houses are generally well insulated, heating does not cost a lot. Not much training is needed for construction, and I think we already have enough people with the knowledge to establish a good program. The need is there, the material is there, and the labour is there.

If the program were launched it could start by filling an immediate need of the legislature of the Northwest Territories. They have a table, they have chairs for the members to sit on, a mace, and recently a Speaker's chair was presented by the Parliament of Canada to the legislature of the Northwest Territories. But, Mr. Speaker, they do not have a building. I suggest a project could be launched through Canada Works, perhaps the Department of Regional Economic Expansion or some leftover funds from LIP programs, and a log building constructed to house the Speaker's chair, the table, chairs, and mace that the legislature already has. Maybe 50 or 100 years from now the people of the territories would want a different kind of building, but this would be a starting point for a log housing program.

I may be stepping out of line, Mr. Speaker, in suggesting that some of the municipalities in the territories change their regulations that forbid a certain style of log construction. The decision is up to them, but I would hope, once it was shown that a good log house worked and fitted in with the environment, that the regulations would be changed.

I should like to ask the department what the government is doing about such a program. I am sure this is not the first time they have heard about it and I will see to it that they hear more about it in the future. Is the government doing anything about such an idea?

Mr. B. Keith Penner (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, following the 1972 recommendations of the Northwest Territories Council task force on housing, all of the provincial type housing responsibilities were transferred by the department to the territorial government. In 1974 the N.W.T. Housing Corporation assumed these responsibilities.

The housing corporation has made the greatest possible use of the various housing programs provided by the National Housing Act. Due to the particular needs of the many low income residents of the territories, the public housing program, under sections 40 and 43 of the National Housing Act, have provided most of the family accommodation built to date.

Following Central Mortgage and Housing Corporation's agreement to provide NHA loans for the capital costs and to share in the operating losses of any approved log houses included in the public housing program, the N.W.T. Housing Corporation established a log milling operation in Fort Resolu-

tion. Local labour and materials were utilized to produce uniform sized logs which would meet CMHC standards. To date 37 log houses have been completed and ten more are under construction in various communities in the Mackenzie River area. The per unit costs have ranged from $50,000 to $77,000.

Unfortunately a major problem has been encountered. Central Mortgage and Housing Corporation standards for the public housing program require logs of a minimum diameter of ten inches. The supply of trees of a size which will produce milled logs of this size is so limited that the inclusion of log houses in the public housing programs will end when the ones presently under construction are completed.

Although it is not limited to log housing, the N.W.T. Housing Corporation's "Small Settlement Home Assistance Program" encourages residents of smaller communities to utilize local materials, normally logs, for the construction of their homes. Any sized logs can be used in this program. The program has been providing grants of up to $5,000 to cover the cost of manufactured components, such as doors, windows, roofing, etc., required to complete a basic structure built of local materials. The housing corporation intends to increase the grants to a maximum of $10,000, including $7,500 for materials and $2,500 for transportation. The number of grants provided by the program is expected to increase from 20 in 1976-77 to 30 in each of the following years.

Central Mortgage and Housing Corporation's rural and remote housing program will be available for the first time in the Northwest Territories in 1977-78. The program's allowance for labour contributed by an applicant should encourage the use of logs for the basic house structure. Groups of residents in Fort Smith and in Fort Simpson have already applied for loans to construct log houses in those communities.

If only wood is used as fuel, any sized log can be used to build houses under this program.

The Acting Speaker (Mr. Turner): Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow morning at 11 o'clock a.m.

Motion agreed to and the House adjourned at 10.29 p.m.

HOUSE OF COMMONS

Friday, March 4, 1977

The House met at 11 a.m.

ROUTINE PROCEEDINGS

[*English*]

CANADIAN BROADCASTING CORPORATION

SUGGESTED DISCONTINUANCE OF PROGRAMS CONCERNING THE LATE MACKENZIE KING—MOTION UNDER S.O. 43

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, I rise under the provisions of Standing Order 43 to raise a matter of urgent and pressing necessity arising out of an attempt by the CBC to conjure up the spirit of the departed Right Honourable William Lyon Mackenzie King, not knowing whether that exercise was attempted at the request of the Prime Minister (Mr. Trudeau), or whether it was an attempt by that Crown corporation to bring itself once again into the good graces of the Liberal party. In either event I move, seconded by the hon. member for Provencher (Mr. Epp):

That this House urge the CBC to cease and desist from further such attempts, believing that this country is in sufficient danger from the ghastly mismanagement of the present administration without compounding the problem by obtaining the ghostly advice of the Prime Minister's unlamented predecessor.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The presentation of such a motion pursuant to Standing Order 43 can only be made with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

CRIMINAL CODE

PROPOSED CHANGE IN PROVISIONS CONCERNING ABORTION—MOTION UNDER S.O. 43

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I rise on a matter of urgent and pressing necessity pursuant to Standing Order 43. In view of the recent tabling of the Badgley Commission report criticizing the operation of the abortion law in Canada and the lack of family planning facilities, in view of the statistics in that report that necessary abortion is unavailable to a wide cross-section of women, particularly those of low income, less educated and residing in rural areas, and in view of Badgley's further report that one out of five Canadian women still find it necessary to leave this country to obtain a necessary therapeutic abortion, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

● (1110)

That:

(1) this government forthwith bring in legislation following the recommendations of the Royal Commission on the Status of Women that the Criminal Code be amended to permit abortion in the first 12 weeks of pregnancy or less to be performed by any qualified physician in consultation with his patient and,

(2) that the freeze in family planning spending be ended and substantial additional funds be provided in family planning area.

Mr. Speaker: Under the provisions of Standing Order 43 the motion can be put only with unanimous consent. Is there unanimous consent?

Some hon. Members: No!

* * *

HEALTH

ESTABLISHMENT OF CENTRE TO DEAL WITH ENVIRONMENTAL HEALTH HAZARDS—MOTION UNDER S.O. 43

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, I, too, rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of the growing problem of mercury pollution, which is national in scope, and in view of the growing number of individuals with confirmed elevated blood levels of mercury and the health hazard thereby created, and in view of the absence of long term planning on the part of the government, I move, seconded by the hon. member for Perth-Wilmot (Mr. Jarvis):

That the recommendation of Dr. T. W. Clarkson, Professor and Director of the Medical School of the University of Rochester as outlined in his interim report mentioned in this House on May 7, 1976 entitled "Exposure to methyl mercury in Grassy Narrows and White Dog Reserves" calling for the establishment of a national centre in environmental health to deal with environmental health hazards from methyl mercury and other pollutants now be accepted.

Mr. Speaker: Presentation of such a motion pursuant to Standing Order 43 can be made only with unanimous consent. Is there unanimous consent?

Some hon. Members: No.

Oral Questions

ORAL QUESTION PERIOD

[*English*]

SUPPLY AND SERVICES

ALLEGATIONS OF PAY-OFFS BY BOEING—REQUEST FOR PUBLICATION OF NAMES OF PERSONS OR COMPANIES WITH WHOM GOVERNMENT HAD DEALINGS

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, in the absence of the Prime Minister, my question is directed to the Acting Prime Minister. Has the Acting Prime Minister received information from any U.S. government organization through any channel divulging the names of Canadian companies or persons or foreigners with whom the Canadian government has dealt internationally and, if so, will the hon. gentleman reveal those names to the House?

Hon. Allan J. MacEachen (Acting Prime Minister): No, Mr. Speaker, we have not received any such names. If the hon. member is referring to the investigation which is being conducted in the United States by the Securities Exchange Commission into Boeing, we have asked for information through diplomatic channels but we have not yet received any information.

POSSIBLE USE OF AGENTS IN PURCHASE OF AIRCRAFT—GOVERNMENT POSITION

Mr. Allan B. McKinnon (Victoria): Would the Acting Prime Minister assure the House that in any deals or negotiations between the United States aircraft companies on the one hand and the Canadian government, or the Department of Supply and Services, or the Department of National Defence, or the Ministry of Transport, or Air Canada on the other, no use was made of commission agents either Canadian or foreign by the Canadian government or by any of its departments or Crown corporations?

Hon. Allan J. MacEachen (Acting Prime Minister): On that point, I have no knowledge with respect to the use of any commission agents in connection with these transactions. It is a question which is important but not directly related to the Securities Exchange investigation about which we are attempting to secure information. Of course, there would be no difficulty in attempting to secure information on the point that the hon. member raises, but I have no way of adding strength to the suggestion, nor would I wish to add any strength to the suggestion, that agents have been used.

* * *

NATIONAL DEFENCE

USE OF COMMISSION AGENTS IN PURCHASES OR SALES ABROAD OF EQUIPMENT

Mr. Allan B. McKinnon (Victoria): A final supplementary question, Mr. Speaker, which I will direct to the Minister of National Defence. Has the minister knowledge of the names of commission agents or consultants in other countries who have been involved when Canada has made large defence purchases or sales abroad?

Hon. Barney Danson (Minister of National Defence): No, Mr. Speaker, I have had no indication of the names. Purchases are made through the normal channels as contracted by the Department of Supply and Services. In this particular situation tenders have been recalled from both Douglas and Boeing in the normal manner, directly with the aircraft manufacturers.

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SUPPLY AND SERVICES

ALLEGED PAY-OFFS BY BOEING—REQUEST THAT NAMES OF THOSE CONNECTED WITH ALLEGATION BE PUBLISHED

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, I have a supplementary question for the Acting Prime Minister. Once the names of the alleged 18 individuals or corporations—these are the 18 names that the SEC is attempting to obtain and release publicly in the United States—are known to the government, would the government release those names here in Canada, if they are not released elsewhere, so that we and the Canadian public can be assured that no Canadian department or agency has had business dealings with those organizations or people?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, I gather the hon. member is referring to the 18 names which the court has already undertaken to make public. The information, therefore, is of course public and will be made available to hon. members.

ALLEGED PAY-OFFS BY BOEING—POSSIBILITY OF CONTRIBUTIONS TO LIBERAL PARTY—NATURE OF INVESTIGATION

Mr. Allan Lawrence (Northumberland-Durham): A further supplementary question, Mr. Speaker. With regard to the undertaking given by the Prime Minister of Canada yesterday at a press conference that he is looking into the possibility that Boeing may have made a financial contribution, or financial contributions, to the Liberal Party of Canada at the time contracts between Boeing, DND and Air Canada were being considered or negotiated, I should like to ask the Acting Prime Minister whether this investigation is being made directly with Boeing, or is it being made through the Liberal Party of Canada offices?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, I have read what the Prime Minister said at the press conference, that he might look into this subject, but I have nothing to add to what he has said.

HOUSE OF COMMONS

BIRTHDAY CONGRATULATIONS TO MR. SPEAKER

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, at the outset, and without wanting to prejudice your rulings subsequently today, this being the forty-fourth birthday of Your Honour I should like on behalf of all members of the House to extend our congratulations.

Some hon. Members: Hear, hear! Speech.

Mr. Speaker: Needless to say I am grateful for the kind expression of sentiment, but the hon. member for Oshawa-Whitby still only gets three questions!

Mr. Broadbent: Again without further prejudicing Your Honour's decision, I might add that not only is the early forties an appropriate age for Speakers, but being neither too young nor too old to be exquisitely appropriate for Prime Ministers as well!

Some hon. Members: Oh, oh!

* * *

ATOMIC ENERGY OF CANADA LIMITED

DENIAL THAT AGENT USED IN SALE OF REACTOR TO SOUTH KOREA—EFFORTS TO OBTAIN VIEWS OF VICE-PRESIDENT OF KOREA ELECTRIC

Mr. Edward Broadbent (Oshawa-Whitby): I should like to ask a question of the Acting Prime Minister. Following questions in the House yesterday, has the government checked with AECL officials regarding their explanation of the contention by the vice-president of the Korea Electric Corporation that no agent was involved in the purchase of a reactor from AECL by Korea; and related to that, has the government decided to suspend any further payments to Mr. Shaul Eisenberg?

● (1120)

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, AECL has reported very great difficulty in comprehending the comments which have been made by the vice-president of the Korea Electric Company. While the present vice-president does business with AECL, he was not in place at the time these particular transactions were in play, and it is obvious that there is considerable difference of opinion between AECL and the reported statements made by the vice-president of the Korea Electric Company on a number of points, including the question of an agent, because I am informed by AECL that during the negotiation period from 1973 to 1975, both in Canada and in Korea, AECL and the Korea Electric Company met in the presence of the agent, so that obviously his existence was known and obviously felt by the Korea Electric Company.

Mr. Broadbent: Mr. Speaker, since the relevant question presumably is not whether Mr. Eisenberg may or may not have been present at a particular meeting, but rather what precise functions he performed, was there just use made of certain offices for the making of telephone calls on an essentially flimsy basis? Is that the kind of involvement, or was he acting in a significant way which would in any sense justify the millions of dollars which were paid out to him? That seems to me to be the kind of inquiry which has to be made.

Related to that I would like to ask the acting Prime Minister another question. Following the statement attributed to the vice-president of that corporation, which was reported in the Toronto *Star* yesterday, has the government instructed the Canadian ambassador in Korea to get in touch with the gentleman involved and to get directly from him his views as to the precise nature of the role of Mr. Eisenberg in this transaction?

Mr. MacEachen: Mr. Speaker, on the first part of the question, as the hon. member knows, officials of AECL have appeared before the Public Accounts Committee on the negotiations with respect to the Korean sale.

Miss MacDonald: That was a joke.

Mr. MacEachen: They placed before the committee statements and documents showing in detail, as I understand it, the part played by the agent, and that is evidence which was put before the committee by AECL. Members of the committee will have to assess the weight of that evidence when they make their report to the House of Commons, but the evidence was there indicating that the agent was active in this situation for a number of years. That is the situation.

Mr. Broadbent: Mr. Speaker, I asked the Acting Prime Minister about the accuracy of the claims made by AECL. That is precisely what is being called into question by the statement of the vice-president of the Korea Electric Company, so the evidence the committee has had to consider has been presented in this instance by only one of the parties involved.

This is an important matter, and to understate it considerably it has the smell of scandal which has surrounded the role of agents, not only in this transaction but in others. Does the Acting Prime Minister not think it appropriate that the Canadian ambassador get in touch with this senior representative of the company in Korea and get directly from him his view of what took place? That question is in part related to the answer given by the Solicitor General yesterday regarding the limited role the RCMP can play in such investigations.

Mr. MacEachen: Mr. Speaker, quite apart from whether it is a good idea for the Canadian ambassador to speak to the vice-president of the Korea Electric Company and to ask him whether what he is reported to have said is still his view, there are quite a number of elements of inaccuracy which can be detected in the reported statement made by the vice-president of the Korea Electric Company, one of which is that his company had never done any business with Eisenberg. It is well known that Eisenberg has had business dealings with Korea Electric on a number of major non-nuclear projects. I

am saying that the hon. member ought to assess the credibility of the vice-president in light of other known facts relating to his statement.

* * *

CROWN CORPORATIONS

ALLEGATIONS OF KICKBACKS—REQUEST FOR JUDICIAL INQUIRY

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I ask the Acting Prime Minister in the light of his answer, in the light of the many facts brought out with respect to the involvement of Crown corporations in kickbacks, the conflicts of evidence, and the difficulties encountered by the public accounts committee, one of the best functioning committees of the House of Commons, if it is not now time to undertake an independent judicial inquiry so that witnesses may be examined under oath, documents examined and the whole mess which we have been discussing looked into? There has been stonewalling. I do not say that the minister, personally, has been stonewalling, but we are not receiving answers. A judicial inquiry would allow names to be cleared, and the good name of Canada to be cleared as well. Innuendoes against people in Canada have been raised. Their names could be cleared. If they are not innocent, the proper process of law could be undertaken.

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, when this issue first developed, the request of the opposition was that we should ask the public accounts committee to deal with the question. We provided a reference, which in our view was capable of permitting the public accounts committee to examine the question. The public accounts committee has not reported yet. I agree with the hon. member that it is a well-functioning committee. I believe it would be a mistake at this point to sidestep parliament—

Some hon. Members: Oh, oh!

Mr. Horner: Otto sidesteps parliament every day.

Mr. MacEachen: It would be a mistake to sidestep parliament.

Mr. Lawrence: Good grief!

Mr. MacEachen: Sidestepping the hon. member for Northumberland-Durham is something I would not care to recommend.

Mr. Woolliams: Mr. Speaker, I am not sure if anybody can give a stonewalling, cover-up answer better than the Acting Prime Minister.

Mr. Paproski: He is the king of stonewallers.

Mr. Woolliams: I am sure others agree with me when I suggest that the minister is very capable in that regard. Let me preface my supplementary question with a comment that I think the committee is doing an excellent job, but the rules governing committees do not allow it to sort out the facts. The Acting Prime Minister this morning suggested that there are weaknesses, that one person said this and another said that. If we are to institute a judicial inquiry, witnesses could be examined under oath. The inquiry could be like the crime commission in Quebec, which was able to get at the facts.

Mr. Speaker: Order, please. The hon. member is making a representation. Naturally, questions which relate to any matter which is before a standing committee always give the Chair difficulty. However, my general stance has been that particular information on detail is more in the hands of the parties than in the hands of the Chair. Therefore, if it is to be suggested that the matter ought not to be dealt with because it conflicts with the proceedings of the committee, that suggestion ought to come from the floor rather than from the Chair. However, on occasion there are representations with respect to questions which really ought to relate to the report of the committee, so that the House can be seized of the matter and take action. I think we may be entering that area now.

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AIR CANADA

ALLEGED PAY-OFFS BY BOEING—KNOWLEDGE OF DETAILS OF REQUEST OF COMPANY BY UNITED STATES SECURITY EXCHANGE COMMISSION

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, may I direct a supplementary question to the Minister of Transport? Yesterday, in the House, as reported on page 3603 of Hansard, the minister spoke about "upon hearing the allegations", and also said:

> ... if there appeared to be any connection between the allegations and ... Air Canada.

Does this mean that the government knows the details of the allegations contained in the Security Exchange Commission request for information from Boeing?

Hon. Otto E. Lang (Minister of Transport): No, Mr. Speaker. The particular allegation was in relation to the various phrases used in the press about the possibility of wrongdoing.

* * *

CANADIAN BROADCASTING CORPORATION

ALLEGATIONS BY MINISTERS OF SEPARATIST BIAS IN RADIO-CANADA—INQUIRY WHETHER NAMES MENTIONED

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Secretary of State. The Minister of Communications, the Prime Minister and other ministers have been critical of Canadian Broadcasting Corporation employees in Quebec, alleging that they have committed offences detrimental to the unity of Canada. Have any of these

ministers given the names to the minister responsible for CBC of those against whom allegations have been made in general?

● (1130)

Hon. John Roberts (Secretary of State): Mr. Speaker, I must reply that I have no knowledge of such being the case.

Mr. Diefenbaker: I must accept the minister's word because of the regard I have always had for him. But does he not read the press? I ask him, therefore, have none of these ministers given him a list of the names of those against whom the allegations are made by those who, in the finest spirit of McCarthyism, cast a slur to those CBC employees in Quebec who are innocent.

Mr. Roberts: Mr. Speaker, I share an equally strong respect for the right hon. gentleman as he has expressed for me, so I will not comment on the second part of the question. In relation to the first part, my answer is that no such list has been given to me.

ALLEGATIONS OF SEPARATIST BIAS IN RADIO-CANADA—PROPOSED MONITORING OF PROGRAMS BY RADIO-TELEVISION COMMISSION

Mr. J. P. Nowlan (Annapolis Valley): I have a supplementary question for the Minister of Communications. Since the Prime Minister mentioned at his press conference yesterday that he had discussions with the minister, has the minister made a decision to discuss this matter with the chairman of CRTC to see if CRTC under its authority would undertake a monitoring policy to substantiate, if possible, the allegations made against the CBC?

[*Translation*]

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, my first reply will be to correct what the right hon. member for Prince Albert said a while ago when he asked his question, namely that the Minister of Communications had publicly criticized the CBC. I must point out that I did not publicly criticize the CBC but as a minister I discussed those matters with the authorities concerned. As for the doubts and concerns now voiced in the press and elsewhere as to the way the CBC is fulfilling its role which is to remain objective and promote national unity, I think that even the CBC will reach the conclusion that it is probably necessary to obtain some outside judgment on those very serious doubts.

[*English*]

Mr. Nowlan: Since the minister answered my question in two parts I should like to ask whether I am correct in understanding that she has instructed the chairman of CRTC to undertake an independent audit of the alleged bias with which CBC has been charged?

[*Translation*]

Mrs. Sauvé: Mr. Speaker, I think we will soon be taking a decision on the procedure we should be following to deal with those doubts and concerns now voiced among the public. The CBC cannot carry out its role in a climate of doubts and suspicions.

* * *

[*English*]

HEALTH

ALLEGED REFUSAL OF CONNAUGHT LABORATORY TO SUPPLY GAMMA GLOBULIN TO MALTA

Hon. Stanley Haidasz (Parkdale): Mr. Speaker, in view of the negative attitude of Connaught Laboratory to an urgent request of the government of Malta for 60 vials of human gamma globulin desperately needed in Malta, would the Minister of National Health and Welfare use his office to make available a supply of this biological to a fellow member of the Commonwealth?

Hon. Marc Lalonde (Minister of National Health and Welfare): I will investigate this matter immediately, Mr. Speaker, and I thank the hon. member for having drawn this matter to my attention.

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ENVIRONMENTAL AFFAIRS

MERCURY LEVELS IN NORTHERN RESIDENTS—REQUEST FOR PUBLICATION OF STUDIES

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I would like to pursue questions to the Minister of the Environment asked last December by my colleague, the hon. member for the Northwest Territories. In view of the discovery of dangerously high mercury levels in some residents at Tuktoyaktuk and the suspicion that mercury contamination is widespread across the Arctic, will the minister make public all studies done by his department of the source of the pollution so that northerners and other interested parties may determine if the mercury pollution is from natural or industrial sources?

Hon. Roméo LeBlanc (Minister of the Environment): Certainly I would make public any report we have on this issue. In fact, a briefing note I have from my department does say that the Arctic Bay is a highly mineralized area with mercury occurring naturally. It is considered to be geochemical in nature. But certainly I will make available the information we have to any hon. member interested. The indication now is that it is from natural sources.

* * *

HEALTH

SUGGESTED TESTING OF RESIDENTS IN ARCTIC FOR MERCURY—GOVERNMENT ACTION

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, my supplementary question is directed to the Minister of National Health and Welfare. Will the minister have his department

carry out extensive testing of all residents in Arctic communities to determine how widespread the mercury contamination is, and also will he tell the House what remedial action is contemplated by the federal government for those already affected? I am thinking of selenium fortified diets for northern residents?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, those investigations have been under way for six months already and as soon as we receive reports we make them public, as I did yesterday. We expect to have to continue those investigations on Indian reservations both in the Arctic and outside, and all the information gathered will be made public and given to the people concerned. Among the actions which are to be taken, additional inquiries will be made to determine the source of contamination. Furthermore, the diet of people affected will have to be examined to establish whether it is necessary to encourage them to change their eating habits and to decide what other measures are necessary.

I must point out that current investigations are made among the groups we believe are more subject to contamination than others, because they work as fishermen or hunters rather than labourers in other concerns or fields.

[*English*]

MERCURY LEVELS IN RESIDENTS OF RUPERT HOUSE AND GREAT WHALE AREAS—REQUEST FOR DETAILS

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, my question is supplementary to the previous question addressed to the Minister of National Health and Welfare. As indicated by the previous questioner, recent reports have revealed the presence of elevated mercury levels in the Northwest Territories. However, I should like to ask the minister if he is aware of recent reports from the areas of Rupert House and Great Whale that allegedly reveal the highest level of mercury contamination in Canada? If so, will he reveal the details to the House?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, all reports available to my department concerning mercury contamination will be made public as soon as we get them and referred to those concerned. I will look into those specific cases to which the hon. member refers to see whether studies are now finished. But instructions are that all these studies are to be made public as soon as they are available.

[*English*]

PROPOSAL TO ESTABLISH CENTRE TO DEAL WITH ENVIRONMENTAL HEALTH HAZARDS—GOVERNMENT POSITION

Mr. J. R. Holmes (Lambton-Kent): I have one brief supplementary question. In light of the minister's last answer, which again indicates that there is lack of co-ordination in dealing with the whole matter of mercury pollution, can the minister now say if he is prepared to implement the recommendation of Dr. Clarkson calling for the establishment of a national centre in environmental health to deal with environmental health hazards from methyl mercury and other pollutants?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the whole problem of industrial health is a matter which we have discussed with my colleague, the Minister of Labour. The Minister of Labour has already made some announcements concerning the whole matter of industrial health, which goes far beyond the mere question of mercury contamination. We have given notice of our intention of taking a number of steps in this field. I refer the hon. member to the announcement made by my colleague, the Minister of Labour, some months ago.

* * *

[*English*]

ENVIRONMENTAL AFFAIRS

POSSIBILITY ATOMIC ENERGY CONTROL BOARD TRANSFERRED TO DEPARTMENT OF ENVIRONMENT—GOVERNMENT POSITION

Mr. Bill Jarvis (Perth-Wilmot): In the absence of the Minister of Energy, Mines and Resources may I direct a question to the Minister of the Environment. It relates to the obvious and rather serious conflict within the Department of Energy, Mines and Resources with respect to its dual responsibilities, the regulatory responsibility on the one hand through the Atomic Energy Control Board, and the responsibility for operating groups, such as AECL and the other. Can the minister confirm that serious consideration is being given to transferring responsibility for the Atomic Energy Control Board from the Department of Energy, Mines and Resources to another department of government?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): I can confirm that there are some interdepartmental discussions going on as to the best way to revise or to re-examine this situation. That is as far as I can go now.

• (1140)

Mr. Jarvis: A supplementary question, Mr. Speaker. I appreciate the minister's difficulty, but I wonder if he would go so far as to confirm that it is his view that the responsibility for the regulatory agency, that is the Atomic Energy Control Board, would be more appropriate within the Department of the Environment than its present position within the Department of Energy, Mines and Resources?

Mr. LeBlanc (Westmorland-Kent): Mr. Speaker, the hon. member knows I have no territorial ambitions, only the 200 mile fishing zone. The subject is obviously one which is coming up for discussion. I think the whole area of environmental health and other aspects have to be considered, not as one isolated area of responsibility but in fact in close co-operation with my colleague, the Minister of National Health and Welfare, obviously the Minister of Energy, Mines and Resources and the Department of the Environment.

Mr. Jarvis: A final supplementary, Mr. Speaker. Can the minister give us the target completion date for discussions regarding the transfer of authority for AECB?

Mr. LeBlanc (Westmorland-Kent): Mr. Speaker, I have not confirmed there is a decision to transfer authority. I said that discussions are going on, the problem is recognized and is being worked out.

* * *

ADMINISTRATION OF JUSTICE

PRISONER EXCHANGE WITH UNITED STATES—COMPENSATION TO PROVINCES FOR EXTRA COST

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Solicitor General. It concerns the agreement signed earlier this week with the United States for an exchange of nationals under sentence of incarceration or under probation order in the respective countries. With respect to conversations with the provinces—and I understand from the minister's press release that discussions will continue with the provinces concerning a variety of matters including responsibility for custody, for the transfer of juveniles and the status of persons on probation—there is no indication that perhaps the most pressing issue of all, that of the additional expenditures that will be imposed upon the various provinces, particularly those that have already indicated publicly as the premier of Prince Edward Island did recently, following a meeting with attorneys general in Toronto, when he denounced federal assistance for being woefully short, that this matter is going to be raised? I think as increased social programs or prisoner transfers take place, this weighs exceptionally heavily on provinces that can ill afford to deal with these expenditures.

Hon. Francis Fox (Solicitor General): Mr. Speaker, the whole question of additional expenditures, if there are indeed any additional expenditures, for the provinces would be raised at the continuing meetings that we plan to have with the provinces on this question. I should point out, however, that there is a strong possibility that some United States nationals might be transferred out of provincial prisons to the United States under the terms of the agreement. In those cases, the provinces could very well receive financial advantage which we would in turn be inclined to ask them to offset by accepting in certain cases the transfer of Canadian nationals presently in American penitentiaries back to their home province.

Mr. MacDonald (Egmont): A supplementary question, Mr. Speaker. The minister has mentioned the situation of those who might be transferred from prisons in Canada to the United States. He did not indicate, however, in what respect the department might respond in terms of those on probation or parole inasmuch as the services in these areas vary greatly across the country. Certainly, the idea of reunifying or bringing back nationals to their own country is an admirable one in terms of rehabilitation but such services might not be adequate or the provinces could not afford to fund such services outside of the actual imprisonment. Is the minister carrying out discussions at that level and has he indicated the federal government would be prepared to equalize in the manner it does in other social programs?

Mr. Fox: Mr. Speaker, we would definitely be willing to consider the matter. If there is any unduly high financial hardship imposed on any particular province as a result of the exchange we would be willing to look at it on a case by case basis.

* * *

AIR TRANSPORT

USE OF FRENCH IN AIR-TO-GROUND COMMUNICATIONS—EFFECT OF COMMISSION STUDY ON GOVERNMENT DECISION

Mr. J. H. Horner (Crowfoot): Mr. Speaker, may I direct a question to the Minister of Transport? In both Montreal and Toronto, the Prime Minister has publicly stated that he supports the right to use French in the air over the province of Quebec in air-to-ground communications. In view of the fact that the government has appointed a three-man commission of inquiry to look into this whole question and set up a costly simulation test, are we to gather from the Prime Minister's statements that the inquiry is not necessarily going to be proceeded with, is not a viable operation, and that in fact the question of safety will not be examined but that French will be used whether or not it is safe?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, it has always been our very clear intention to find the procedures which allow full safety and allow the use of both French and English in air traffic control in the province of Quebec. We have always been confident that those procedures could be found and therefore it has been our stated intention. The role of the commission is therefore to be very fully understood in terms of itself, judging that our discovery of those safe procedures is indeed a discovery of safe procedures and nothing more than that.

Mr. Horner: One quick supplementary, Mr. Speaker. In other words, it is not a question of if, it is a question of how.

Mr. Lang: Mr. Speaker, in terms of our confidence that safe procedures can be found the answer is yes.

* * *

ABORTION

PROPOSED STUDY OF PHYSICAL AND MENTAL EFFECTS—GOVERNMENT POSITION

Mrs. Ursula Appolloni (York South): Mr. Speaker, my question is for the Minister of National Health and Welfare. In view of the numerous references in the Badgley report to the lack of comprehensive and complete information about the unknown, long-term physical and mental effects of abortion

and in order to protect the health of Canadian women, would the minister have his department conduct an appropriate study of this serious situation?

Hon. Marc Lalonde (Minister of National Health and Welfare): I will look into this matter, Mr. Speaker.

* * *

TRANSPORT

EFFECT OF WITHDRAWAL OF FUNDS FOR URBAN TRANSIT ON DEVELOPMENT OF EDMONTON SUBWAY SYSTEM

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of Finance. Yesterday the minister promised to look into the answer to a question I asked last Friday. He is not here today so I wonder if his colleague, the Minister of Transport, can reply to the question of whether the government's announced cutback on the support program for urban transit would revoke the understandings with the authorities in the city of Edmonton with regard to Edmonton's underground system?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the commuter program which was announced over a year ago did not relate to orders which had been placed prior to a particular date. That raised certain questions in relation to some of the developments in Edmonton, although, of course, future orders and developments under the terms of that announcement would be eligible. We have had some broad discussions with the provinces about some possible rearrangement of our urban transportation assistance under that program that could have some effect upon Edmonton. No decisions have been taken in that regard, however.

Mr. Lambert (Edmonton West): A supplementary question. In view of the fact that the province of Alberta is already committed to over $50 million in the initial stages of this program and recognizing that Phase I of the Edmonton program could not be included in the government announcement, the question is, because of long-lead items and the necessity of placing orders now, can the government give any assurance that subsequent phases of this program will have the assistance of the federal government as originally promised?

Mr. Lang: Mr. Speaker, Edmonton will know of the announcement of a year ago and its terms and the fact that regulations soon to be promulgated in relation to that program will spell out in technical detail the eligibility for them. The only question is that between now and the date of the promulgation of regulations, a final decision will be taken about the whole method of handling the urban assistance funds that could affect the situation. In general, I would say that those who would have been eligible under the announcement of a year or so ago in relation to the $100 million program will remain eligible, although perhaps with a different form of decision-making on the part of the provinces in relation to receipt of the funds.

[Mrs. Appolloni.]

ENVIRONMENTAL AFFAIRS

EFFECT OF MCGREGOR RIVER DIVERSION ON FISH—REQUEST FOR RELEASE OF STUDY ON POSSIBLE DAMAGE

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I have a question for the Minister of Fisheries and the Environment which concerns the proposal for the diversion of the McGregor River into Williston Lake in British Columbia. Figures given by some of the groups opposing this indicate an annual loss of revenue as a result of fish kill, of as much as $4,300,000. Given the fact that the federal government participated in the December study which recommended the McGregor diversion, can the minister advise the House whether it is the government's position that, in view of its participation, it is in support of the diversion of the McGregor River in British Columbia?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, I thank the hon. member for letting me know he would be asking this question. When the report was released in Victoria by the minister of the environment for British Columbia and myself, we made it very clear that this was a report put together by a group of federal and provincial officials dealing with the problem of flood control and diversion of water which moves down the Fraser. I made it very clear that the water section of my department saw this as a solution or part solution to the problem of flooding. I have serious misgivings, as I indicated to the hon. member, about the damage which could be done to the fishery by lowering the water flow and also by the potential introduction of non-Fraser system biological species, which could also have a detrimental effect. Obviously, unless those objections can be overcome, we are very much opposed.

● (1150)

Mr. Leggatt: A supplementary question, Mr. Speaker. In view of the answer the minister earlier gave the hon. member for Sault Ste. Marie, that he was willing to release reports about problems in the north, and since I understand that the Department of the Environment completed the study on the potential damage on the McGregor diversion project in 1974 but that study remains classified, would the minister now undertake to the House to release any studies he may have concerning the damage, so that the committee may be aware of the effects of this project?

Mr. LeBlanc (Westmorland-Kent): Mr. Speaker, if the report is classified, I will see if I can unclassify it. That is my policy. I prefer a full discussion based on facts.

CENTRAL MORTGAGE AND HOUSING CORPORATION

POSSIBILITY OF EXCESSIVE PAYMENT FOR LAND IN MANITOBA—REQUEST FOR REPORT

Mr. Dean Whiteway (Selkirk): Mr. Speaker, my question is for the Minister of State for Urban Affairs, of which I gave him notice a couple of weeks ago. This is my first opportunity to raise it. My question has to do with an article which appeard in the Winnipeg *Free Press,* and the question I asked about three months ago regarding allegations made in an article written by Mike Ward of the *Free Press* suggesting that perhaps CMHC, in its dealings with the Manitoba Housing Renewal Corporation, could have paid excessive prices for land. I wonder if the minister has a report for the House.

[*Translation*]

Hon. André Ouellet (Minister of State for Urban Affairs): Yes, Mr. Speaker, I did have the answer for the hon. member quite some time ago but this is the first opportunity he has to ask me this question. I can tell him that my officials have discussed this matter with the Manitoba Housing Corporation and they came to the conclusion that the difficulty is strictly administrative and lies in the way the Manitoba Housing Corporation registers the prices of land in its books. So there is no serious disagreement and no irregularity.

* * *

[*English*]

TRANSPORT

DISPARITY BETWEEN SUBSIDIES FOR FERRIES ON EAST AND WEST COASTS—GOVERNMENT POSITION

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, my question is for the Minister of Transport. Recently the minister spent some time in Victoria. Has he discussed with officials in Victoria ways to eliminate the disparities between subsidies provided to eastern ferries and western ferries, and is the government now prepared to assume 50 per cent of the responsibility for the ferry system on the west coast? If so, when can we expect such an announcement?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, different issues arise in different regions of the country and, because of constitutional arrangements, matters on the east coast cannot be treated in the same way as other policy issues. I can only say at this time that questions relating to ferry service on the west coast are the subject of discussion between governments, but I have nothing to add about any final decision.

ARRANGEMENTS FOR BRITISH COLUMBIA COASTAL SHIPPING—POSSIBILITY OF PERMANENT ARRANGEMENT

Mr. Benno Friesen (Surrey-White Rock): A supplementary question, Mr. Speaker. Since the new, improved shipping arrangement for the west coast is now four months old and it is a makeshift proposition, are we to assume that this will now be a permanent arrangement, or will there be an announcement concerning a new arrangement? Also, the Minister of State responsible for fitness and amateur sports said three or four months ago that she would resign in six weeks if something better were not in place. Is the Prime Minister combing the backbenches on the government side with a fine tooth comb, looking for a replacement for that position?

An hon. Member: She's still skating on the canal.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, at the time of the withdrawal of the expensive subsidy to the Northland service it was decided and agreed upon by almost all in authority involved, including those in provincial government circles, that it was preferable to move goods and passengers by separate modes, rather than by a combined service, and this could be done in total at far less cost. At that time there was an indication that the broad plan would be to find better passenger vessels for the connecting trips along the coast, in order to bring people either to the main ferry stops or, indeed, to air services. The acquisition of these vessels would, I imagine, be contemplated by whoever has over-all responsibility for operating the service in future. That responsibility, and that arrangement, is one of the matters under discussion.

* * *

FOREIGN INVESTMENT REVIEW AGENCY

TAKE-OVER OF WESTERN WHEEL BY HAYES-DANA—OPPOSITION BY CANADIAN COMPANIES AND REFUSAL OF APPLICATION BY AGENCY

Mr. Bruce Halliday (Oxford): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce, of which he had notice. With reference to the take-over of Western Wheel by Hayes-Dana, is it true that representations opposing this takeover were received by FIRA from Canadian companies in Ontario, Manitoba, Alberta, Saskatchewan and British Columbia, and that subsequent to this the announcement was made in November, 1976, that the application had been refused?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, according to the information I have, a first application was turned down. A second application increasing the benefits accruing to the Canadian economy was made and accepted a few weeks ago.

[*English*]

TAKE-OVER OF WESTERN WHEEL BY HAYES-DANA—ACCEPTANCE OF SECOND APPLICATION WITHOUT NOTIFYING OBJECTORS

Mr. Bruce Halliday (Oxford): A supplementary question, Mr. Speaker. Is it now the policy of FIRA and the government to accept a second application in such a case, to reconsider the matter and finally give cabinet approval and public announcement without even informing the original objectors that a

repeat application had been made, thereby denying our Canadian companies an opportunity to state their case?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): In any case, Mr. Speaker, whenever an application is turned down anyone can submit a repeat application and offer better guarantees to the Canadian government. That is exactly what happened. The Foreign Investment Review Agency is not a court; it examines each application and decides on its merit.

* * *

[*English*]

TRADE

QUOTA ON CLOTHING IMPORTS—DATE OF DECISION ON NUMBER OF UNITS ALLOWED

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. As there seems to have been a real foul-up in the government's program to protect clothing manufacturers by restricting imports, in that the quota of 2.3 million units announced in September, 1976, was based on incorrect government estimates, will the minister indicate when a decision will be forthcoming on the numbers of units of imported clothing which will be allowed to enter this country, especially in the case of companies which have already paid through letters of credit for goods which they are not allowed to land?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I am reviewing this situation just now. I do not know whether there have been foul-ups. I know that the government has committed itself to the protection of the clothing industry in Canada, and if there have been foul-ups, we shall make amends; otherwise, the government will stand on its position.

* * *

[*English*]

CAPE BRETON DEVELOPMENT CORPORATION

PAYMENTS TO PRE-RETIRED COAL MINERS—BASIS ON WHICH PAYMENTS MADE

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Regional Economic Expansion, and has to do with the announcement made a few days ago by the President of the Privy Council to the effect that supplementary estimates will be placed before parliament to permit DEVCO to make an ex gratia payment of $500 to pre-retired coal miners or their widows. I am sure hon. members are aware of this longstanding grievance, and if they are not they ought to be. May I ask the minister if, when the $500 payment is made, the recipients will be subject to a means test regarding the guaranteed income supplement or any other governmental benefit they may receive? In other words, will it be a no strings attached arrangement?

[Mr. Halliday.]

[*Translation*]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, the hon. member is obviously very happy, as I am, that a solution should have been found in this regard, but when he asks me whether, once that amount has been paid, it will be considered as income affecting other sources of income those people may have, it is difficult for me to know exactly what the consequences will be. Still, I brought up the matter with my colleague, the Minister of National Revenue, who is also looking into the matter of knowing whether that income will be taxable. I trust that within the next few weeks we will be in a position to give a more specific answer to the concerns expressed to me about the way that amount will be treated.

[*English*]

Mr. Muir: A supplementary question, Mr. Speaker. I thank the minister for his reply; unfortunately, I did not hear all of it. Is he saying, really, that although this payment will be made, and God knows it is small enough, the government will give $500 on the one hand but will take it back on the other through the Department of National Revenue and deductions for guaranteed income supplement. In other words, the miners will be no further ahead. Was the minister saying that?

[*Translation*]

Mr. Lessard: No, Mr. Speaker, that is certainly not what I said, and I am rather disappointed that the hon. member, who made many representations to me on behalf of those people, should claim today that the proposal I made to my colleagues, and which he and other members of the NDP supported, provides for only a very small amount to remedy the situation.

• (1200)

[*English*]

Mr. Muir: At no time did I say $500 was sufficient. That is on record.

* * *

CUSTOMS

POSSIBLE PROHIBITION OF IMPORTATION OF FERTILIZER FROM UNITED STATES

Mr. Jake Epp (Provencher): Mr. Speaker, I would like to direct my question to the Minister of National Revenue. I have given her notice of the question. At the present time chemicals and herbicides are imported from the United States by farmers, including fertilizer manufactured in Canada, finding its way to the United States and being bought at a reduction of $25 a ton. There are now rumours that the border will be closed by the Department of National Revenue and that these purchases will no longer be allowed. Can the minister tell me whether in fact tariff item No. 9381101 is no longer going to be valid and whether the minister is contemplating closing the border, thus adding further hardship to farmers caught in the cost-price squeeze?

Hon. Monique Bégin (Minister of National Revenue): Mr. Speaker, the hon. member told me after prayers that he would ask me this question. I replied to him that we had no intention of closing the border. However, I do not know the particulars of the case he brought to my attention earlier this morning. I will inquire.

* * *

INDUSTRY

LEARSTAR JET PROGRAM—FINANCING OF PURCHASES BY FEDERAL EXPRESS THROUGH CANADIAN EXPORT DEVELOPMENT CORPORATION

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce and I would appreciate being permitted one brief supplementary. With regard to the LearStar jet program, can the minister advise the House if the Canadian Export Development Corporation is assisting in the financing of the purchase order by Federal Express, an American company? If so, how much is the financial commitment by the EDC and what is the security of the loan?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, the sale to Federal Express was commercial and financed by the Export Development Corporation. It involved 25 aircraft whose unit cost averages, I believe, $4,700,000. I shall figure it out and give the results. It was an export sale and, as in the case of many other industries, it requires the services of a Crown company.

[*English*]

LEARSTAR JET PROGRAM—POSSIBLE QUID PRO QUO FOR PURCHASES BY FEDERAL EXPRESS AND FEASIBILITY STUDY OF PROGRAM BY MR. GOLDEN

Mr. Dan McKenzie (Winnipeg South Centre): Has Federal Express made application to operate their package delivery business in Canada and is government blessing of their application part of the quid pro quo of their purchase of Lear jets? Will Mr. David Golden, president of Telesat Canada, who is conducting an investigation into the Canadair and de Havilland operations be studying the feasibility of continuing with the LearStar jet program?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, in answer to the first part of the question, Federal Express has never made any application to operate in Canada. Incidentally, in a discussion with this company's president, Mr. Smith, he has confirmed to me that he was absolutely not interested in establishing this service in Canada, so there has been no quid pro quo, he has made no application and he is not even interested.

As for Mr. Golden, he is going to examine all the operations of de Havilland and Canadair, including of course the aircraft they manufacture. He will then be able to comment on the LearStar jet program. I take this opportunity to point out that two weeks ago we had sold 65 aircraft and that today this number has gone up to 71.

ROUTINE PROCEEDINGS

[*English*]

CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION

TABLING OF LETTER FROM PRIME MINISTER

Hon. John Roberts (Secretary of State): Mr. Speaker, I would like to table, on behalf of the Prime Minister, copies, in both official languages, of a letter which he sent today to the chairman of the Canadian Radio-Television and Telecommunications Commission.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 139 (corrected), 1,307, 1,482, 1,499, 1,522, 1,523, 1,623, 1,651, 1,708, 1,721, 1,722, 1,732, 1,750 to 1,761 inclusive, 1,763 to 1,769 inclusive, 1,771 and 1,833.

[*Text*]

DEPARTMENT OF NATIONAL HEALTH AND WELFARE—CONTRACTS FOR PROFESSIONAL SERVICES

Question No. 139—**Mr. Orlikow:** (corrected)

1. For the fiscal year 1975-1976, what contracts for professional services were let (a) for studies, surveys and analyses into present or future policies, programs or information analysis, and their efficiency and effectiveness (b) into the examination of the administration or internal operation of the Department of National Health and Welfare?

2. How much was committed on each contract and to whom?

3. What were the comparable figures for the fiscal year 1973-1974?

Hon. Marc Lalonde (Minister of National Health and Welfare): In so far as the Department of National Health and Welfare is concerned: 1. (a) $429,623. (b) $160,556.

2. (a) See statement No. 1 below. (b) See statement No. 2 below.

3. (a) $203,590. (b) $7,730.

Order Paper Questions

Statement No. 1

Contractor	Cost
M.N. Lopianouski & Associates Ltd.	2,803
Adimec Inc.	7,700
William Cameron	3,240
Gordon MacDougall	4,997
Gordon MacDougall	4,541
Square One Management Ltd.	4,914
Michael Abbot	1,000
J. Graham Clarkson Consultants Ltd.	8,510
Systems Approach Ltd.	2,930
Centre de recherche médicale de l'Université de Sherbrooke	14,166
Claude Castonguay	6,690
Donald Green	9,055
Prof. Larry Taman	2,100
Prof. Larry Taman	3,200
Dr. Luc Laroche	3,800
Ralph McKendry	6,300
Rashim Ahluwalia	440
Graig Angus	825
Dick de Jong	1,175
Dr. Lucinda V, Brettler	4,600
Edward S. Cardwall	150
Robert A. Davis	3,126
Joyce Askwith	150
Marie Berlinguet	200
Raymond Boutin	150
Douglas Braun	2,750
Marie-Paul Doyle	150
Family Counselling Service	428
Carmina Gordon	200
Dr. James F. Hawkes	1,644
Lawrence F. Heinman	1,466
C. Norman Knight	2,250
David Hagerman	2,000
Robert Marcus	150
Grant Lowery	17,000
Rolande Morin	2,585
Robert Marcuse	200
John McDonald	4,950
John McDonald 1,797	
Ontario Association of Marriage and Family Counsellors	700
Maureen Orton	150
Company L87429 (Ontario) Ltd.	35,000
Ruth Cooperstock	600
Roland Crooks	3,600
Dr. Lynn Davie	1,150
Emergency Associates	1,000
Epidemiologic Research Associates	5,000
Dr. William Harrell	2,000
Memorial University of Newfoundland	4,700
George Nichols	3,600
The Ontario Institute for Studies in Education	5,820
Kai Pernanen	700
Policy Research Inc.	4,000
Dr. Simona Radouco-Thomas	3,000
Dr. Lewis C. Robbins	3,000
Santa Cabrina Hospital, Montreal, Quebec	5,000
John R. Schallow	2,250
Traffic Injury Research Foundation of Canada	17,307
Randall C. Potts	2,000
University of Calgary	14,700
University of Toronto	3,455
P. C. Whitehead Assoc.	4,800
Canadian Public Health Association	5,000
William C. Lam	2,500
Ernest Wotton	2,500
Dr. George K. Jarvis	5,000
Dr. George K. Jarvis	5,000
Mr. Cyril Dabydeen	3,500
Ruth H. Blue	3,990
Ruth H. Blue	3,220
Walter D. Brust	4,950

[Mr. Lalonde.]

Statement No. 1

Contractor	Cost
R. A. Lacerte et Associés 5,919	
William Martin	5,000
Harry A. Hicks	4,500
Doris Stepler	1,840
R. A. Lacerte et Associés	28,737
Mac H. Haufe	2,850
Leetham, Simpson Ltd.	5,275
Balmer, Crapo & Associates Inc.	5,000
Dr. Stanley Brown	4,000
Dr. Robert Hindmarch	5,000
Mrs. Judy Hunter	5,000
Dr. Maurice Jette	5,000
Dr. Gregg McKelney	4,500
Jean-Guy Noel	4,800
George Shepherd	1,500
Pernie Swords	3,000
Dr. Peter Witt	4,500
Dr. Jack Daniels	5,000
Dr. Rena Paul	200
Denise Dicker	200
Glenn Rutherford	200
William Thomson	200
Glenn Rutherford	200
Dr. Leonard Rutman	4,278
Dr. Paul Sachdev	200
Dr. Ben Schlesinger	400

Statement No. 2

Department of Supply and Services	
Audit Services Bureau	98,000
Audit Services Bureau	38,356
Bureau of Management Consulting	4,837
Bureau of Management Consulting	14,013
David Hagerman	1,600
Lorne Plunkett	1,500
Lorne Plunkett	2,250

CONSTRUCTION AND REDEVELOPMENT OF CANADIAN EMBASSY COMPOUND, TOKYO

Question No. 1,307—**Mr. Clarke (Vancouver Quadra):**

1. What (a) was the purchase date (b) is the total area (c) was the purchase price of the land on which the Canadian Embassy in Tokyo, Japan is located?

2. On what date were the buildings constructed on the land and, in each case, what was the construction cost?

3. Have any appraisals been made of the property within the past two years and, if so, what was the estimated value of the land and buildings?

4. What is the estimated current market value of the land (a) with buildings (b) without buildings?

5. How many (a) Ottawa-based (b) other than Ottawa-based persons are employed at the Embassy in Tokyo?

6. Is it the intention of the government to construct or alter any buildings on the site of the Tokyo Embassy and, if so, what is the estimated expenditure of such construction and/or alterations?

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): 1. (a) Three acres were purchased in 1935 and an adjoining parcel of slightly over one acre was purchased in 1952; (b) Total area 4.12 acres; (c) Purchase price $285,500.

2. (i) Original Chancery, residence, and ancillary buildings were acquired in 1935 with land purchase; (ii) A Chancery extension was built in 1955 at a cost of $331,702; (iii) A temporary office building was erected in 1968 at cost of $170,838.

3. No.

4. Estimated current market value is therefore not available.

5. Ottawa based employees, 54; locally engaged staff, 82.

6. (i) Yes, new construction and alterations are intended for the existing site of the Canadian Embassy in Tokyo. The redevelopment of the site will include the construction of a new office building and display centre, renovations to the existing Chancery building, demolition of a temporary office building, renovations to the existing residence. The new office space will provide accommodation for all present operations of the Embassy (including those activities which are now located off the site) and for future expansion; (ii) The estimated construction costs amount to $15.2 million.

COST OF PUBLICATION "THIRTY-SIX WAYS TO PUT BILINGUALISM TO WORK FOR YOU"

Question No. 1,482—**Mr. McKenzie:**

1. How many copies of the booklet *Thirty-six ways to put bilingualism to work for you* were published by the Department of the Secretary of State?

2. What was the total cost of the booklet?

Hon. John Roberts (Secretary of State): 1. First print: 28,615 copies. Second print: estimated 20,000 copies (in process).

2. Costs: First print: $58,297.22; Second print: $36,872 (estimated).

PEI—HOME INSULATION GRANT PROGRAMME

Question No. 1,499—**Mr. Herbert:**

Will payments under the Prince Edward Island programme of assistance toward improved home insulation reflect the varying insulation values of the materials used?

Hon. André Ouellet (Minister of State for Urban Affairs): I am advised by Central Mortgage and Housing Corporation as follows: Payments under the Home Insulation Grant Programme in Prince Edward Island will be based on invoices covering the costs of materials and/or labour, to a maximum of $350 for materials only, or $500 for materials and labour. The cost of materials will reflect varying insulation values to the extent that these determine the prices of insulating materials.

NATIONAL DEFENCE—LANGUAGE CLASSIFICATION OF PERSONNEL AT CFB LONGUE POINTE

Question No. 1,522—**Mr. Lachance:**

1. Is the Canadian Armed Forces Base at Longue Pointe classified bilingual and, if so, is it true that this base will be reclassified French unilingual in six months?

2. How many servicemen assigned to the Base are classifed by mother tongue as (a) English (i) unilingual (ii) bilingual (b) French (i) unilingual (ii) bilingual?

3. How many civil employees assigned to the Base are classified by mother tongue as (a) English (i) unilingual (ii) bilingual (b) French (i) unilingual (ii) bilingual?

4. How many servicemen whose mother tongue is English and who are unilingual or bilingual were assigned to the Base in (a) 1975 (b) 1976?

5. How many bilingual servicemen whose mother tongue is English were transferred from the Base in (a) 1975 (b) 1976?

Hon. Barney Danson (Minister of National Defence): 1. All units in the Montreal area are administered by Canadian Forces Base Montreal including those located at Longue Pointe and St. Hubert (See Question No. 1,523). It is not possible to isolate the figures for Longue Pointe and St. Hubert units and the data given below therefore covers all the Military Forces in the Montreal area. CFB Montreal is classified bilingual and plans are now formulated for the designation of the base and some of its units as French Language units.

2. (a) and (b)

	Anglophones	Francophones
Unilingual	266	271
Bilingual	246	1,202

3. (a) and (b)	Anglophones	Francophones
Unilingual	306	700
Bilingual	109	404

4. (a) and (b). 1975 Unilingual, 105; 1976, 90; 1975 Bilingual, 70; 1976, 70.

5. (a) and (b) 1975, 94; 1976, 109.

NATIONAL DEFENCE—LANGUAGE CLASSIFICATION OF PERSONNEL AT CFB ST. HUBERT

Question No. 1,523—**Mr. Lachance:**

1. Is the Canadian Armed Forces Base at Saint-Hubert classified bilingual?

2. How many servicemen assigned to the Base are classifed by mother tongue as (a) English (i) unilingual (ii) bilingual (b) French (i) unilingual (ii) bilingual?

3. How many civil employees assigned to the Base are classified by mother tongue as (a) English (i) unilingual (ii) bilingual (b) French (i) unilingual (ii) bilingual?

4. How many servicemen whose mother tongue is English and who are unilingual or bilingual were assigned to the Base in (a) 1975 (b) 1976?

5. How many bilingual servicemen whose mother tongue is English were transferred from the Base in (a) 1975 (b) 1976?

Hon. Barney Danson (Minister of National Defence): See answer to Question No. 1,522.

NATIONAL DEFENCE—NUMBER OF PERSONNEL AND VALUE OF PROPERTY AND EQUIPMENT IN QUEBEC

Question No. 1,623—**Mr. Coates:**

1. How many Armed Forces personnel and Department of National Defence employees are located in the Province of Quebec and what is the estimated payroll for the fiscal year 1976-77?

2. What is the estimated value of property, including Armed Forces bases, equipment and other operations located in the Province?

Hon. Barney Danson (Minister of National Defence): 1. As of December 31, 1976: Military, 10,697; Civilians in continu-

ing positions, 4,894; Civilians in non-continuing positions 828; Total, 16,419. Military, $130,302,000; Civilian, $74,439,000; Total, $204,741,000.

2. $1,150 million.

QUESTIONS ON THE ORDER PAPER

Question No. 1,651—**Mr. Beatty:**

1. How many questions on the *Order Paper* marked with an asterisk were answered in 1976?

2. On the average, how many days elapsed between the placing on the *Order Paper* of such questions and their being answered by the government and how does the figure compare with the average amount of time taken to answer other questions on the *Order Paper* during the same period?

3. Does the government give any priority to such questions that is not given to other questions?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): 1. See Beauchesne's *Parliamentary Rules and Forms,* Fourth Edition, Citation 171 (ff).

2. The Government takes responsibility for the answers it provides to questions and for the process involved in replying to such questions.

3. The Government complies with Mr. Speaker's ruling. (Debates, February 27, 1975, page 3625).

NATIONAL DEFENCE—CHANGES TO COMMUNICATION SYSTEMS AT CFB GAGETOWN

Question No. 1,708—**Mr. Howie:**

Has there been any installation, modification or improvement of communications systems at CFB Gagetown since January 1, 1976 and, if so (a) in what manner (b) by whom (c) at what cost?

Hon. Barney Danson (Minister of National Defence): (a) The changes and improvements made to the communications systems at CFB Gagetown since January 1, 1976 are listed below. Some of these improvements are still in progress: Improvement to the Base Cabling System; Crytographic Equipment; Fixed/mobile and portable radio capability; and Message processing equipment. (b) Installation was conducted by Burroughs Business Machine Ltd. under contract, and by DND personnel. Equipment was purchased from: Canadian Motorola Ltd., Teletype Corporation, Computer Sciences of Canada. (c) Costs for 1976/77 are estimated to be approximately $115,000.

NATIONAL DEFENCE—CONTRACTS FOR RENOVATIONS OR IMPROVEMENTS OF PMQs AT CFB GAGETOWN SINCE APRIL 1, 1976

Question No. 1,721—**Mr. Howie:**

Since April 1, 1976, have any contracts been let for the renovation or improvement of PMQ units owned by the Department of National Defence at CFB Gagetown and (a) if so (i) to whom (ii) in what amounts (b) if not, are any such improvements contemplated?

Hon. Barney Danson (Minister of National Defence): Yes. One contract was awarded. (a) (i) Malach Roofing and Flooring Ltd.; (ii) $59,100. (b) Not applicable.

[Mr. Danson.]

NATIONAL DEFENCE—POSSIBLE ALTERATIONS OR ADDITIONS TO UNITS CURRENTLY AT CFB GAGETOWN

Question No. 1,722—**Mr. Howie:**

Does the Department of National Defence contemplate any alterations or additions to the units currently posted at CFB Gagetown and, if so, in what manner?

Hon. Barney Danson (Minister of National Defence): The Department of National Defence plans to add one armoured squadron which will be a training squadron to coincide with the delivery of new Leopard tanks to the units currently posted at CFB Gagetown.

FINANCIAL ASSISTANCE TO MONTREAL SYMPHONY ORCHESTRA IN PAST 10 YEARS

Question No. 1,732—**Mr. Herbert:**

What government financial assistance was provided to the Montreal Symphony Orchestra in the past ten years and is any such assistance contemplated in the immediate future?

Hon. John Roberts (Secretary of State): I am informed by the Canada Council as follows: Since the 1967-68 season, the Council has made grants to aid in the Montreal Symphony Orchestra's operations totalling $4,420,000. One might reasonably expect that the MSO will continue to solicit the Council's assistance on an annual basis, at a level not less than this year's grant of $660,000.

RETENTION OF LAWYERS IN VICTORIA, B.C. CONSTITUENCY FOR MINISTRY OF STATE FOR URBAN AFFAIRS

Question No. 1,750—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Ministry of State for Urban Affairs and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN VICTORIA, B.C. CONSTITUENCY FOR WAR VETERANS ALLOWANCE BOARD

Question No. 1,751—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the War Veterans Allowance Board and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN VICTORIA, B.C. CONSTITUENCY FOR DEPARTMENT OF VETERANS AFFAIRS

Question No. 1,752—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of Veterans Affairs and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN VICTORIA, B.C. CONSTITUENCY FOR UIC

Question No. 1,753—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Unemployment Insurance Commission and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned:

Name	(a) 1975	(b) 1976
Hutchison, J. M. Victoria, B.C.	—	$523.25
Sullivan, Smith & Bigelow Victoria, B.C.	$545.00	$971.99

RETENTION OF LAWYERS IN VICTORIA, B.C. CONSTITUENCY FOR THE DEPARTMENT OF TRANSPORT

Question No. 1,754—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of Transport and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN VICTORIA, B.C. CONSTITUENCY FOR THE DEPARTMENT OF SUPPLY AND SERVICES

Question No. 1,755—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of Supply and Services and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN VICTORIA, B.C. CONSTITUENCY FOR DEPARTMENT OF SOLICITOR GENERAL

Question No. 1,756—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of the Solicitor General and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN VICTORIA, B.C. CONSTITUENCY FOR DEPARTMENT OF SECRETARY OF STATE

Question No. 1,757—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of the Secretary of State and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. FOR MINISTRY OF STATE FOR SCIENCE AND TECHNOLOGY

Question No. 1,758—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Ministry of State for Science and Technology and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. FOR THE DEPARTMENT OF PUBLIC WORKS

Question No. 1,759—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of Public Works and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN THE CONSTITUENCY OF VICTORIA, B.C. FOR THE POST OFFICE DEPARTMENT

Question No. 1,760—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Post Office Department and, in each case, what was the total amount paid?

Order Paper Questions

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. FOR THE DEPARTMENT OF NATIONAL REVENUE

Question No. 1,761—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of National Revenue and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned:

Name	(a) 1975	(b) 1976
Branson, C. O. D. Victoria, B.C.	610.23	,,
Cox, Kenneth, B. Victoria, B.C.	27,603.37	35,679.67
Hutchison, J. M. Victoria, B.C.	768.05	155.57
Pearlman, Lindholm & Co. Victoria, B.C.	—	2,936.73
Sullivan, Smith & Bigelow Victoria, B.C.	700.48	540.25

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. FOR THE DEPARTMENT OF NATIONAL DEFENCE

Question No. 1,763—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of National Defence and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. FOR THE DEPARTMENT OF MANPOWER AND IMMIGRATION

Question No. 1,764—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of Manpower and Immigration and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned:

Name	(a) 1975	(b) 1976
Hutchison, R. B. Victoria, B.C.	—	$1,377.63
Stewart, Ian H. Victoria, B.C.	$232.00	361.20

[Mr. McKinnon.]

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA B.C. FOR DEPARTMENT OF LABOUR

Question No. 1,765—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of Labour and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. FOR DEPARTMENT OF JUSTICE

Question No. 1,766—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of Justice and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA B.C. FOR DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Question No. 1,767—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of Indian Affairs and Northern Development and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. FOR THE DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE

Question No. 1,768—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of Industry, Trade and Commerce and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned: (a) nil; (b) nil.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. FOR DEPARTMENT OF ENVIRONMENT

Question No. 1,769—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of the Environment and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned:

Name	(a) 1975	(b) 1976
Hutchison, J. M. Victoria, B.C.	—	*
Hutchison, R. B. Victoria, B.C.	$233	*

*Work assigned during period in question but accounts have not yet been submitted.

RETENTION OF LAWYERS IN CONSTITUENCY OF VICTORIA, B.C. FOR DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS

Question No. 1,771—**Mr. McKinnon:**

What were the names and addresses of all lawyers and law firms in the Constituency of Victoria, British Columbia, who performed services during (a) 1975 (b) 1976 for the Department of Consumer and Corporate Affairs and, in each case, what was the total amount paid?

Hon. Ron Basford (Minister of Justice): In so far as the legal agents of the Minister of Justice are concerned:

Name	(a) 1975	(b) 1976
Branson, C. O. D. Victoria, B.C.	$1,121.70	$616.05
Cox, Kenneth B. Victoria, B.C.	462.29	—
Sullivan, Smith & Bigelow Victoria, B.C.	—	645.42

NATIONAL DEFENCE—CFB GAGETOWN—NUMBER OF UNITS OCCUPIED/UNOCCUPIED AS OF FEBRUARY 1, 1977

Question No. 1,833—**Mr. Howie:**

As of February 1, 1977, how many PMQ units at CFB Gagetown were (a) unoccupied (b) occupied by non-military personnel or their dependents?

Hon. Barney Danson (Minister of National Defence): (a) 315; (b) 193.

[*English*]

Mr. Goodale: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—AID TO MUNICIPALITIES FOR IMPROVEMENT OF URBAN TRANSPORT SYSTEMS

Mr. Dean Whiteway (Selkirk) moved:

That in view of the desirability of encouraging an integrated approach to urban planning and development, and of promoting energy conservation, industrial development and employment, this House condemns the Liberal government's deliberate and cynical repudiation of its 1974 election pledge to give comprehensive and extensive aid to municipalities for the improvement of urban transport systems.

He said: Mr. Speaker, the universe is not unfolding as it should.

Some hon. Members: Hear, hear!

Mr. Whiteway: While the cities of our nation are on the threshhold of a crisis convergence, the front bench of the Trudeau government seem more anxious to fight their own backbenchers rather than fight the problems.

Some hon. Members: Hear, hear!

Mr. Whiteway: Because of the action and, for the most part, the inaction of this government, members on this side have little choice but on this opposition day to move the motion that has been read. The strength of it warrants that it be read again:

That in view of the desirability of encouraging an integrated approach to urban planning and development, and of promoting energy conservation, industrial development and employment, this House condemns the Liberal government's deliberate and cynical repudiation of its 1974 election pledge to give comprehensive and extensive aid to municipalities for the improvement of urban transport systems.

I have in my hand a list of the election promises. However, on June 17, 1974, they were not referred to as promises. The Prime Minister (Mr. Trudeau) referred to them in the city of Toronto as Liberal pledges. In Toronto he referred to them as pledges. Right across the country they were referred to as pledges. The pledges read like this, Mr. Speaker: the Liberal government will pay 100 per cent of the cost of new commuter vehicles. The Liberal government will pay 25 per cent of the capital cost of all vehicles purchased. Financial support will be made available to encourage Canadian design and engineering. The Liberal government will offer assistance. Canadian industry will be encouraged to develop "off the shelf" standardized systems and equipment. The Liberal government will encourage urban transit systems. The Liberal government is committed to removing the 12 per cent sales tax. The Liberal government will offer the best use of existing railway rights of way. The Liberal government will rapidly implement the railway relocation act.

These were pledges, using the pledge word "will". I would identify and characterize these pledges as jarbble, garble. I want *Hansard* to get the correct spelling: it is jarbble, garble. I know how to spell the words, but I must confess I do not know what they mean because they are meaningless. Therefore, they

accurately describe the Liberal policy. The parliamentary language for Liberals reneging on their election pledges would be that the Prime Minister inadvertantly misled the Canadian people. In Selkirk they would say these pledges were nothing less than black, foul lies. The policy being followed is one of off again, on again.

● (1210)

I want to quote what the Prime Minister said as reported at page 3568 of *Hansard* in answer to a question raised by the leader of the New Democratic Party. He stated in his reply that the government was not reconsidering these pledges or these promises, but that is was considering them. Mr. Speaker, this is confusing. The Prime Minister suggests the government is now considering the pledges which were made three years ago, that it is considering such statements that I have read before which show it to be "will" committed. It is obvious that "yes" in the course of a campaign is really "no" to the Minister of Finance (Mr. Macdonald) in Toronto and "maybe" to the Prime Minister in the House of Commons. The attitude on the part of the government is to say, in one year, "Deal me in", and in another, "Count me out". Let me say that the Canadian people will not only count them out but vote them out if they ever dare to issue a writ.

I want to say this to the government front benchers, "You can't get away. We have you surrounded. Not only do you face the fury of truth from this side of the House, but you face a Grit uprising on your own side". The Liberal party is a party which suggests there is always solidarity in the cabinet and unity in the ranks. That is not the case. The hon. member for Halton (Mr. Philbrook) is in his place at the moment. The personal qualities of the hon. member for Halton are to be admired by every member of the House. He could not find it within himself to go along with this on again, off again ploy on the part of his leaders. I appreciate an attitude of that kind as shown by the hon. member and by other members, particularly from the Toronto area. His actions were not unlike those of an aspiring knight who rides his shining stallion to do battle against the dragon which would lay waste the cities. That knight from Halton obviously expected to be dubbed, but later found he had been duped. I want to quote the words of the hon. member for Halton as reported at page 3588 of *Hansard*:

> Besides transport there is this other issue—the business of honouring commitment, the business of keeping election promises, the business of the integrity and the credibility of government.

To the hon. member for Halton I say, "Well said!" I hope those words are still ringing in the ears of the Minister of Finance and the Prime Minister. In my opening remarks I spoke of a crisis convergence in the urban centres of this country. I am not suggesting that urban transportation is a cure-all, a magic wand which will solve all ills by one mighty swoop. The last magic wand I heard of was lost somewhere by the former late prime minister of the Liberal party. But urban transportation is the key to the solution of many of the problems facing large urban centres today. I want to quote from a document called "Metroplan Concept and Objectives".

[Mr. Whiteway.]

Members will recognize it immediately as being a plan for metropolitan Toronto. On page four we find these words:

> The fundamental concept of this plan expressed in physical terms is to create a multicentred urban structure. This can be achieved by the development of a system of employment centres linked together by an effective transit system.

On page ten the study makes an even clearer statement:

> Inherent in the plan is a shift of emphasis from roads to transit.

The key to urban planning today is the provision of modern, efficient rapid transit systems. Mr. Speaker, by profession I am a teacher. By trade I am a cobbler. If I had a blackboard here I could illustrate what I say graphically for the benefit of the House. But imagine a circle with urban transportation at the centre and, on the periphery, the basic problems of our cities—oil and energy resources, the balance of payments, industrial development, technological development, employment, housing. Finally there is the idea which is the common thread linking all these issues together—the quality of life which the 75 per cent of Canadians who live in urban centres are seeking. In each of the areas I have mentioned there is a crisis. No one can deny there is a crisis of unemployment; no one can deny there is a crisis in housing; a crisis relating to our competitiveness in world markets; a crisis in the balance of payments situation.

Mr. Baker (Grenville-Carleton): A crisis of leadership over there, too.

Mr. Whiteway: My House leader mentions the crisis of leadership. That is so obvious I did not think it worth mentioning. Unless the government recognizes the need to take bold and specific action, the effect of the convergence of these crises will be intolerable for the cities and intolerable for the nation. To embark upon such major adjustments, to reorganize our resources and our social priorities, would require nothing less than a declaration and implementation of a national urban policy. Such a policy is essential to co-ordinating new efforts toward a common goal, a common understanding of why we shape our cities in the way we do. There is an urban federal role, a pressing federal responsibility, to address the problems of the cities. While not totally federal, the approach must include a new federal role showing more regard for development criteria. These are old problems.

In passing I might say the real issue here is that the government is old. The irony is that only yesterday we debated bill C-33. Oh, what noble words! Let me restate some of these catch-all, great plans which are outlined in Bill C-33. In the proposed section 3(1)(a) it is provided that the objective of the transportation policy for Canada is a transportation system that is efficient. That sounds great. Section 3(1)(b) provides that it is to be an effective instrument of support for the achievement of national and regional social and economic objectives. How they use paper, Mr. Speaker, to state the obvious. Section 3(2)(b) provides that the federal government should have the co-operation of all levels of government.

● (1220)

We are now two months into the year 1977 and the federal government has finally realized and put on paper what we on this side have been telling them for years, namely, that you cannot impose your priorities on the provinces and on the municipalities—that there must be co-operation. At this very moment the Minister of State for Urban Affairs (Mr. Ouellet) is wining and dining a trilevel conference. When the minister eats, I hope the conference will take the opportunity to speak. However, I wonder whether he really hears. He says that he listens, but he does not hear.

If I may return to this noble document, Bill C-33, proposed section 3(2) outlines the government's responsibility in implementing transportation policy. It goes on to provide in paragraph (a) that the government of Canada should establish national policies respecting the various constituent parts of the transportation system. I cannot argue with that, Mr. Speaker; that is sound thinking, reasonable thinking, and a reflection of what we have been saying for years. But the interpretation that I put on the recent actions of the government suggests that they have cancelled an urban transportation commitment. The government is saying these great and wondrous things when just two weeks ago the Minister of Finance, at a special cabinet meeting in Toronto called to try to improve their image in the Gallup polls, made the announcement that the commitments which I earlier referred to in my speech, these pledges to the Canadian people, were no longer valid. He said, "I am sorry, boys. In the name of restraint, it's off". There are at least four cities in this country which were shocked, to say the least, by that kind of announcement.

Mr. Roberts: Which ones?

Mr. Whiteway: Now a minister has come to life. If he does not know which cities these are, let me tell him that he will find out. They will be hounding him in time to come.

Mr. Baker (Grenville-Carleton): His own city, for one.

Mr. Whiteway: He has never heard of Toronto. I hope that he is aware of the words of his colleague on the back benches and that those words are still ringing in the ears of the front benchers. Obviously the minister has not heard the words. I hope the hon. member for Hampton—I mean Halton—

Mr. Goodale: You were not even close.

Mr. Whiteway: —will take the minister out to lunch. As a matter of fact, if he will listen, if the hon. member takes him to lunch and reads him his speech, I will pay the bill. The four cities are Toronto, Winnipeg, Edmonton and Vancouver. The hon. member for Edmonton West (Mr. Lambert) will be speaking in this debate about Edmonton. The hon. member for York-Simcoe (Mr. Stevens) will be speaking on Toronto. The hon. member for Vancouver Quadra (Mr. Clarke) will speak about Vancouver; and I shall be speaking about a city that is in the heart of the nation, the great city of Winnipeg.

I want the minister, who has just been aroused from his slumber, to realize that on the initiative of the federal government the city of Winnipeg was asked to undertake a study known as the southwest transit study. Perhaps the minister has not heard about that, but somebody over there has, anyway. This seemed a reasonable thing to do at the time. There was an abandoned CN line from downtown Winnipeg out to the University of Manitoba. The study was to be in two phases. It was to explore the viability of a rapid transit system from the downtown core area out to the university. Phase one has been completed. Phase two has just got under way, and now the Minister of Finance pulls the plug. Let me tell him that to thwart the objectives of western Canadians will take more than the "out again" attitudes of this government. The city of Winnipeg intends to complete this study. Perhaps the city will not be able to finance the $17 million which it will take to build the transit system, but we will at least complete the study, and perhaps by that time we will have a government which will place more weight on commitments than does the present government.

I have already said that the key to proper urban development is a transportation infrastructure. We in this country cannot have one policy for housing, one for energy, another for urban transit, another for conservation, an entirely different policy for employment, and yet another for industrial development. The nation cannot afford this kind of piecemeal approach. The funding is not there. The municipalities cannot afford the capital expenditure required to build a rapid transit system in our cities. Their only revenue base is the property tax. How many times and in how many different ways do we have to tell the government that the municipalities cannot afford this kind of expenditure?

The key to the problem is transportation. The government's own studies have told them that. Then at the critical moment the government withdraws its support. Not only is this a politically immoral thing to do; it is an economically wrong thing to do. The rationale for this action is economic restraint—and economic restraint and the AIB is another inconsistency within this government. I should like nothing better than to take a few minutes of my time to point out once more to the Canadian people how this government has done a flip-flop on that subject. Members on this side do support, as we supported before the election, restraint on government spending.

Mr. Gilbert: Restraint if necessary, but not necessarily restraint.

Mr. Whiteway: Seldom do words of wisdom come from New Democrats, but would the hon. member say that again so that it is on the record?

Mr. Gilbert: I said, restraint if necessary, but not necessarily restraint.

Mr. Whiteway: In the name of economic restraint the government pulls the plug. It is a "motherhood" argument to slow down the economy; everyone agrees with that. But I am

concerned about the long-term consequences of proposed provincial cutbacks on the essential capital expansion requirements of our cities, of which transit is but one. Transit investment is not extravagance; it is essential in the face of natural and urban resource scarcity.

● (1230)

Government spending policies are the highest level expression of management rationale in our society to regain the economic ability to meet our needs. We must stimulate our national investment effort as we moderate direct consumption. As we necessarily reduce total expenditures we must make wise choices about the things we need and the things we do not need. All public expenditures are not bad; we on this side are the first to say that. How we de-escalate spending will determine how efficiently we will be able to recover. Unless we show farsighted concern for the financial consequences of public spending cuts we make today we will continue to build-in fundamentally unsolvable urban financial problems. It is time to reinforce our commitment to more efficient investment in energy, housing and urban transportation because the aggregate demand for all basic capital goods like housing, sewage, electrical energy, transportation and jobs continues to grow while agricultural land, urban space, public wealth and the availability of time in which to change continues to diminish.

Cutting back now on public capital investment which is essential to economic urban housing, transport and industrial development, would be an economically fatal mistake in the anti-inflation program. However, right thinking and good intentions are not enough. Our major problem in the next decade will be to distinguish our needs from our wants. The question of the nature of our demands is the basic social and moral question of our time. Most of us have been thinking about it. Now we must do something about it.

We cannot have less congested cities, more affordable housing, people-oriented neighbourhoods or stabilized property taxes without committing a higher proportion of our national income to investment in better forms of urban growth, and I repeat that urban transportation is the key. The Prime Minister tells us that we must reduce our expectations. I remember that famous speech, and I remember the ripples it caused within his own party. He said that we simply must make do with less. He is wrong; we must learn to do more with less.

Over the Christmas break I spoke in several high schools in the Winnipeg area. I remember well 300 students in an assembly area, most of them sitting on the floor in a very informal bear-pit session and talking about the future of Canada. We were talking about confederation, the Canadian vision and the Canadian dream. One student stood up in the quiet of 300 students, if hon. members can believe it, with tears streaming down her face. She said, "Mr. Whiteway, will you and Mr. Clark give us something to believe in?" The strength of this nation and the strength of our character were built on dreams, hopes, aspirations, and the vision of the Canada we want to see. We do not want the Prime Minister telling us that we cannot achieve it. We want the Prime Minister to be the kind of leader who challenges every Canadian to reach up and grasp the star which is theirs. That is the kind of leadership which is being demanded by people from one end of the country to the other.

Mr. Speaker, I spoke earlier of a crisis convergence. There are serious crises and I have already enumerated the five crisis areas of energy, industrial, employment, technology and urban transportation. I can deal with only two of these today because of the time element. Probably the most critical crisis facing Canada is the energy crisis. My deskmate from the great province of Newfoundland made a great speech a week or two ago. Those who were not in this chamber and did not hear his speech about our energy problems should read it. My comments are but a shadow in the light of the hon. member's enlightening remarks.

He suggested, as I do, that increased oil exploration is one of the two alternatives which face Canada. We can increase our oil exploration, which is the route the government is taking, and we can see that within the next 20 years it will cost $90 billion for the kind of exploration the government has in mind. That, invariably, will mean higher prices at the pumps and higher prices for fuel oil. The other choice the government has is to develop an integrated, rational policy to reduce consumption. I do not want to be a prophet of gloom and doom, but by 1990, 38 per cent of Canada's oil will be offshore oil. By 1985 foreign oil will cost Canada $5 billion. This is lost money. This money will do nothing and will produce nothing.

Another interesting point of which the government should be aware is that by 1985—in eight years' time—half the oil consumption in Canada will be for intracity transportation. Transit systems could reduce that by half, which would mean that the total consumption of oil in Canada could be reduced by 25 per cent. If we could do that, our dependency on offshore oil would be substantially less.

I find it absolutely absurd that the Minister of Energy, Mines and Resources (Mr. Gillespie) runs around this country telling Canadians to keep hot water in their bathtubs to heat their houses. There are signs all over Parliament Hill telling us to turn the lights off and take the stairs.

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but his allotted time has expired. Nevertheless, he may continue if he has unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Kaplan: Mr. Speaker—

An hon. Member: Oh, come on, Scrooge.

An hon. Member: He has been finished for the last 15 minutes.

Mr. Whiteway: Mr. Speaker, I rise on a point of order. I am reluctant to come with cap in hand, as it were, asking for

unanimous consent to complete my very important remarks on this opposition day.

Mr. Paproski: It is our motion.

Mr. Kaplan: Agreed.

The Acting Speaker (Mr. Ethier): Is there unanimous consent to allow the hon. member for Selkirk (Mr. Whiteway) to continue?

Some hon. Members: Agreed.

Mr. Paproski: I will take back what I said.

Mr. Whiteway: One hon. member said that I have been finished for the last 15 minutes. Well, this government has been finished for the last two years, but hon. members opposite do not know it. I appreciate the unanimous consent of hon. members and I will quickly finish my remarks. The Minister of Energy, Mines and Resources tinkers with the issue of energy conservation. That is not unlike planting a section of mustard by hand. We are asking the government to get out the big machinery to deal with the problem of urban transportation. That could realistically reduce energy consumption in our cities by 25 per cent of the Canadian total. If that section of mustard is planted by the government, Canadians will plant on the fringes. Canadians will turn out in their lights and keep hot water in their bathtubs. But the minister should not tinker. He should get to the heart of the problem. He should face the problem of energy conservation squarely and tackle it where it really counts.

Our balance of payments situation has reached crisis proportions. Energy costs will be astronomical and the cost of buying offshore oil will be very high, as I mentioned. We are already facing deficits in manufacturing of over $1 billion and deficits in the tourist industry. I could go on. The key to energy conservation is a modern, rapid and efficient transit system. As well, we are facing an industrial crisis. The fundamental question is: Where does the future of technical and industrial development lie in this country, and how will we fare in the international marketplace? We do not have to look far. Canada, as the host of the United Nations Habitat Conference, has brought home the world's need to build cities more efficiently, economically and equitably. We have a self-interest here; we are not being altruistic. It is our problem, too, because we have urgent demographic pressures.

● (1240)

There have been setbacks and disappointments, but it is too early in the Canadian urban experiment to say that it will not work. Just look at the lessons that have been learned in the first few years of this new urban orientation. Public investment in new facilities generates greater use of transit facilities. Within a generation in Canada we could re-establish transit as an acceptable alternative in all new urban developments. We could eliminate the need for most new households to own a second car if we gave transit a high social investment priority.

Under the new economics of scarcity, particularly energy scarcity, these changes are obviously desirable. The fact is that municipal and provincial governments subsidize transit operations which are not profitable. They are forced to either provide new or expanded services which will be financially intolerable to local government. I want to quote briefly from a speech made by Kirk Foley, president of the Urban Transportation Development Corporation. He said:

> As an urban policy strategy this deserves national priority, and if the federal government continues to be reluctant to recognize this inevitability and remains inactive, then the provinces as a matter of economic survival will have to shoulder the burden.
>
> Seventy-five percent of us live in cities, large and small.

I might add that in another 10 to 15 years 90 per cent of us will live in cities. It goes on:

> Cities are home for most Canadians. We are an urban nation. Therefore, the fundamental driving force for recovery of our economic development in the future must be leadership in the formulation of national urban policy.
>
> We can no longer neglect our cities, and we can no longer ignore the inefficiency of their design and technologies, can no longer ignore the opportunity for economic growth through urban technology development.
>
> It is now abundantly clear that a strategy of long-range planning for urban development offering high quality technology alternatives suffers from a lack of conviction at the federal level. It appears the provinces must go it alone.

Since most new technology comes from the private sector, our public policies should mobilize the private sector to develop new technology. The private sector, with government financial assistance, can do it better with government co-ordination to establish a reliable future marketplace at home and abroad, and with a rationalization of equipment requirements we can develop world-leading technology.

Transit systems are public goods and they need public financing. We have a domestic demand and a domestic market in Canada which would justify this kind of development of technology for the rapid transit system in our country. We will have needs over the next ten years in this country approaching $5 billion for the establishment and maintenance of rapid transit systems. We could pay for it by doing nothing more than simply buying for Canada's needs. The bonus would be the saving on energy. The gravy would be if we could sell it to growing cities around the world. We could export that technology. Canadians, for the first time perhaps, have the opportunity to express their skills in creativity in the way that cities are built. The government must be willing to encourage private sector initiatives.

In conclusion, I should like to say that even if the government at this very moment were to come to full repentance and change from its evil ways, it may be too late. It may be too late now to avoid the convergence of the crisis of which I have spoken. I want to emphasise that the opposition does not categorically oppose government spending and government investment. What we do categorically oppose is this hit and miss, piecemeal attacking of the problem.

Some hon. Members: Hear, hear!

Mr. Whiteway: I say to the government: get your priorities straight, if you have any. Get your act together, follow through

on your promises, be consistent, and we will support you from this side, as will the Canadian people.

Mr. Paproski: Otherwise resign.

Mr. Knowles (Winnipeg North Centre): Do so, anyway.

Mr. Whiteway: It leaves the opposition little choice but to reiterate our motion, that in view of the desirability of encouraging an integrated approach to urban planning and development, and of promoting energy conservation, industrial development and employment, this House, including the hon. member for Halton, condemns the Liberal government's deliberate and cynical repudiation of its 1974 election pledge to give comprehensive and extensive aid to municipalities for the improvement of urban transport systems. This leadership in pragmatism is not leadership at all. If this government cannot and will not give the kind of leadership that is needed now, then let them step aside—because we can.

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I cannot pretend to begin to equal the eloquence of the hon. member for Selkirk (Mr. Whiteway) when he made his remarks this afternoon. I will do my best, but I do not think I can equal it. On the other hand, I am quite confident that when the case is put as I intend to put it, to illustrate the problems that arise in connection with the resolution before us today, I know I will have the support of the House and I hope I will have given the public listening to and watching this debate much to think about.

Some hon. Members: Oh, oh!

Mr. MacDonald (Egmont): Where are the Toronto ministers to defend their position?

Mr. Knowles (Winnipeg North Centre): We are not on television yet.

Mr. Kaplan: I want, first, to acknowledge as a fact what is stated in the resolution, that a promise was made in the last election campaign regarding urban transit.

An hon. Member: A pledge.

Mr. Kaplan: The hon. member opposite who spoke about that promise made it sound as if the promise had been that the government would pay for this urban transit program. What I think must be noted is that these commitments, promises and undertakings are promises that are honoured out of tax money. These programs are paid for not by the government, not by the Prime Minister (Mr. Trudeau), and not by the front bench. These programs are paid for by all the people of Canada, by the taxpayers.

● (1250)

I think it is always important to reassess promises like the promises made during the last election campaign and constantly ask if this is the right expenditure of federal tax money at this time, or if it is something that ought to be put off and looked at again. I want to suggest that two very important circumstances have arisen since that election campaign which have changed the picture so much that this urban transit program as originally put forward has to be reconsidered. In fact, it would be irresponsible, and I will go so far as to say it would be cynical, given the changed circumstances, to push ahead with the tax money of federal taxpayers into directions that were being considered in 1974.

What are the two events that have taken place? The first, and most important, is the rapid inflation which took place in late 1974 and 1975 that led to reconsideration of a lot of government programs and to reconsideration of the general direction of growth.

Mr. Baker (Grenville-Carleton): Mr. Speaker, would the hon. member permit a question?

Mr. Kaplan: Mr. Speaker, if the hon. member is here at the end of my remarks, I would much prefer having the question then. Government restraint and restraint of inflation has become such a high priority that I am surprised the hon. member for Selkirk can stand up without acknowledging that times have changed since 1974 and that the government could not continue seeing the public sector growing at 14, 15, 17 or 23 per cent per year. If we wanted to bring inflation under control some drastic medicine had to be administered to the public sector as to the whole economy.

Mr. Johnston: You knew that in 1974.

Mr. Kaplan: That was not apparent in 1974. No one expected it. The inflation that took place in late 1974 and early 1975 was not anticipated. It was not something that could be expected. It was as a result of a kind of inflationary psychology in reaction to what had been felt earlier. No one anticipated double-digit inflation. Government restraint has become the most important single theme of activities of the government in recent months. It has to continue to be. The responsibility to do something for urban transport, to deliver on a promise made during the election campaign, has to be reconsidered in times of restraint.

The second change which has taken place that calls for reconsideration of the federal government role in urban transport is the development in the shape of Canadian federalism. I was present last December at the first ministers' conference. All hon. members are aware that at that conference it was fundamentally recognized that provincial governments had a job to do and that the federal government had, until this conference and until the fiscal arrangements bill before us goes through, the fiscal resources coming to it to do many of the jobs that were within the jurisdiction of the provinces. Their's is the federal interest, the national interest in all aspects of life in Canada, but the constitution allocates certain responsibility to the provinces.

During the years leading up to the last election, and more recently, there had been a tendency for the federal government to finance activities in areas of provincial jurisdiction. I think it was generally recognized that it was not appropriate for the

federal government to be funding provincial programs. That is one of the problems that has troubled federalism in Canada. The solution agreed to at the federal-provincial conference, and what I submit we will see more and more in the years ahead, was a bowing to the provinces and a recognition that in the areas in which they have jurisdiction they ought to have the financial resources to meet that responsibility, and that they ought to undertake the responsibility to raise the revenues to do jobs assigned to them under the constitution.

If there ever was a job clearly within the constitutional jurisdiction of the provinces, it is urban transit. The hon. member for Selkirk did not deny that. What he kept saying was that the federal government ought to come up with the money because the provinces and the municipalities did not have it. Let me say that the federal government does not have extra money.

Mr. Johnston: They are short on talent, too.

Mr. Kaplan: As a result of the first ministers' conference and the fiscal transfer taking place under Bill C-37, the Fiscal Arrangements Act, the provinces are about to receive a transfer of over 13 tax points from the federal government. They will become that much stronger in their ability to raise revenue to do the jobs that the constitution assigns to them, and Ottawa will become that much weaker. I do not think that at this time we should be continuing the old style of federalism and cloudy arrangements—

An hon. Member: Then why did you promise it?

Mr. Kaplan: —when it was never clear which government was responsible for what, and which of the taxpayers' pockets the money was coming from.

Mr. Speaker, may I call it one o'clock?

The Acting Speaker (Mr. Ethier): It being one o'clock, I do now leave the chair until 2 p.m.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Kaplan: Mr. Speaker, before lunch I was outlining why it was important for the government to reconsider the commitment it made during the last general election. I pointed out that promises to spend other people's money, the taxpayers' money, should always be examined in the light of changing conditions. I pointed out two most prominent changes which had taken place since that election: the first being the tremendous importance of restraint in government spending in our struggle against inflation, and the second the important sharpening up of constitutional responsibilities, as supported by the recent federal-provincial conference and the provisions of the Fiscal Arrangements Act which will take from the federal government the tax base previously used to support many provincial programs. The government is withdrawing from that tax base and giving it back to the provinces which have constitutional responsibility in this area.

Mr. Stevens: For railways?

Mr. Kaplan: For urban transit. The hon. member asks if I am thinking about railways. Responsibility for railways remains under federal jurisdiction. I shall return to that question in a moment.

What about transportation problems which are the responsibility of the federal government? These problems are extensive, including inter-city transit by rail and air, and STOL. We must examine STOL patterns across the country in order to decide how STOL is to be developed. We face enormous problems involving freight, harbours, railways and how to move people from one side of this country to the other. The federal government, with its more limited tax base, faces transportation problems which come right under its own jurisdiction. It is hard pressed to find money and to convince taxpayers to bear the burden for transportation clearly under federal jurisdiction. Has the federal government the right to offer provincial and municipal governments, which have their own tax bases, federal dollars for solving provincial matters? Darcy McKeough, provincial treasurer of Ontario, has said more than once that a national problem is not necessarily and automatically a federal problem.

I agree with the hon. member for Selkirk: urban transit is of national importance. The starvation of the cities for tax revenue is a national problem—a crisis, if one wants to put it that way. But it is not a problem in the constitutional jurisdiction of the federal government to solve, not a problem within the tax base limits of the federal government to solve.

Mr. Baker (Grenville-Carleton): Nonsense.

Mr. Kaplan: These are not problems which only money will solve.

An hon. Member: What about your election promises?

Mr. Kaplan: Money alone will not solve all Canadian urban transportation problems. The building of urban transit systems will not by itself reduce the amount of automobile traffic. All kinds of statistics compiled in the United States and various metropolitan areas show that urban transit is a legislative, not merely a financial matter. No one is asserting, certainly not hon. members opposite, that the federal government ought to have any jurisdiction to legislate in the area of urban transit. Why is the argument made that we ought to take, and use, federal tax dollars?

• (1410)

Mr. Whiteway: Why did you promise them?

Mr. Kaplan: I do not want to make the first half of my speech again, Mr. Speaker. I have tried to show to hon.

members that there have been changes since those promises were made.

Mr. Whiteway: Not changes in jurisdiction.

Mr. Kaplan: There has been a heightened understanding and focusing of the need for levels of government to confine themselves in their own areas. Members on this side, in particular members from the metro Toronto area, are reminding the government that more and more people are moving to the cities. They are arguing that by the year 2000 a very large percentage of our people will be living there, and therefore the federal government should move into this area. I believe the federal government should move into this area: however, it should not do that by writing cheques. It should move into this area by beginning a constitutional review, by finding the kind of jurisdiction it is agreed that municipalities should have, and by asserting that kind of jurisdiction.

I want to note in passing the references that are often made to programs of the federal government in the United States. Whenever there is something new out of Washington to help the cities, the cry is made in Canada that we ought to do exactly the same. I would point out that the constitutional differences between our two countries are enormous. The most prominent among these differences is that the provinces of Canada have a sound constitutional vitality. They have a fiscal base that has no counterpart south of the border.

The federal government in Canada should not be looked at as a source of goodies. I want to deal with goodies in my closing remarks. It is a wrong view of the Canadian constitution to look at the federal government as a source of great revenue and the provincial governments as a source of great need. In fact, the provinces have virtually the same access to the taxpayer as the federal government.

There is a final reason I want to put forward against a special federal program for urban transit. Looking at it from the point of view of the citizen and taxpayer in metropolitan Toronto, a federal urban transit program would cost metro Toronto taxpayers a lot more than a program generated at our own level and paid for either by the municipal government or the provincial government.

I received a telegram from the chairman of the metropolitan Toronto council. He is calling me to a meeting.

Mr. Stevens: Will you turn up?

Mr. Kaplan: I hope I will be able to turn up. The Chairman says that at the meeting he will want to discuss with us the effect that the broken promise will have "on all of us in metro". I know what the effect of that broken promise will be. The effect will be that an urban transit program in metro will cost less than it would have cost metro taxpayers if the promise of the 1974 election were kept. Why do I say that? I say it because 65 per cent of all public transit trips that are taken in Canada are in Ontario. Thirty per cent, fully half of the Ontario total, of the national total urban transit trips are within metropolitan Toronto. Does any member honestly believe that the federal government and this parliament could come up with a national program of urban transit that could give 30 per cent of its funding to metropolitan Toronto? Can anyone here imagine the federal government and parliament spending 65 per cent of the resources of a program in the province of Ontario?

Mr. Stevens: Why not?

Mr. Kaplan: The hon. member asks, "Why not?" We have heard the representatives of the city of Edmonton. They stood up this morning and talked about their transit system. We have heard from Winnipeg and the needs of that area. The representative from Owen Sound the hon. member for Bruce-Grey (Mr. Douglas) is arguing that part of this fund has to be spent in Owen Sound. Maybe he is right. If a federal program is established, it has to be a program that has a face in every part of this country.

Mr. Baker (Grenville-Carleton): But not two-faced.

Mr. Kaplan: Chairman Godfrey is asking what the effect of the broken promise will be on "us". The metro Toronto area generates most—I should not say "most", but I believe 30 per cent of the tax revenue of the federal government. It comes right out of our metropolitan area. That means roughly 30 per cent of every program is financed by metropolitan Toronto taxpayers.

If we launch a national urban transit program, which it is within the jurisdiction of the provincial government to do, it will not be a program that will be able to allocate that much of its resources to metro Toronto. That is why I argue it is no "goodie" for metropolitan Toronto to be the so-called beneficiary of an urban transit program. The right way for us to solve our urban transit problems is at our own level, in metropolitan Toronto, in the province of Ontario where we have the jurisdiction and the same access to the taxpayer as the federal government.

The hon. member for Selkirk reminded me that the municipalities are starved. That is true; they are. Municipalities are also the source of generation of most of the wealth of this country. Some people might argue with me about that, but I am prepared to defend it. It is the cities that produce the wealth of our country. Is there not something ironic and wrong in the structure of urban government if it is starved? Who can alter the structure of urban government? It is not this parliament. It is the legislatures of the provinces which have the responsibility for organizing the tax base of their municipalities. They are the ones that should do it.

In closing, Mr. Speaker, I wish to remind hon. members that there are a great many things the federal government is doing and proposes to do in the area of urban transportation. There is not only research. There is more. A program was referred to this morning. An answer by the Minister of Transport (Mr. Lang) referred to the commuter service program which has a budget of $100 million. There is the grade separation program, and the railway relocation program. These three programs, or a combination of them which will be worked out in negotiation

with the provinces and other interested groups which over the next five years, will be funded by the federal government to the tune of about $300 million. They are on the table now and they are being discussed. That is $300 million of federal funding from the federal taxpayer that is directed toward problems of transportation in the cities. There has also taken place, since 1974, the removal of the 12 per cent sales tax on municipal buses and transit equipment, and the exemption of transit systems from the ten cents per gallon excise tax on gasoline. All these measures are supportive of the problems of urban transportation.

Let us not kid ourselves into believing that under the present constitutional arrangements the federal government could, or should, get a bigger handle on urban transit. These are problems that our constitution asks us to solve at other levels of government. There is always tremendous temptation in a federal system, for each level of government to perceive the need or to see a gap and go leaping into it. Too many of the pills which affect federalism today have arisen because different levels of government have focused upon gaps and jumped in without satisfying themselves as to the extent of their constitutional jurisdiction. I hope the debate today will lead hon. members to recognize that the urban transit problem can be addressed only to a limited extent by the federal government, and that within this area an amount in excess of $300 million has been committed for programs over the next five years while the value of the tax relief to which I referred is $100 million, again over a five-year period.

• (1420)

Mr. John Gilbert (Broadview): Mr. Speaker, we in the New Democratic Party welcome the motion.

Some hon. Members: Hear, hear!

Mr. Gilbert: All members of the House, regardless of party, can agree with the first part of the motion with respect to the desirability of encouraging an integrated approach to urban planning and development, the promotion of energy conservation, industrial development and employment opportunities. We in the New Democratic Party would add the need for an integrated approach to the promotion of land use to develop the best use of land for housing needs and to halt the ever increasing encroachment on prime agricultural land. We would also join the Tory opposition in condemnation of the government's deliberate and cynical repudiation of the 1974 Liberal pledge to give comprehensive and extensive aid to municipalities for the improvement of urban transit systems.

Mr. Speaker, we not only condemn the government for these broken election promises but for advocating the principles set forth in Bill C-33, the bill to amend the National Transportation Act. In this area our criticism is not confined to the Liberals; it includes the Tories as well. Both the Liberals and the Tories approve the principle of Bill C-33, which is that the basis for a national transportation policy should be commercial viability and competition, something which amounts only to an affirmation and extension of the national transportation policy set out in 1967, a policy which has only increased the mess in which transportation finds itself today. Moreover, it is a line of approach which completely ignores the advice given by the former minister of transport, Mr. Marchand, when he recommended that competition should not be the basis of national transport policy.

An hon. Member: He went to the Senate.

Mr. Gilbert: One of the Conservative members said he went to the Senate. The present minister is ignoring the issue of urban transport. His approach is cold and intellectual and marked by a certain obduracy. We have just heard the parliamentary secretary speak in defence of the indefensible, and I now find myself more than ever convinced that the government must take a hold on transportation otherwise it will continue to be in a mess. The Tories have ignored it. Their transportation critic, the hon. member for Crowfoot (Mr. Horner) never challenged the principle of Bill C-33. He dealt only with details, with some of the weaknesses and shortcomings of the system. It is one thing to criticize, and another to offer solutions. No solutions have been forthcoming from either the Tories or the Liberals.

It was the NDP transportation critic, the hon. member for Regina-Lake Centre (Mr. Benjamin) who struck at the heart of the problem when he stated that the basic concept behind a national transportation policy must be that of a public utility coupled with equality and efficiency, rather than the concept of commercial viability, user-pay, profitability and competition. Only when transport is developed on the basis of a public utility with equality of treatment and accessibility to various modes of transport, no matter where in the country people may live, will we be able to develop an integrated approach to transportation. The Liberals and the Tories are saying, in effect, "Let us pursue private enterprise. Let the profit motive be worshipped, and the public be damned." We in the NDP say, "People first, with equality and efficiency being the goals".

The Liberal backbench revolt in the last few days—I refer to the speeches made by the hon. member for Halton (Mr. Philbrook), the hon. member for York East (Mr. Collenette), the hon. member for Spadina (Mr. Stollery), and now the hon. member for York Centre (Mr. Kaplan), indicate the weakness of their position and, at the same time, their reluctance or inability to force the government to make the necessary changes. The speech of the parliamentary secretary made me realize that this revolt amounts to nothing more than throwing cream puffs at the Minister of Transport (Mr. Lang). I have never heard a weaker defence of the indefensible.

Some hon. Members: Hear, hear!

Mr. Gilbert: More than 75 per cent of Canadians live in urban areas. Canadian cities, both large and small, are growing fast. I would point out that transportation is not a self-sustaining industry. In the four most important modes of travel, revenue as a percentage of total cost is as follows: air, 31 per cent; road, 64 per cent; rail, 74 per cent; marine, 19 per cent.

If those figures mean anything, it is that the government should take a firm position with regard to transport and ensure that attention is paid first and foremost to the needs of Canadians, the development of the cities, the development of industry and the increasing of employment opportunities.

Hon. members can see from those percentages that all those four modes of travel are sustained only by a massive input of public money. Air travel revenue constitutes only 31 per cent of the total cost, which means that 69 per cent is contributed by the federal government. With regard to road transport, 36 per cent of the total cost comes from the government, and 26 per cent of the cost of railway operations comes from government by way of subsidies. The marine transportation system is the most dramatic of all. Only 19 per cent of the cost is contributed directly by the public; the remaining 81 per cent given by the federal government.

I would now direct your attention, Mr. Speaker, to the pledges made by the Liberal party in 1974 and since broken. In 1974 the Prime Minister pledged there would be financial aid for transportation systems available to municipalities right across Canada; specifically, that the federal government would pay 100 per cent of the cost of new commuter vehicles manufactured in this country, 25 per cent of the cost of all public transit vehicles manufactured in Canada for use within cities, and 50 per cent of the cost of new stations and platforms as part of commuter systems. The government further pledged the removal of the 12 per cent sales tax on municipal vehicles, and it was estimated by government spokesmen that this would assist the municipalities financially to the extent of $300 million over a five-year period. Hearing the parliamentary secretary speak this afternoon, one would have thought these problems did not exist in 1974. But they exist today as much as they did in 1974.

● (1430)

The cynical approach of the government in making this announcement immediately prior to the election in 1974 indicates the lack of faith that Canadians are developing in the promises made by the federal government. In fairness to the government, the 12 per cent sales tax on municipal transit vehicles was removed. On July 30, 1975, there was the announcement of a $20 million capital aid program over five years, beginning in 1977, for commuter systems. However, this aid specifically excludes assistance for local bus, light rapid transit or subway systems. All of these are very necessary in our urban centres.

Expenditures by the government in the 1977-78 estimates set forth contributions for planning studies, capital assistance programs and urban commuter services and amount to $7,250,000, compared to $250,000 in the 1976-77 estimates. Contributions for research and demonstration projects amount to $886,000, compared to zero in the 1976-77 estimates. This makes a total of $8,136,000 in the 1977-78 estimates compared to $250,000 in the 1976-77 estimates.

May I remind the House that the Canadian Federation of Mayors and Municipalities estimates that close to $4 billion in urban transit investment will be required over the next five years. A 25 per cent segment of this five-year requirement would amount to $1 billion. The estimates for 1977-78 amount, as I say, to $8,136,000. This illustrates the dramatic difference between the aid requested by the mayors and municipalities compared to the amounts in the estimates set forth by the government. This level of investment, it is estimated by the Canadian Federation of Mayors and Municipalities, is required just to maintain the current auto-transit ridership ratio. In 1974 Statistics Canada estimated that only 16 per cent of trips to and from work had been made by transit. Just think of that for a moment, Mr. Speaker, only 16 per cent of our industrial workers use urban transit across this country. Is it any wonder that our major highways are clogged every morning from Monday to Friday with workers driving their cars to work? Is it any wonder that we need a fast, efficient and comfortable service to transport workers to and from work?

I should like to dwell for a couple of minutes on the impact motor vehicles have on the environment of our major cities. In the transportation sector the automobile is the major producer of noxious materials. The total pollutants per seat mile by mode are as follows: for an automobile the carbon monoxide rating is 120; for air travel it is 105; for bus travel it is three; and for rail it is only one. This indicates how necessary it is to develop a rail program to cut down on the amount of pollutants in the air. But there has been no incentive on the part of the government to develop rail passenger services across the country; in fact, we have had the contrary situation. The government has discouraged this and has abandoned rail lines in many parts of the country. Is it any wonder that the people of Canada are getting sick and tired of the broken promises of this government? Is it any wonder that the municipal authorities in Toronto became annoyed when the Minister of Finance (Mr. Macdonald) made a speech in Toronto two weeks ago in which he said the government was cutting back the $300 million grant to municipalities to develop urban transportation?

With regard to restraint, I suggest we should consider the proposal that has been put forward by all members of the House, and which last night was put forward by the hon. member for Scarborough West (Mr. Martin), that there be restraint priorities. When I think of some of the priorities of this government in the form of the privileges they have been giving corporations by way of tax advantages, and then the government has the audacity to cut back on rail passenger and other modes of transportation, I realize that the government's priorities are not very sound. In fact, the hon. member for Skeena (Mrs. Campagnolo) became very disturbed when she saw what was happening regarding transit on the west coast.

Mrs. Campagnolo: I still am.

Mr. Gilbert: She says she still is. The hon. member for Vancouver East (Mr. Lee) agreed with the remarks of my colleague the hon. member for New Westminster (Mr. Leggatt) last night regarding the horrendous travel problems

Vancouver is facing. Yet the priorities of this government are to give tax advantages to corporations and to consider the transit priorities of industrial workers in our cities of low rating. Let me outline some of the results of the low priority that the government has placed on transportation. Ever since I became a member of the House in 1965 members from Newfoundland have been raising the question of the "Bullet". There is need for a massive infusion of money so that Newfoundland can develop modes of transport to promote growth of industrial strategies and to cut down on the massive amount of unemployment in the maritimes. It is a national disgrace to have unemployment in the maritimes which ranges anywhere from 15 per cent to 20 per cent.

The maritime premiers have been taken in by the arguments of the Minister of Transport who has sold out the people of the maritimes. The cut in rail transportation will affect the major cities of Sydney, Halifax and Saint John, and this is a national disgrace in view of the high energy costs the maritimes are facing. Gasoline within the next few months will probably retail in the maritimes at $1.25 a gallon, yet the federal government is putting stress on the provision of bus services and other modes rather than rail service. The Minister of Transport has given a treat to Quebec by handing over the major rail line between Quebec and Montreal to the CPR while totally ignoring the CNR.

There has been a multiplicity of urban transit problems in the main urban centres of Ontario, especially in the city of Toronto. The CNR has built the CN tower at a cost of $60 million—$50 million of that amount, I understand, being financed by one of the banks at 11 per cent. That is Senator Marchand's monument in Toronto to national unity. The CN had no right to become involved in the CN tower business. The money should have been applied to improving commuter services within the city.

Then there was Pickering airport, which many members of the Tory party supported. STOL aircraft are being promoted by the Ontario government for the Toronto airport. We need good and efficient services in the west, not rail abandonment. In British Columbia we need a solution to the mess in Vancouver and a solution to the boat service problem of the people in coastal areas.

● (1440)

I note that my time is nearly up. There is need for an infrastructure in Canada to develop an urban strategy with regard to transportation, industrial strategy, employment and energy. I see nothing in the federal government's program which will tackle these problems. Every step taken is retrogressive, and I see very little or no support coming from the Progressive Conservative party. What hurts me more than anything, before I finish—

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. gentleman, but his allotted time has expired.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I must congratulate the hon. member for Selkirk (Mr. Whiteway) who introduced the motion today. This week the Minister of Transport (Mr. Lang) was quite busy. Indeed his bill was introduced and I spoke on it March 1, so I did not expect we would be dealing with transport today. Fortunately the minister keeps his cool, Mr. Speaker, because he was away on March 1 and he still is not here today. In any event he must surely read *Hansard* and he will realize that it was quite an important week for him.

The motion moved by the hon. member for Selkirk reads as follows:

That in view of the desirability of encouraging an integrated approach to urban planning and development, and of promoting energy conservation, industrial development and employment, this House condemns the Liberal government's deliberate and cynical repudiation of its 1974 election pledge to give comprehensive and extensive aid to municipalities for the improvement of urban transport systems.

At the outset, while hearing the hon. member for Selkirk (Mr. Whiteway), I sincerely believed he was simply going into a partisan criticism of Liberal policies. Of course in 1974 the right hon. Prime Minister (Mr. Trudeau) and all cabinet ministers who travelled across the province made promises and I feel sure they would not know themselves how many such promises they made. Of course those promises misled the people, as we now realize. The parliamentary secretary to the minister just said that the 1974 commitments have to be reviewed. So those promises were made in 1974 and they just now start reviewing them to determine whether they were sound or not.

Well, Mr. Speaker, not satisfied with stating those promises had to be reviewed, he said the delay in keeping them was due to inflation. They have been fortunate these last few years that the term "inflation" is in the dictionary, because everytime something goes wrong the government use it as an excuse. We have no money because we have inflation, there is unemployment because we have inflation, and the government does nothing because we have inflation.

Speaking of misrepresentation, it was said that the right hon. Prime Minister misled the people. Well, people in Roberval, my constituency, can testify to that. During the last campaign eight or ten ministers, if I remember right, came one after the other making promises, very often as far fetched as unpractical. But some were quite practical. There was among others, and that had been promised for quite some time, the upgrading of Roberval airport. The then minister of finance, Mr. Turner I believe, and Mr. Marchand put their heads at stake, pledging before the people of the area they would retire from politics if that project was not implemented. We now realize that they paid with their heads, because both of them left politics. The former to go into the private sector, the latter to get some rest in the Senate. But, Mr. Speaker, we are still waiting for the airport. It has been left as it was, to deteriorate day after day.

This tends to prove what candidates will do during an election campaign. How can the people still trust that govern-

ment? No wonder it is less and less popular, because the people are not as apolitical as we believe. They are now very politics conscious, and rightly so, and they need to be.

● (1450)

The emphasis in today's motion is on urban transport, but I see that the $290 million promised in 1974 were to meet the needs of municipalities, not only urban needs. Before I received the motion I had just read an article in *Le Devoir* of yesterday entitled:

Urban transport: forgotten promises?

Two Ontario Liberal backbenchers denounced the federal government yesterday for reneging on 1974 election promises to assist municipalities to pay for urban transit.

Frank Philbrook and David Collenette threatened to withdraw support from major transportation legislation before the Commons if the government does not at least partly fulfil the 1974 promises which in total involved expenditure of $290 million.

Several other Liberal backbenchers applauded the Philbrook warning, underlining the mood of resentment within the Liberal caucus over second thoughts that the government is having transit aid.

Earlier, during the daily question period, Prime Minister Pierre Elliott Trudeau said cabinet is still considering the commitment, made a few days before the July, 1974, election in which the Liberals regained their majority in the Commons.

It was Mr. Trudeau's only response to New Democrat Leader Edward Broadbent who tried to find out whether or not the Liberals were backing down on the promise.

Last week Finance Minister Donald Macdonald said the $290 million was left out of government spending plans because some projects had to be sacrificed in the name of restraint.

The statement drew objections from urban-area MPs in all three major parties.

Mr. Speaker, while I was listening to the hon. member for Selkirk, I got the impression that he wanted the federal government to be directly involved in urban transit. Everybody knows I have always been opposed to the federal government taking over the jurisdiction of the provinces in this area. That is what I was afraid of when I was listening to the hon. member's speech earlier on. But fortunately the secretary of the minister came and dotted the i's, reminding the House that this was a problem of provincial jurisdiction. This complicates the issue, of course, since the federal government is being asked to help finance urban transit, that is, to intervene in a provincial jurisdiction.

I think this is the main drawback of today's balance-sheet federalism. In order to help the province and because it has taxation powers, the federal government often violates the essential principles of our constitution against the will of the provinces which are opposed to it, and rightly so. To correct this lack of co-ordination the present government, not being able to intervene in provincial jurisdiction by the main door, has entered by the back door. This is how the famous winter work programs were created—unforgettable these were—and I think that hon. members still remember those winter works when people were made to work to do nothing.

Let us talk about the local initiatives projects, the somewhat improved Opportunities for Youth Program, and now, Canada Works and Young Canada Works. These aim at creating employment at the municipal level. The intent is good, but the action taken to achieve it is not so good. If we wanted to be more logical and more consistent with confederate standards, we would develop a formula which, while creating manpower, while helping municipalities within federal-provincial agreements, would still respect the rights of everyone concerned.

The parliamentary secretary of the minister now tells us that the government cannot fulfill its campaign promises to help the municipalities since it has had to restrict its budget because of inflation. In other words, the government does not have that much money any more, but the provinces have still less. What surprises me is that the government, through the Department of Manpower and Immigration, will spend $200, $300 or $400 million for programs like Canada Works, for projects who often are not productive for the municipalities. I therefore wonder why the government did not simply give to the provinces the $290 million promised three years ago.

All municipalities have problems concerning urban transportation, infrastructures, environment, sewage treatment, municipal roads and so on. The provinces would need those millions to meet the needs of their municipalities. Why does this government not give back to the provinces the money that they collected themselves? It is the workers of each province who have paid the promised millions. Why does the government not give them back to them? In this way, for once, the federal government would act in accordance with the rules of the constitution, and peace would come back in federal-provincial relations. To state now that we do not have any money to give to the provinces is simply to laugh at the population because we are spending indirectly millions which should have been given directly to the provinces. And after this, we say that the provinces do not want to come to any agreement. How can it be possible to have any discussion? We hold a lot of federal-provincial meetings, and always to no purpose. Why? The people know why.

I say that the provinces, and the province of Quebec especially, can no longer wait for the unilateral decisions of the government, and no longer want to. Let us talk about infrastructures for developing cities like the ones in my area. Cities now spend 40 per cent of their budget simply to pay the interest on the accumulated debt. How can they provide services for an ever-increasing population?

For many years we have had the problem of sewage which is largely responsible for the pollution of our rivers. At each election, the federal government which still has the biggest taxation powers promises to help the provinces by giving them back a larger part of the taxes it raises in those same provinces. The same goes for municipal roads as good roads are a prerequisite for urban transit.

The minister's secretary just told us that Ottawa cannot be said to have the largest source of income while provinces have great needs. Mr. Speaker, it takes a lot of nerve to say that because everybody is aware that Ottawa has so much taxation powers that again this year it will collect more than $45 billion in taxes from the people of Canada. And, when it must give some back to the provinces, according to the agreements, it wants to administer those funds instead of giving free rein to the provincial governments.

And this government pretends it want to preserve provincial autonomy! The only help it gives to municipalities is to reduce or withdraw unfair taxes as the 12 per cent levy on the purchase of buses or the redemption of the discount on gas and the government calls that helping municipalities. What a joke! It does them less harm than in the past years, but nothing in this year's budget will lighten the financial burden of our municipalities. I see that my allotted time is expired so I shall conclude my remarks.

• (1500)

[*English*]

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, in joining in the debate on the motion before us today I should first like to compliment the hon. member for Selkirk (Mr. Whiteway) on an excellent motion and an excellent speech introducing the motion. That hon. member may temporarily be seated in the back row of our benches, but judging from today's performance he is equal to at least any member on the front bench on the government side.

Mr. Baker (Grenville-Carleton): Don't underrate him. He is better.

Mr. Lang: And twice as good as one-third of the members over there.

An hon. Member: That is all that row over there.

Mr. Lang: Maybe two exceptions.

Mr. Stevens: I am pleased that at last the Minister of Transport (Mr. Lang) has walked into the Chamber. After I finish I hope he will try to explain his department's role in reneging on urban transit, which is under discussion today. Perhaps it is not only the Minister of Transport we should hear from but also the Minister of Finance (Mr. Macdonald) rather than his parliamentary secretary. I think the attendance in this House today by government members and the fact that to this moment not one cabinet minister has had enough interest to speak on the motion, spells out the degree of concern and interest the government has in urban transit problems across the nation. One of the members, and perhaps he has a good point, has stated the reason cabinet ministers are not speaking today is that they are scared of the revolt in the Liberal backbenches. I thank him for the cue and I do not doubt that is part of the front bench anxiety at the present time.

The only member to give us the Liberal version of why there has been reneging on the $290 million that was committed for urban transit during the June and July, 1974, election campaign is the Parliamentary Secretary to the Minister of Finance (Mr. Kaplan). Although all of us would agree that parliament becomes a bit of an Alice in Wonderland at times, I have not encountered anything that should be included in an Alice in Wonderland story to the degree that the discourse of the parliamentary secretary should today.

In effect he said to the people of the Toronto area, "Be thankful we did not honour that promise for the $290 million that we put forth in order to get re-elected because we are really saving you money. Toronto pays 30 per cent of the total tax revenue that goes to Ottawa. There is no way you would get that 30 per cent of $290 million, so indirectly we are saving you money because if we paid something less than 30 per cent it would mean you were subsidizing the rest of the country."

Let us gather our wits, Mr. Speaker. The Parliamentary Secretary to the Minister of Finance is telling us that is the reason for justifying a breach of promise in the 1974 campaign. That is bad enough. When we check, however, we find his figures are totally wrong. Toronto does not pay 30 per cent of the tax revenue that is "pouring into Ottawa", to use his phrase. With all due respect he must know that. The information is available in the publication "Taxation Statistics—1976 Edition" issued by Revenue Canada. That shows clearly that the amount Toronto taxpayers pay in personal income tax is 15.8 per cent, not 30 per cent. Toronto people pay 15.8 per cent of the total income tax that pours into Ottawa, and their gross income is 13½ per cent of the national total. Those are the facts.

To use the parliamentary secretary's line of reasoning, if Toronto got 15.8 per cent of the $290 million they would have received $45,800,000 had the government followed through on its promise. If you look at the whole Toronto area, you find that by the Prime Minister (Mr. Trudeau) breaking his promise he is not only cheating Toronto out of that amount but Mississauga out of $4,408,000, Oakville, $1,508,000, Barrie, $609,000, Brampton, $1,015,000, Oshawa, $1,856,000, and Whitby, $493,000. If you want to follow the parliamentary secretary's line of reasoning, those are the amounts the municipalities were entitled to out of the $290 million that was waved in front of the people to help the government get re-elected and mismanage the country. That totals $55,689,000 that the Liberals have short changed the Toronto area with respect to the commitments they offered in the last election campaign.

The parliamentary secretary says times have changed. What times have changed? Is the parliamentary secretary referring to the fact that times have changed in de Havilland aircraft, which happens to be in his riding and which the government bought in May, 1974, barely six weeks before the election, paying $35 million for it, and since has poured $115 million into it—is that the time he says has changed? Is it the fact that his is an "I am all right Jack" attitude with de Havilland to the tune of $150 million in his riding, even though he says there is no money to help with urban transportation in the Toronto area, and I have indicated the area is entitled to at least $55,600,000?

In short, Mr. Speaker, I would suggest that this government has no proper answer to their reneging.

Some hon. Members: Hear, hear!

Mr. Stevens: The parliamentary secretary makes the odd argument that somehow or other the federal government should not be interfering with municipal and provincial governments, but why did it not think that in 1974?

Mr. Baker (Grenville-Carleton): There was an election in 1974.

Mr. Stevens: Why did they come to the conclusion this was none of their business? If they feel they are not involved, why are we being required in the current estimates to put up $15 million to $17 million to support the Minister of State for Urban Affairs (Mr. Ouellet) and his department? What is he supposed to be doing if the federal government has no role to play in urban transportation in areas such as Toronto, Edmonton, Montreal, and others that need this type of development?

● (1510)

Actually we know what happened during the last campaign. On instructions from Keith Davey, the campaign director of the Liberal party, the Prime Minister (Mr. Trudeau) was instructed to promise anything which would help to get him re-elected.

Mr. Baker (Grenville-Carleton): That is right.

Mr. Stevens: Mr. Speaker, you will recall that famous statement when Mr. Davey was quoted as saying that he told the Prime Minister in Vancouver that if it would help to get votes, "You had better get down and shine boots, if that will help. In short, do whatever you can and promise whatever you like in order to get re-elected."

Mr. Baker (Grenville-Carleton): An example of power corrupting.

Mr. Stevens: Mr. Speaker, the Parliamentary Secretary to the Minister of Finance made reference to the government being active in certain fields. For example he referred to STOL. Naturally the parliamentary secretary would feel kindly toward STOL. The Dash-7 is being manufactured by de Havilland, the plant that happens to be in his riding. Naturally he is warmly disposed to the $115 million of subsidy which has been poured into that near Crown corporation. But I ask you, is that the priority this government should be following?

Mr. Baker (Grenville-Carleton): No.

Mr. Kaplan: Would you like to see de Havilland closed down, treated as the Avro-Arrow? That is how the Tories approach aviation.

Mr. Fairweather: We did what you didn't have the guts to do.

Mr. Stevens: Mr. Speaker, we are saying that when moneys are to be expended at the federal level, the government of the day must choose its priorities. What we are saying is that there is an urgent priority in the Toronto area, and in many other urban areas, for better transit. The government promised to assist with the development of that urban transit, and what we are now suggesting is that they have reneged on their promise, to the disadvantage of the commuters.

Mr. Baker (Grenville-Carleton): Reprehensible!

Mr. Stevens: Having said that, I do not feel that the government is acknowledging the request of the chairman of the Metropolitan Toronto area, Mr. Godfrey. He asked many of us to attend in Toronto at 8 a.m., Monday, March 14, and see for themselves the present state of transit activity at Union Station and the general surrounding area.

I do not think it is enough for the parliamentary secretary to stand up, read that telegram inviting him there, and simply come back with the odd argument that by reneging on the promise to which Mr. Godfrey refers, he is somehow saving that area money.

I would suggest that the government is playing a political shell game with the transportation strategy of our cities. Two weeks ago the Minister of Finance delivered what he believed to be a death blow to the $290 million in aid to urban transit. No less than four members of the cabinet, including the Prime Minister, have repeatedly assured us that the money would be made available. On Wednesday the government floundered again, and the Prime Minister stated that the on again off again promise is not unequivocally dead, it is merely before the cabinet for study. We have heard that song and dance before; hence it is no surprise that urban planners from St. John's to Victoria remain skeptical as to the fate of several urban transit projects which are hanging in the balance until the government decides it will honour its commitments.

I remind hon. members that the former minister of transport, Senator Marchand, told us 18 months ago that this very issue then, and I stress "then", was before cabinet. On June 16, 1975, as reported in *Hansard* at page 6795 he said, in reply to a question put by my colleague, the hon. member for Lisgar (Mr. Murta):

> We have not changed our opinion on that, Mr. Speaker. A paper was prepared for cabinet and is before cabinet now. Let us see how much money they give us—because there is money involved. As far as policy is concerned, I will not backtrack.

Nothing substantial has ever come of that paper, just as nothing substantial has come of the Prime Minister's promise to finance 100 per cent of the cost of Canadian-made commuter vehicles. The whole thing is clearly an election bon-bon which the government trots out when the heat is on, and then forgets when it thinks it can get away with it. But we on this side of the House have not forgotten.

When the present Minister of Industry, Trade and Commerce (Mr. Chrétien), the then president of the treasury board, nearly three and a half years ago said that the government, and I quote, "would live up to its obligations even if it took up to four years," we remembered. In response to a question I put to that same minister in October of 1974, as reported on page 668 of *Hansard*, the minister stated, and I quote:

> The political party of which I am a member has made other promises and the government will implement them in due course. We have stated that we will do this and that, and take four years to live up to our mandate. We have said: 'Don't worry about it, we will live up to our obligations.'

We remember these countless other promises, and on behalf of 75 per cent of our population which lives in our larger cities we now urge the government to make good these promises, because urban transit is not just an election "goody". To the millions who travel in our urban areas in rush hour it is a vital

necessity. This promise should not be allowed to go the way of the Prime Minister's promise not to impose wage and price controls, or his assurance that separatism is dead in Quebec. This promise must be made to stick. In Toronto alone, nearly $200 million in transit modernization awaits the government's decision to keep its side of this commitment.

The proposed terminal improvements program, which is intended to be the hub of an efficient metro-wide transit system, the Streetsville-Milton GO line, the Lakeshore extension, the Scarborough transit, and the cross-town line, are all in jeopardy following the government's broken promises.

The finance minister, who apparently sometimes speaks for the government, and sometimes does not, says the government cannot honour its commitments because of restraint; but this is a callous excuse. To date the government has spent $110.4 million for land acquisition and property management on the Pickering airport site which the people of Ontario do not even want. This sum is 11 times the federal government's total contribution to date to public transit in Ontario. If restraint is the number one priority before the government, then let it, as has been suggested in committee from time to time, sell the Pickering site and turn over the revenue and remaining funds to urban transit.

Mr. Kaplan: Ontario chose that site.

Mr. Gilbert: It was only the provincial election. The Tories approved it.

Mr. Stevens: Mr. Speaker, perhaps the parliamentary secretary was not listening to me. I am not commenting on who chose, or who didn't. I am simply saying, you have a lot of land down there. Liquidate it if you are short of funds, and use the proceeds for developing urban transit for the Toronto area.

That would be better than creating another white elephant like Mirabel. Mr. Speaker, Mirabel lost $130 million in two years, yet the administration is determined to spend hundreds of millions of dollars developing airports which are very likely not needed. For example, air traffic at Toronto's Malton airport may even be decreasing at the present time. I would stress that the money could best be used to serve the larger segment of our population which needs commuter service to get to and from work, and not the relatively wealthy people who use air services in this country. But even these figures do not illustrate the ill-advised economics of this latest cop-out. I would stress that the motion of the hon. member for Selkirk refers to energy conservation. In this connection I would point out that Kirk Foley, the president of the Urban Transportation Corporation, has said there have been broken promises. It follows that this would impede future prospects in terms of transportation strategies. I used the figures in the Porter study on energy, and Mr. Foley estimates that 25 per cent of all petroleum consumed in Canada is used to fuel urban automobiles. By 1985 our petroleum needs will approach $5 billion annually, based on current prices and use trends. The present Minister of Finance knows this only too well because he used to be the minister of energy. He knows the importing cost is going to mount with regard to the fuel that will be needed to power the urban automobiles that are needed in commuter transit.

● (1520)

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired. He may, however, continue with unanimous consent. Is there unanimous consent?

Some hon. Members: No.

Mr. C. Douglas (Bruce-Grey): Mr. Speaker, this motion is a timely one. It puts before the House of Commons a very important question. Up to this point, however, we have only heard one side of the story, that presented by the urban members. Many of us are not urban members and there are a lot of people we represent who are not from the urban areas.

This is a good motion. It deserves serious consideration and serious answers. Some answers have been given. The Prime Minister (Mr. Trudeau) has said that the matter will again be taken under consideration. I hope it is because any promise must be considered as serious.

Many members of this House represent areas that do not have the amenities of the urban areas. These members will have to take a very serious look at what would happen if the promise made in this instance came into effect. How would it affect those of us who represent areas that do not have any type of transportation? I refer to areas such as those represented by the hon. member for Gloucester (Mr. Breau), and the hon. member for Oxford (Mr. Halliday).

The type of transportation that urban members would like to see added to or expanded is a wonderful thing. However, what about those from the maritimes to British Columbia who do not have any type of transportation? How do they get from their municipalities where they live and work to the large urban centres?

The hon. member for Selkirk (Mr. Whiteway) made the point that 75 per cent of our population today lives in the cities. It appears as though that will increase to 90 per cent by the 1980's and 1990's. This House of Commons should look for ways to get that growth away from the cities to the suburban areas and to the country where there is a work force and opportunities for industry to move out of the large metropolitan areas and expand.

We should get some of these people back into areas that are waiting for them. Our young people are more and more moving away from the land, the areas of opportunity in the rural communities, into the large cities for their education and livelihood. However, they are not returning. We have to reverse that trend and get our young men and women back to the areas they have left.

I agree with some of those who represent the urban communities. I do not blame them for standing up in this House in an attempt to get the best urban transport, commuter systems, and everything else. However, as a representative of an area

that does not have those types of commuter systems, and everything and access to the theatre, arts and business, I am going to make our wishes known. If the government is thinking of putting $290 million into urban transportation and commuter systems, we in the rural areas want some of that money to go into our areas as well in order that we can get to the large urban centres.

The hon. member for York-Simcoe (Mr. Stevens) made a strong statement about the $150 million that has gone into the de Havilland corporation. A good percentage of that will come back out of that corporation in business and taxes from the workers. That corporation is not in my constituency, but perhaps I can come to their defence. The de Havilland corporation might just provide the outlying areas of this country with the type of transportation they need to get into the urban centres. These people may want to get into the urban areas, but they sure as heck want to get back out and back home. However, there is now no way of doing that.

Perhaps the hon. member for York-Simcoe was simply talking about a business firm that was not in his constituency. I do not know. However, if we can get Canadian companies which deal in this type of higher technology to improve and expand, and bring into production new methods of transportation that we can use not only in this country but around the world—

Mr. Stevens: Have you not got railways up your way?

Mr. Douglas (Bruce-Grey): Certainly, but we have not had any passenger trains running there for about seven years.

Mr. Stevens: Tell the government.

Mr. Douglas (Bruce-Grey): I do tell the government. The hon. member for York-Simcoe talked about this being an Alice in Wonderland situation. It might be. However, I would say that the hon. member for York-Simcoe is the best indication of a Mad Hatter that I have ever seen. He runs around this Alice in Wonderland place taking a stand on both sides of the picket fence. He should realize how dangerous that can be.

Mr. Knowles (Winnipeg North Centre): Tweedledum and Tweedledee.

Mr. Douglas (Bruce-Grey): No one can stand up and say cut back; and then the next day say, spend more, spend more.

Mr. Stevens: We have told you where you can do both.

Mr. Douglas (Bruce-Grey): de Havilland and other companies have developed some expertise in the area of transportation. I want to encourage the development and use of that expertise here in Canada. The hon. member for York-Simcoe does not seem to believe in the expertise that was developed in the STOL system.

Mr. Whiteway: How many planes have you sold?

[Mr. Douglas (Bruce-Grey).]

Mr. Douglas (Bruce-Grey): We certainly will not get any more orders if members opposite continue to stand up in this place and degrade it.

Mr. Stevens: You have sold one plane so far.

Mr. Douglas (Bruce-Grey): It is apparent that you will not help us sell any more. The opposition want to know this, that, and the other thing about why we are not paying out money for urban transit. If the money that had been promised had been put into urban transit, members from every rural municipality in Canada would be ready to stand up—

Mr. Baker (Grenville-Carleton): What did the Prime Minister (Mr. Trudeau) say about rural members in 1974?

Mr. Douglas (Bruce-Grey): I know the hon. member for Grenville-Carleton (Mr. Baker) will stand up and make a speech. He is usually pretty good at that, and at other times as well when people are not too interested in what he has to say.

The situation which faces us is certainly one of priority. It is an issue we should be looking at right now. I am not saying we should not put some money into urban transportation. Urban transportation deserves some money; nevertheless, there are other places where money is needed as well. It is needed to improve transportation facilities from coast to coast and for the provision of better services between the urban centres and outlying regions.

The hon. member who spoke for the New Democratic Party had some reasonable points to make, but he made at least one statement with which I could not agree. The socialists seem to think nothing is worth doing unless it can be done by the state. They believe it should be state operated and state financed, and that if there is any profit it should go to the state. I can tell him now that I am in favour of private enterprise. I always have been and I always will be. The ideas put forward by the New Democratic Party sound wonderful until you go around the country and see that nothing which is state operated ever makes a profit, and that whatever is produced usually costs, in the end, three times as much as it is worth.

I should like to set out the position of those of us who come from rural areas and who want better transportation in those areas, as well as improved amenities for those who must commute to and from work. Recently, a decision of the Canadian Transport Commission was handed down with regard to a proposal put forward by Eastern Provincial Airlines in the maritimes. I am not happy with that decision, Mr. Speaker, because it means that a proposal which could have provided better service for the outlying areas of all the maritime provinces, using Canadian-built airplanes and Canadian-built technology, is not being proceeded with. Since the turning down of this proposal by the Commission, I understand that Eastern Provincial has withdrawn its order for at least two of the aircraft which were to have been used. I was pleased to hear the hon. member for Restigouche (Mr. Harquail) say the other night that the premiers themselves are seeking to encourage a change of mind on the part of the CTC with a view to having the proposal accepted.

The hon. member for York-Simcoe made certain statements about the money which the government has promised to make available. In the circumstances, exactly how would a federal urban transit program result in a transfer of funds to the government of Ontario? The most obvious example consists of aid to commuter rail. Our election platform proposed, among other things, a 100 per cent federal subsidy for commuter rail equipment. Since the government of Ontario is presently responsible for GO Transit equipment costs, implementing this part of the election platform literally would result in a simple transfer of funds to the province of Ontario.

● (1530)

Ontario has also taken a position which would maximize the revenue transfer to the provincial treasury from implementation of other possible measures of federal aid to urban transit. Thus, both the present and previous Ontario ministers of transportation and communications have indicated that they would not pass on to transit systems more than a part, perhaps a small part, of the 25 per cent subsidy for the purchase of urban transit equipment (other than commuter rail) mentioned in our election platform.

I cannot say that I blame Ontario for this stand. James Rhodes—when he was the Ontario minister of transportation and communications—pointed out that adding a 25 per cent federal subsidy for urban transit equipment to Ontario's 75 per cent subsidy would lead transit authorities to act as if they were in possession of "throwaway buses". At the same time you can see that the present provincial urban transit program is extremely generous. I wonder if it is our job to take the government of Ontario off the hook for the commitments they have made to urban transit.

Essentially the same problem of a fiscal transfer arises wherever there is extensive provincial aid to urban transit. I am distributing a table, prepared last year which indicates that extensive provincial support for urban transit is not confined to Ontario, but is evident in all provinces having substantial urban populations. The result is that we have no assurance whatsoever that federal expenditures will add significantly to what would otherwise have been spent on urban transit. We have no commitment from any of the provinces that when the money is there it will all go where we want it to go.

Moreover, the expenditure is not "capped". Does it mean the taxpayers of Canada are to continue year after year to provide buses, streetcars, and new subway trains for the urban centres?

I want to know, first of all, where the money will go. I want an assurance from the provincial governments that they will not divert that money to anything else, and I want an assurance from the federal government that there will be a "cap" placed on this spending so that money which comes in from taxpayers right across the country will be spent equitably. We are admitting, of course, that most of the revenue derived from taxes does come from urban dwellers, but we want a fair proportion of this money to be used to provide adequate transportation for the rural areas of Canada.

We want services of the type EPA suggested in the maritimes, the type of transportation many people in northern Ontario enjoy now with the NORONTAR system. I want to see services of this kind extended into southern and southwestern Ontario. Sure, we have buses—one a day. If you want to go to Toronto from my constituency, you have to go one day and return the next. Some people might like to go in the morning and come back the same day. I should like to see people in the riding represented by the hon. member for Fundy-Royal (Mr. Fairweather) have access to fast commuter travel, the type of system they have in northern Ontario. We should press forward with schemes such as this, as well as with rapid transit systems.

Finally, we have to realize that there is only so much money to go around. We can make promises. All political parties make promises. Some of them are good, others are not so good. The Ontario political machine made promises about a thing called the Spadina ditch. Later on they found it was not such a good idea after all, so right now they have the ditch and they are likely to continue to have it for a long time.

We talk about Pickering Airport. That airport was agreed to fully by the Ontario government.

Mr. Stevens: No way!

Mr. Douglas (Bruce-Grey): Your friends in the Ontario government were in favour of it, too.

Mr. Stevens: Don't mislead the House.

Mr. Douglas (Bruce-Grey): They selected the area and were in full agreement.

Mr. Stevens: They never said an airport was needed.

Mr. Douglas (Bruce-Grey): All of a sudden they changed their minds.

● (1540)

Mr. Stevens: Do not mislead the House.

Mr. Douglas (Bruce-Grey): If I have learned anything from the hon. member for York-Simcoe it is probably how to mislead the House and get away with it. I think basically this is a good motion because it will enable us to find some of the answers to a promise that was made.

Mr. Clarke: And broken.

Mr. Douglas (Bruce-Grey): I agree that the promise was made and, as the Prime Minister has said, I think it should be looked at.

The Acting Speaker (Mr. Ethier): Order. I regret to interrupt the hon. member but his time has expired.

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I think the mover of the motion, my colleague from Selkirk (Mr. Whiteway), has outlined the situation so far as the government's performance is concerned—promising things that either

it did not know about or which it was unwilling to deliver on later. I do not want to dwell on those promises because the people of Vancouver are used to this kind of treatment from this government. They remember only too well that just two years ago, while the government was spending $5 million in an eastern city building a parking garage at the airport to cut the walking distance for passengers in half, the government was closing down the garage at Vancouver International Airport and extending the parking lot, thus doubling the walking distance to the terminal, resulting in so much inconvenience to air passengers, that the government was forced to install a shuttle-bus service which is in operation to this day, and probably will be forever.

The hon. member for York Centre (Mr. Kaplan) was trying to justify the government's action on the basis that changes had been made. Everybody knows that changes have been made. In the urban areas there are more people now, there are more cars now, there are more problems now, and there are more broken promises now. The only thing there is less of is government concern for the people who live in the urban areas of the country.

Changes have also been made to the rail service. Ton miles is one example. The ton miles originating by rail in western Canada have increased by 62 per cent in the period between 1968 and 1972, including an increase of 106 per cent in British Columbia, while the all-Canada average increased by 35 per cent in that same period, lest anyone think that parallels do not exist.

To show the concern in British Columbia for this topical issue today, I want to read the House a telegram that was sent by the mayor of Vancouver to the Minister of Finance (Mr. Macdonald) just about ten days ago on February 23. The mayor of Vancouver said this:

> Strongly urge your serious attention to problem of urban transit and long overdue need for federal support. Light rapid transit system for greater Vancouver is among critical current priorities but without federal financial backing impossible.

That is signed by Mayor Jack Volrich of Vancouver.

Vancouver is not the only body to show its concern. Two years ago the Progressive Conservative Party sent a force out to Vancouver and other cities to study the urban transportation situation. I went with that group to the city of Vancouver and to other western cities, and we met with officials of the greater Vancouver regional district as well as officials of the province and of the city itself. The Greater Vancouver Regional District, for the information of hon. members, is composed of elected representatives from 17 lower mainland communities of British Columbia which make up what people generally regard as greater Vancouver. It was obvious that lack of consultation was the problem. The municipalities were consulting with each other through the GVRD, and that group was consulting with the province, and I will say something about that in a moment. What was missing was federal government input.

When we were in Vancouver in 1975 we heard of plans afoot for satellite cities. For example, the British Columbia Telephone Company has already built its new head office building in Burnaby to try to take the pressure off downtown Vancouver. Industry is being moved out so that commuting is reduced, and it is my understanding that even the new taxation data centre of Revenue Canada will be located in Surrey.

The Greater Vancouver Regional District, as long ago as 1971, agreed that public transportation should be a regional function, and consequently it applied to the province for letters patent to assume the responsibility. This has not been granted, for a variety of reasons. Aside from financing issues, one of the most basic problems still requiring resolution is a definition of the respective roles of the province and GVRD in setting transportation policies and priorities and carrying out programs.

The transportation committee of the GVRD board had recommended in a 1971 report, "Regional Transportation as a GVRD Function", that the GVRD should seek responsibility for operating the public transit system. It is now focusing its attention on the region's future role in transportation planning rather than operation, and may recommend that the region seek letters patent for only this aspect of the transportation function. Meanwhile the GVRD is working with the bureau of transit services on establishing new bus routes.

The bureau of transit services was created in February, 1973, as a branch of the provincial department of municipal affairs. It is headed by the director of transit services who has the rank of an associate deputy minister. The bureau has nine employees studying this question, and their mandate is to determine public transportation requirements within and between the various regions of the province; to advise the government on policy matters related to the provision of public transportation in the province; and to implement public transport programs in the province. Accordingly, in conjunction with involved municipalities and the GVRD, as well as B.C. Hydro, the bureau is seeking to improve and extend existing bus services and other transportation facilities in the area. I cite that at such length only to indicate that people are working together on the local scene, and that what is missing is federal government input.

The Greater Vancouver Regional District publishes a bulletin every month, and in its most recent issue of January, 1977, it says that it has now called for the establishment of a ten year road and transit improvement program co-ordinated by a provincial-regional transportation organization. This proposal is now being submitted to the general public, local councils, and to the provincial government for their reaction. Again I say that the obvious missing link here is the federal government. Everyone at the local level is working together; the federal government has made and broken its promise to be involved, and everyone else has decided they just cannot wait any longer.

The Greater Vancouver Regional District also realized that if nothing was done to solve the worsening transportation problem, the liveability of the region would suffer, pollution would get worse, and energy conservation would not take place. Their final but significant conclusion was this:

● (1550)

Perhaps the most significant effect is that the average travel speed in the region during rush hours will drop to 17 miles an hour within three years and the average for buses to eight miles an hour. This drop, caused by congestion, will cost commuting drivers about $120 a year more in gasoline, which is more than it would cost to carry out needed improvements to the transportation system.

We have heard a few times from the government about the energy saving and cost saving measures it wants the people to take—although the government does not want to take them—but it will not carry out promises it has made to the people, which could be more than offset by the cost of the waste if nothing is done.

Local groups are also considering expanding their cross-harbour ferry, which is due to start again early this year. They are going to start commuter trains from Port Coquitlam to downtown Vancouver with stops along the way, and the track for this route already exists. It is quite interesting that 20 to 25 years ago there was a cross-harbour ferry system. In fact at one time there were two of them. Now the in-thing is cross-harbour ferry service, and that will start again in about a month.

Until 1954 one could take a fast electric tram along the grade from New Westminster to Vancouver. Fortunately the grade is still there, and that is what the GVRD is planning to put back to work.

It is not as if there is no evidence that the federal government wanted to get involved in this. I refer hon. members to a book I found in the library. It appears that it has been languishing there for about three and one-half years without ever having been taken out. It is a book of background papers prepared for the Conference on Western Economic Opportunities in Calgary, 1973. To show what concern the federal government once thought it had I would like to read the following paragraphs:

The very nature of a constantly evolving economic and social structure in the West calls for continuous and dynamic means of coping with an ever-changing set of problems and circumstances. Equally, this approach calls for the use of all available tools and policy instruments, both federal and provincial, in a co-ordinated way, together with complementary action by carriers, shippers and consumers.

The federal government supports and encourages the creation of appropriate mechanisms designed to deal with the transportation problems of Western Canada in this way.

A strong statement on federal policy such as that cannot have been brought about accidentally, and since it has never been acted upon one can only come to the conclusion which several hon. members on this side have, and that is that the government is not acting in good faith.

I would like to go over a few other local activities which will further indicate that there has been great activity on the local scene in co-operation with the provincial government. It decided that there had been enough debate about rapid transit and that something should be done. The provincial government noted that cities like Edmonton had gone ahead with nuts-and-bolts planning, and it lamented that it might be left behind by other cities if it did not get going. So the New Democratic government decided it would have meetings and get things moving. Of course, the NDP did not remain in power long enough to get things completed. However, things are still moving, and the city has sponsored a computer car pool. I do not mean a commuter car pool; I mean a car pool for commuters which is run by a computer.

I note also that Calgary is considering smaller taxis in an effort to encourage faster movement around the city.

Hon. members opposite are always asking what we on this side would do. We have heard much about the promises they made in 1974, and I would like to read a few of the items which were part of the Conservative Party's policy in 1974. Of course they have not been implemented. Here are a few of them:

The federal government must assume a definite leadership role in providing assistance to the provinces and municipalities if viable alternatives are to be encouraged and, in fact, realized.

A Progressive Conservative government will make available experts in the field of rapid transit to work with provincial and municipal authorities . . .

A Progressive Conservative government will encourage a standardization of rolling stock so that cost savings can be made through volume purchasing . . .

A Progressive Conservative government will initiate a study of existing rail lines with a view to making these lines available . . . improved commuter transit.

. . . a Progressive Conservative government would immediately initiate meetings between the federal government, the provincial governments and the municipalities to determine equitable financing methods . . .

A Progressive Conservative government will . . . take a firm position in financing a portion of the rapid transit facilities.

All those items indicate, and this party realized, that there must be a large measure of co-operation and consultation with other governments. I think it is clear that the present government has ignored those responsibilities and acted on its own. It has made what might be termed frivolous campaign promises which were not necessarily wanted in certain cases. In any event, they have been withdrawn.

To contrast the remarks I have made about the policy material of my party in the last election I would like to remind the House that three weeks before the election in 1974, the Prime Minister (Mr. Trudeau), standing in the plaza of the Toronto-Dominion Centre in Toronto, announced a new day for urban transit in Canada. He said his government understood the importance of moving people in and around cities by mass transit rather than in energy-hungry cars. He promised to provide massive funds for mass transit to help provinces and municipalities upgrade and add to existing bus, streetcar, and subway networks.

Mr. Baker (Grenville-Carleton): And not just in the big cities, either.

Mr. Clarke: The Prime Minister also promised that Canadian industry would be encouraged and financed to develop experimental equipment. Just last month Vancouver took delivery of its first foreign made articulated streetcar. What is happening is that Ottawa is reworking existing programs without adding any more money, cancelling other programs, and bringing about a combination which is certain to increase the impatience and bitterness of transit officials who in 1974 thought that financial help was on the way.

According to recommendations which have been made to the cabinet, the new federal policy will be based on two existing programs and one new program to start this year, and not all of them are wanted. The railway grade crossing fund, which is the relocation fund for moving railway tracks out of downtown areas, and a program to aid commuter rail services, were announced in 1975, but now they are designed to start this year.

I support my hon. friend's motion. Nobody is asking the federal government to step in and do these things. We are asking the federal government to consult with the junior governments and help them because the federal government has the advantage of knowing what is going on across this great nation. Urban transit is the next vehicle—no pun intended—to bring the cities to the state where they can be useful to this country.

● (1600)

Mr. Maurice Foster (Algoma): Mr. Speaker, I am pleased to have an opportunity to say a few words on the topic this afternoon related to urban planning, transportation, transportation development, and energy conservation.

I must say that I am surprised that the opposition would put forward a motion critical of the government related to energy conservation because as I listened to their various speeches a week or so ago on an opposition day, they did not seem able to outline a very concrete program of energy alternatives to the policy which has been developed by the government during the past year or so, and which is embodied in the "Energy Strategy for Canada" document published last April by the Minister of Energy, Mines and Resources (Mr. Gillespie).

That policy lays out specific objectives for the government for the next ten years. It sets out targets that the government would like to reach related to energy conservation, to exploration in the frontier areas, and to increased resource information being made public by the resource companies. It talks about the need for energy fuel substitution as we gradually use up the oil and gas reserves, how we will move toward the solid fuels of uranium and coal, and the substitution for oil of hydro electric power where that is possible. It talks about the new delivery systems of research, the pipelines which are being developed across the country, and the pipelines which are being contemplated in the Arctic. It talks as well about the emergency preparedness agreement which we have with 18 or 19 other nations around the world which have developed a plan for emergency preparedness.

Today the Minister of Energy, Mines and Resources is in Washington where one of the emergency preparedness features which has been discussed by our two governments is the development of emergency supply storage system in the Wabana iron mine industry in Newfoundland, and negotiations are continuing between the two countries on the feasibility of that storage system.

The two most important aspects of the energy preparedness feature of the national energy strategy relate to the scheme of sharing, should there be embargos in the future. The other aspect is co-operation in the field of research, and of course research is an integral part of the national energy strategy, research into the various aspects of energy supply, whether it be in the field of enhanced recovery of oil and gas or in the field of nuclear research. But perhaps the most important aspect is conservation research and research into renewable resources.

I was pleased with the announcement a few weeks ago by the Minister of Energy, Mines and Resources outlining his plans for an increased research and development budget for energy from renewable resources. It has been increased by some $10 million, and the largest portion of this will be spent on renewable resources, such as solar energy, tidal power, wind, biomass and so on.

The second most important aspect is conservation research. I think the government is clearly moving in the right direction on those aspects. The ninth item in the National Energy Strategy is greater Canadian content. Examples of this relate to our uranium policy among others.

I think it is interesting that the Official Opposition would raise the question of energy conservation when they have been seen to have such a vague policy relating to energy matters in general. The basic target for the conservation policy of the government is, during the next nine or ten years, to move our increased use of energy from 5.5 per cent a year, which is the historical average, down to 3.5 per cent, and indeed some estimates go even lower than that. If we look at the historical increase of our population by about 2 per cent, we get down to an annual increase per capita of slightly over 1 per cent.

A year ago I had the opportunity to attend a conference here in Ottawa related to energy conservation in industry. I think that this was one of the very impressive conferences because the office of energy conservation worked with Canadian industry, divided it into sectors, such as the chemical industry, the electrical industry, the heavy equipment industry, and so on, and each one of these sectors has developed a plan for energy conservation. Of course they do this out of good citizenship and, even more important, they do it because it will save them money.

It was interesting that the conference suggested that the chemical industry could save significant amounts of petrochemicals simply by reducing the use of crude oil in their operations by installing new equipment and changing the attitude of their employees toward the use of energy. In fact I believe it was stated that around 11 million barrels of crude oil a year could be saved through the adoption of these conservation methods over the target period which, I believe, was three or four years. Most sectors of the economy in Canadian heavy industry indicated that they could save from 5 per cent to 15 per cent of their energy use through the adoption of policies which they were developing.

One of the largest users of crude oil and gasoline is the automobile. The energy strategy document sets out guidelines for a reduction in the use of gasoline by automobiles. If cars now have an average mileage of about 17 miles to a gallon of gasoline, during the next five years this could be increased to

about 24 miles to the gallon, and in the next ten years, according to the industry strategy document, to 33 miles to the gallon. At the end of a ten year span we would see the Canadian automobile population grow from eight million cars in 1976 to some 11 million, and still with this massive increase in the number, consumption of gasoline would be reduced by about 20 per cent. This represents a very significant saving in energy.

● (1610)

If we look at the plans outlined by the Minister of Energy, Mines and Resources recently, as they relate to Prince Edward Island and Nova Scotia, the insulation of buildings, and conservation of energy in industry, these will be a model for the entire country. If we are to conserve energy in the future we have to adopt a policy similar to the model for Prince Edward Island to meet their very high electrical energy costs, and we must see it carried to the rest of the country.

Some 1 per cent of all energy in Canada is used by the federal government, and the government's policies have resulted in a saving of 10 per cent through programs being carried on in departments by lowering the thermostat settings, and by an investigation into the use of energy in buildings of the Department of Public Works where they have a system of monitoring the use of energy and the ventilation and heating systems. I understand this program will be available to private sources.

Perhaps the Department of National Defence has had the greatest success in saving energy. During this year I believe it has reduced consumption by 10 per cent through limiting the speed of vehicles and various other forms of energy used in the military.

These are some of the active ways in which we are going to save energy in this country, whether it be by an industry, in the community, or in transportation. Surely we should be moving toward a system of more electrified commuter type facilities. We know that in the long haul we will have less and less oil and gas available, and we know that the price will continue to rise.

When the Syncrude project was before the Standing Committee on National Resources and Public Works it was forecast that the price of crude oil would rise ultimately to $35 barrel from the $7 or $8 per barrel it was then. It is now $9.75 per barrel.

The move toward more electrification of our trains and commuter systems is not only desirable but, in the long run, will be a necessity. I feel the government has launched the proper strategy for conservation of energy in the short term by increasing exploration and development of new sources of oil and gas and ultimately moving toward interfield substitution from dependence on oil, particularly imported oil, to coal, and ultimately nuclear and renewable resources. At the same time our expanded program of research and development into renewable resources should be carried out to ensure we meet our long term needs for energy.

Urban Transport

The basic premise on which any solid responsible energy strategy rests must be a good conservation program which sets realistic targets for reduction of consumption, especially of non-renewable resources such as crude oil.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, several features of the motion put down by my colleague, the hon. member for Selkirk (Mr. Whiteway), in essence describe the problems that exist within the region of metropolitan Edmonton. If hon. members will permit me to be a little more parochial on this occasion, I should like to take them through the progress, the planning, and implementation of its plans for a modern light rapid transit system that has been in the works and in actual implementation since 1973. It was many years in the planning before that. I can only commend the civic authorities for their foresight in going out and utilizing the facilities that exist, such as the rights of way, and the foresight in planning where the transit system would go, the suburbs it would serve, and the foresight in getting it started when costs were low compared to what they are today.

It may take ten years before it could be called a good nucleus of an urban transit system, and it will cost a pretty penny. But a good portion of it will be at much lower cost so that, if we take the average, Edmonton will be further ahead than other communities.

The government decision which we are discussing during this debate affects the metropolitan Toronto region particularly, and extends into the Niagara peninsula. There is some effect in Vancouver in the lower mainland, to a lesser degree than in Edmonton, but in essence outside of Toronto and Montreal, Edmonton is the only city that has engaged in the construction of a subterranean transit system at least in part.

The promises the Prime Minister (Mr. Trudeau) made just three weeks prior to the election in 1974 have not been kept. This is the type of repudiation of a promise that has its roots in "Thou shalt not have wage and price controls." The only distinction between that repudiation and this one is that it took 18 months to come into effect, while this one was some 30 months in gestation. Presumably the Liberal body politic found it too indigestible and has completely regurgitated it. I am going to ask all members from metro Toronto area to stand up and be counted on this particular point.

Some hon. Members: Hear, hear!

Mr. Lambert (Edmonton West): Their election was due to such a promise. It was due as a result of that type of promise. It was due also to the promise not to impose wage and price controls. In metropolitan Toronto that was a great issue. So the whole of the government's election campaign was nothing but deception.

● (1620)

Now let us look at what is proposed in Edmonton. I have in my possession a letter which the Minister of Transport (Mr. Lang) sent me. I have also seen letters he sent to the late William Hawrelak, then mayor of Edmonton. I suppose the

mayor was more intimately involved than anyone in the implementation of plans conceived previously. The business was under his direction, and I pay tribute where it is called for. He confronted city council, which was dragging its feet, shook it by the collective scruff of its neck, and got a decision to go ahead. He was instrumental in having some by-laws passed which would give authorization for the borrowing of funds. In other words, he showed good civic corporate leadership, and I do not intend to detract in any way from the leadership shown in planning and execution. That was a good, sound decision.

Mr. Paproski: Made in conjunction with and the assistance of the hon. member for Edmonton West (Mr. Lambert), the hon. member for Edmonton-Strathcona (Mr. Roche), and the hon. member for Edmonton Centre (Mr. Paproski).

Mr. Lambert (Edmonton West): In Edmonton, in essence, we are using the old main line of the Canadian National Railways. The line runs through the centre of Edmonton. I remember it in the steam days, and remember how the freight trains and passenger trains were made up. We have an old style station with sloping eaves, and all of this sort of thing. There is a terrific amount of land available. The right-of-way runs through the northeast part of the city, to the centre; then it goes in a westerly direction and makes its way out in a northwest and west direction. It uses a great deal of valuable land. Now you see some local shunting operations carried on for downtown warehouses, and possibly three or four passenger trains running each way. All the maintenance facilities having been removed, it is no longer a main line. It merely serves a downtown passenger station, and it is convenient for the exchange of freight cars, the Canadian Pacific Railway coming in from the south.

The Canadian National has a great investment in land in the city of Edmonton. From our standpoint this land must be put to good use. The existing right of way, or part of it, is made to order for a rapid transit system which could serve the main suburbs. Existing facilities somewhere in the outer regions of the system could also be used as garages for cars. The system could funnel people into the city, to facilities underground, say, from where they could disperse to their offices, stores or what have you, in other parts of the centre of the city.

In addition, good planning has led to the placing of the new colosseum for the Commonwealth Games, a colosseum which will seat 50,000, alongside the rapid transit system. The system would also serve the new hockey colosseum, and there is no better one in the country.

Mr. Paproski: Right.

Mr. Lambert (Edmonton West): It will seat some 17,000 people, and it is right alongside the system.

Mr. McKinnon: Perhaps next year they will get a team.

Mr. Lambert (Edmonton West): It is right next to the right of way of this transit system.

[Mr. Lambert (Edmonton West).]

In September, 1974, the mayor of Edmonton wrote to the Minister of Transport reminding him of the Prime Minister's promise in the election campaign to assist municipalities with the construction and expansion of urban transit systems. Well, the euphoria generated by the election was so great that it took that unorganized minister eight months to reply, despite some inquiries as to why no information was forthcoming. Ultimately, in July, 1975, we heard a statement of policy saying that so many millions of dollars were to be dedicated to assist with the purchase of equipment ordered after April 1, 1977.

Mr. Paproski: We were sucked in again.

Mr. Lambert (Edmonton West): The mayor of Edmonton pointed out in his letter of September that in order to obtain firm prices, firm commitments for the delivery of rolling stock, the orders had to be given by May, 1974. We then got the most extraordinary semantic performance from the Minister of Transport who, in a letter he wrote to me on October 10, 1975, said in part:

> Unfortunately, perhaps, programs must have effect from some point in time. The Edmonton rapid transit system was committed before the June 1974 statement on urban transportation . . .

In other words, since the city of Edmonton had said that it was going ahead with the development of its rapid transit system, its decision had predated the election promise. The letter went on to say:

> . . . equipment orders were placed before the announcement of the capital assistance program in July 1975. The intent of the program is not merely to provide supplementary funding for decisions that have been reached in the past, but rather to provide selective assistance aimed at solving specific urban problems.

That's poppycock, sheer semantics. What would have been the position of the Minister of Transport if Edmonton had been located in central Canada or in the province of Quebec?

[*Translation*]

. . . in Quebec there would not have been such selective dates. We had them because it was Edmonton. We chose the dates to remove and set it aside especially for the first stage of the program.

[*English*]

I continue quoting:

> The federal government would expect to participate in the examination of such problems and development of solutions.

That is a lot of poppycock, too. I continue:

> The Edmonton system, therefore, has reached a stage of maturity which places it in a time frame inconsistent with the objectives of this program.

In October, 1975, they had barely started to turn the earth in the very first phase. There are five or six phases to be considered. This is a mature system. Therefore the minister's words are nothing but semantics.

Mr. Paproski: He is playing games.

Mr. Lambert (Edmonton West): I continue quoting:

> Nevertheless, following my meeting with Mayor Hawrelak on October 1, I have asked departmental officials to re-evaluate the proposal made by Edmonton.

It should be remembered that in July, 1975, the capital assistance program was limited to a commuter system which was in a community. Was it thought that because metropolitan Toronto has within it a number of communities the area would be able to qualify? Are those the kinds of semantics which must be used to determine qualification, or does Edmonton not qualify because, being made up of one large municipality, there is no inter-community communication?

● (1630)

The latest statistic I have is an indication as to why the earlier decisions had to be taken. I quote from a letter of May, 1975, from Mayor Hawrelak to the Hon. J. Marchand, then minister of transport:

On May 14, 1975, we came to a critical date. Of those received, our evaluation showed that the bid of Siemens Canada Ltd. in conjunction with the DUWAG firm of Dusseldorf, West Germany, was the most acceptable.

Incidentally, the first car is now on board ship coming to Canada.

The bid included a firm price but was due to expire at midnight Edmonton time on May 14. In addition, our slot in the production schedule—

Of course a production schedule means nothing to government officials. They could not care less.

—would be delayed at least six months thereby severely jeopardizing the full operation of the line in time for the 1978 Commonwealth Games.

The Duwag-Siemens proposal was accepted because it offered a fixed price—

That is something any government should be glad to have.

—(not subject to an escalation clause), a thoroughly proven car and components, and adaptability for future suburban or street-running operations. In addition there is the involvement of Siemens Canada Ltd. regional office in Edmonton, the inclusion of local manufacturing/industrial content and the prospects for future development of this industry in Edmonton appear promising.

At present Siemens Canada Ltd. indicates that 35 per cent to 40 per cent of the electrical content for the cars would be Canadian with probably 80 per cent of this done in Alberta (the "electrical content" is approximately 45 per cent of the whole car). In addition approximately 25 per cent of the body and mechanical work can be done in Edmonton, resulting in a total Canadian content of 25 per cent.

That is something. We have never manufactured this type of car in the past.

I have received from the office of intergovernmental affairs in the city of Edmonton a present rundown on this project. The line is to run from Jasper Avenue in the centre of Edmonton to 129th Avenue in the northeast, with stations equipped with elevators for the handicapped. The estimated cost was $65 million. Recently city council approved an extension to the Clareview area, extending the line approximately one and a half miles at a further cost of $6,760,000, giving a total estimated cost of construction of $71,817,000. The line is scheduled to open in early 1978 in time for the Commonwealth Games.

Here is something the Minister of Transport, who is now in the Chamber, would like to hear. Of this total cost of $71 million, the province is contributing $45 million over a period of six years. The city expects to charge back to the developers in the Clareview area $1.6 million of the cost of the extension, leaving the city to float debentures for $25,200,000.

The city was required to pass a debenture borrowing bylaw before it could float the debentures. The bylaw states that the actual amount borrowed will be reduced by the amount of any assistance that may be provided by the federal government. It was also necessary to pass the bylaw before construction could take place.

If the question is that if it has to be urban or inter-commuter, the next phase, which is the northwest phase, can be extended to St. Albert. Only two miles separate the two cities, but it is an inter-urban commuter.

In terminating my remarks I would like to say that the city was led to believe there was still hope as a second part of this plan was coming, but in fact it is left holding the bag for $25 million.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker the opposition today has talked about their desire to see very extensive federal government spending. This should really be noted because they have a tendency to criticise the level of government spending. However, constantly, program by program, they ask for more of it.

That inconsistency is never brought home to them because they do not have the sense of responsibility that comes when they have to make decisions on one side or the other, instead of coming down on both sides as they do so happily. I think of how happily they come down on both sides when they have a group which says that the tolls on the St. Lawrence Seaway must be higher in order to be beneficial to their part of the country. We hear that from the Atlantic Conservatives; but western Conservatives say that the tolls should not be increased at all in order to benefit their part of the country. Unfortunately, both of those Conservatives go back to their part of the country and preach about negativism against democracy, saying the country is being unfair to them for not doing the particular thing they are prescribing even though they are prescribing both things at once.

In this particular issue we again have the Conservatives on both sides. They frequently talk about federal and provincial jurisdictions and the desire and flexibility on their part to see more jurisdiction go to the provinces. That is their most frequently held position, but they come down on both sides as well, depending on what part of the country they are in and their audience. They state that provincial jurisdiction should be theirs to operate. Indeed, they ask for more decentralization.

Here we have an area where there is clear provincial jurisdiction. It is admitted on all sides. It is an obvious responsibility of the municipality and the province to deal with a lot of the traffic inside the province, highway traffic, roads and traffic inside cities. However, the Conservative Party is insisting on additional federal spending in this area.

Why does federal spending occur from time to time in provincial areas? The main reason is because there is a lack of adequate attention, in the view of federal politicians gathered

together, in the provinces to a particular priority problem. That was the reason for assistance for medicare, hospitalization and higher education assistance. It is an attempt to make sure that adequate attention is given to a particular problem. That is precisely the reason why the federal government has got into this area in the way of offering some financial assistance.

It was because of the tendency on the part of the provinces over and over again to prefer roads, highways and automobiles as against urban and public transit. It was because of the years of over-attention on the part of provincial governments within their provincial areas of spending, that it seemed right to us to offer some additional financing for public transit. It was not because it was our primary responsibility, but because of this need for additional spending in that area. That additional spending could clearly have been accomplished by the provinces by their own taxation for their own spending purposes, but this was designed to be a particular encouragement of it.

In the 1974 election campaign we did propose we would enter into this field in order to try and right the balance. We have entered it. We have put forward a $100 million program in relation to commuter assistance. We are in the field in other ways which deal with transportation within cities with large sums of money constantly being spent on rail grade separations, studies for rail relocation and ensuing rail relocation. We are in the field in terms of the research which is being done under the auspices of the transportation research agency to ensure the development of better ways of providing urban transportation.

● (1640)

The fundamentals then were that we had here a provincial responsibility, a view on our part that more should be done, and therefore an offer of additional assistance which we have carried out in a concrete way in terms of the commuter program, but which we then re-examined in the light of the need for fiscal restraint. When we announced the commuter program in 1975 we said it was all we thought we could do at that point in time, bearing in mind our financial responsibility. We said we would review the matter further. We have been re-examining it. We have not reached a final decision that this is all we will do, although we will be very conscious of the fiscal restraint program and the prime responsibility of the provinces as we re-examine this question.

We have said to the provinces, as well—and this I would say particularly to the hon. member for Edmonton West (Mr. Lambert)—that we would be quite prepared to try to move toward a more flexible program which takes in a variety of forms of assistance which we give in the public and urban transportation fields, and make it easier for provincial priorities in relation to the spending of that money to be met without highly technical qualifications about where the program applies and where it does not. Indeed, the hon. member for Edmonton West was dealing with some technicalities which will not even exist in the commuter program in connection with whether or not a line runs between municipalities. That is not an essential and necessary part of it. It never was. It was thought by some to be, but it never was part of the program. Nonetheless, that is really not the point.

[Mr. Lang.]

We do not believe that that kind of technicality is present, but even if that technicality is not present let me assure the hon. member for Edmonton West that if we produce regulations for a $100 million commuter program there will be some highly technical distinctions drawn as to what qualifies and what does not. My aim and purpose really are to try to make that arrangement more flexible so that the assistance is available for priorities within an area, within a province, rather than on the basis of a highly technical definition of terms.

The point is, we have been active. We have made money available, and it is only a question of fiscal restraint that leads us to examine much more carefully what should be done next. Above all, it should be noted clearly that there is a basic provincial responsibility in this field, and when the opposition put down a motion that talks about taking into consideration urban development, taking into consideration energy conservation, and points at wrong decisions in the area of public transportation and transportation by road, by automobile and otherwise, they are pointing their fingers principally, by any book they like, at the provinces and only aiming at the federal government for one reason.

It is in order to try to help the development of the right kind of balance between the automobile and other transportation we have decided we should make some assistance available. Remember, it is the provinces which build the roads to attract more automobiles and which constantly go on subsidizing the automobile thereby encouraging more people to go by car. Many will go by car even at full cost, and that is a choice which I think we will always want to leave to people as long as the costs are fully reflected to them. But it is when provincial action and taxation are such that they lead to a benefit in favour of those who go the most energy-consuming way, who choose to go the way which takes out so much more of our agricultural land, that action is needed. I am told that some 40 per cent of the land in many cities in this country is devoted to transportation. There are facts which have been put before the House before. If you go by public transit you are talking about 12 to 20 acres per 100,000 urban passengers compared to 700 acres of land for the same number of travellers by automobile.

This having been said, it is clear there is this marked balance in favour of urban transportation and the removal of some of the bias which has been built into the system. There are enough reasons for which people will choose the automobile without having a significant system of subsidy for them.

Hon. members, particularly in the opposition, should realize that there is a distinction between federal and provincial responsibilities and that these are matters basically within provincial jurisdiction. It was only because of our wish to put right priorities which were going wrong that we offered assistance in 1974. It then became clear, on the basis of the need for fiscal restraint which we faced, and the fact that taxation by us, or deficits by the federal government, have a much more serious impact on inflation than do taxation or deficits at the

provincial level, that our program had to be re-examined. As I say, we are re-examining it without having said the final word in the chapter. I am not predicting exactly what that word will be.

We made an offer to the provinces and had discussions with them for many months about introducing new flexibility, in other words, the possibility of there being a greater provincial input, recognizing that in any formula we would be talking about a finite sum of money available to the provinces and more choice within the province as to the use of it. At the present time we are asking ourselves how many dollars we can ask from the treasury, to what extent we can impose upon the treasury and the Minister of Finance (Mr. Macdonald) in terms either of an increased deficit or increased taxation, either of which might have serious consequences upon the economy.

It should be clear that our promise in 1974 was evidence of our firm belief that more public transportation, urban transportation, is desirable. It was because of the lack of proper attention to the balance between public and private transportation on the part of the provinces that federal intervention was justified. That is still our opinion. But because of the serious fiscal and financial argument, we have refrained from carrying out what we thought we might be able to do in the course of 1974. We know we shall not be able to spend the amount of money originally contemplated.

Again today we have been hearing an opposition which normally argues against federal spending, urging that there be federal spending. The opposition argues that though this is within provincial jurisdiction, a federal priority should be put in place. Though they oppose federal spending at other times, they urge federal spending in an area of provincial jurisdiction. It is clear that while agreeing with us on the major thrust of the policy of promoting urban transit they are ready to throw away every other ground upon which they stand in order to make a political point.

Some hon. Members: Hear, hear!

● (1650)

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I want to congratulate the hon. member for Selkirk (Mr. Whiteway) and others who have taken part in this debate on this extremely important motion. I think the success of this day and the sensitivity of the government is measured by the fact that, at the tail end of the debate, we drew in the big fish, the Minister of Transport (Mr. Lang), to defend the indefensible. Then as soon as his speech is made he walks out of the House.

Mr. Knowles (Winnipeg North Centre): He came in to speak, then he left.

Mr. Dick: He fled the Chamber.

Mr. Baker (Grenville-Carleton): Yes, he fled the Chamber, either because he cannot stand the heat or because he had to take his jet plane out west to a party function.

In any event, his intervention in this debate, the look on the face of the parliamentary secretary, the discomfort felt by the hon. member for Halton (Mr. Philbrook), the evident discomfort of the hon. member for Laprairie (Mr. Watson) and of other members who spoke in the debate yesterday, and the discomfiture of the government today—all of this is an indication of how hon. members opposite feel. The position taken by the government is indefensible. Whichever way you put it, Mr. Speaker, in the blush of an election in 1974 they made a promise which, in the light of 1976, they decided not to keep. That is the nub of this debate.

I have always been told, Mr. Speaker, to speak kindly of the dead, so I shall do my best to temper my remarks about this government. But what I have said is the fact and hon. members opposite know it.

Hon. members have told us what this $290 million would mean to Edmonton had it been spent. We have been told what it would have meant to Vancouver, to Winnipeg, and Toronto. Today I spoke to transportation officials of the regional municipality of Ottawa-Carleton, and the commissioner told me, to use his words, that this breach of faith is an unmitigated disaster for this area. It is a fact that transportation is just as essential now in this urban area, and in some urban areas not as large as the one I have named, as sewers, water, and a whole host of other services essential to the quality of life in our cities.

I sympathize with the hon. member for Bruce-Grey (Mr. Douglas). Attention should, of course, be paid to rural problems, but this has been denied by the government too. If that had not been the case there would have been some action taken regarding import quotas on beef. We would not have had the nonsense about milk quotas and the difficulties we have had with the dairy farmers in the province of Quebec. We would have had reasonable action taken in regard to cheese imports into Canada.

Urban transportation is not as important to rural areas as the matters upon which there has been no action taken, but the things I have mentioned, which have also been neglected by the government, are important to people in rural areas. In fact the hallmark of this government, whether in terms of transportation, the quality of life, agriculture, the working man or the public servant, has been to promise everything and to deliver damn little. That is why the government has lost credibility and it is why it had to bring in the big fish from Saskatchewan, the Minister of Transport, to answer the hon. member for Selkirk.

The transportation commissioner told me something else. He said there is not very much in this program for Ottawa-Carleton but that there was an opportunity to develop new technology; that if the promise made in 1974 was implemented in other cities it held the prospect for development of new technology, technology that these areas could not afford but from which people living in the cities would benefit.

Some people call this misfortune in life. The problems of people living in our cities could have been remedied by this

new technology. Those problems are now condemned to remain unsolved.

The gist of this motion is that the government pledged a solution to our urban transit problems. This promise did not come out of the mouth of a backbencher but out of the mouth of the Prime Minister (Mr. Trudeau). The cities of Canada relied upon it. The people of Canada relied upon it. Then at the last moment the government pulled the rug out from under the reasonable expectations of these people.

Hon. members opposite can heckle, they can yell, they can blush, they can do what they want. They can try to defend the indefensible. But that, Mr. Speaker, is what has happened. I wonder what else is going to happen in terms of the mandate of the government. What about the other promises that were made? Are they as empty as this one? They seem to be. Your Honour will recall that during the last election campaign the government promised to wrestle inflation to the ground. You remember the "crown prince" of the Liberal party, that pretender to the throne, standing up here in his Brooks Brothers suit, glinting his blue eyes, and saying "We are going to wrestle inflation to the ground". Then faced with the problem, what did he do? He left this Chamber, went down to Bay Street, and sniped at his colleagues from the Primrose Club in Toronto. That is loyalty!

We in Canada were promised that we would never have wage and price controls. I see I still have one minute, Mr. Speaker.

Some hon. Members: Five o'clock.

Mr. Baker (Grenville-Carleton): I remember the Prime Minister standing with a Canadian flag in the background and asking, "Do you want your wages frozen?" The Canadian people said no—and they got their wages frozen. So we have a wasted mandate. To show this is so is the purpose of the motion today.

Mr. Watson: On a point of order, Mr. Speaker, I should like to register a complaint with Your Honour for your consideration. It concerns the choice of speakers from the government side today. I represent the largest metropolitan area of Canada. We have heard from the Parliamentary Secretary to the Minister of Finance (Mr. Kaplan), who is the chief stumbling block to more funds for urban transit.

Some hon. Members: Order!

Mr. Watson: We have heard from two rural Ontario members.

The Acting Speaker (Mr. Ethier): Order, please.

Mr. Watson: We have not heard from a member from the Montreal region. I happen to support the thrust of the motion that the hon. member for Selkirk (Mr. Whiteway) has advanced.

The Acting Speaker (Mr. Ethier): Order, please. The Chair recognized the members who rose to seek the floor. I do not recall seeing the hon. member for Laprairie (Mr. Watson) seek the floor during the debate.

[*Translation*]

It being five o'clock, it is my duty to advise the House that under Standing Order 58(11), the proceedings on the motion have ended. This House stands adjourned until Monday next at two o'clock, pursuant to Standing Order 2(1).

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, March 7, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

EXTERNAL AFFAIRS

PROPOSAL TO SEND AID TO RUMANIA FOLLOWING EARTHQUAKE—MOTION UNDER S.O. 43

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I move, seconded by the hon. member for Egmont (Mr. MacDonald), on the basis of urgent and pressing necessity, under the provisions of Standing Order 43:

That the House of Commons supports an initiative of the government to provide aid to Rumania in its hour of need and in particular to airlift foodstuffs including milk powder to that stricken country.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The presentation of such a motion for debate pursuant to Standing Order 43 can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

An hon. Member: No.

Mr. Speaker: There is not unanimous consent.

Some hon. Members: Shame.

PROPOSAL TO SEND AID TO VICTIMS OF EARTHQUAKE IN RUMANIA—MOTION UNDER S.O. 43

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a similar motion to the last. Perhaps it will get a better reception. I move, seconded by the hon. member for Saint-Denis (Mr. Prud'homme):

That this House express its deepest sympathy for the people of Rumania who have suffered from a catastrophic earthquake and request the Canadian government to join with other countries in extending relief to the victims.

I propose that it not be debated at this time.

Mr. Speaker: The presentation of such a motion pursuant to Standing Order 43 can be made only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

Some hon. Members: Hear, hear!

* * *

SMALL BUSINESSES

SUGGESTED INTRODUCTION OF LEGISLATION WHICH WOULD PROVIDE INCENTIVES—MOTION UNDER S.O. 43

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, pursuant to Standing Order 43, I rise to propose a motion on a matter of urgent and pressing necessity, part of which stems from my just completed visit to Tokyo where I had the opportunity to attend an extensive series of meetings with government officials, including members from both Houses of the Japanese Diet, and in particular the general director of the Japanese Small and Medium Enterprises Agency.

● (1410)

In view of the fact that the Japanese small business community is the leader among industrialized nations, primarily because of the aggressiveness of its government and its policies, while Canada's small firms sector continues to encounter a multitude of difficulties resulting in a record number of bankruptcies, I move, seconded by the hon. member for Edmonton Centre (Mr. Paproski):

That the Minister of State responsible for small business be instructed to introduce a small business act which would include the reduction of the existing bureaucratic activity and substitute further incentives to small business.

Mr. Speaker: Presentation of such a motion pursuant to Standing Order 43 can be done only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No!

* * *

[*Translation*]

FEDERAL-PROVINCIAL RELATIONS

SUGGESTED COMPILATION OF FEDERAL FUNDS COLLECTED AND SPENT IN QUEBEC—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, pursuant to Standing Order 43, I seek the unanimous consent of the House to move a motion on a matter of urgent and pressing necessity.

In view of the effervescence resulting from the new political situation created on November 15 last, and the necessity to make known all the possible consequences which might stem

from setting up an independent state in Quebec, I move, seconded by the hon. member for Roberval (Mr. Gauthier):

That the federal government draw up a clear list of all the revenues it levies now within the borders of the province of Quebec, as well as all the expenses it incurs within the same borders.

Mr. Speaker: Order, please. The presentation of this motion, pursuant to Standing Order 43, requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

[*English*]

LABOUR CONDITIONS

PROPOSED COMMITTEE STUDY OF DISPUTE BETWEEN CAST SHIPPING AND MARITIME EMPLOYERS ASSOCIATION—MOTION UNDER S.O. 43

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I rise under the provisions of Standing Order 43 to move a motion on a matter of urgent and pressing necessity. Whereas the apparent conflict between the Cast shipping group, the largest volume ocean carrier at the port of Montreal, and that port's Maritime Employers Association, is having profound repercussions upon the port of Montreal and other east coast ports, especially Halifax, to which Cast has indicated it may move, and in order to clear up the confusion, and uncertainty, and lessen the disruptive impact which this conflict is having upon the shipping community, I move, seconded by the hon. member for Halifax-East Hants (Mr. McCleave):

That the subject of the Cast-MEA dispute at the Port of Montreal be referred to the Standing Committee on Transport and Communications and that officials of Cast and the MEAs be called as witnesses by the committee in order to alleviate the crisis at the port of Montreal and reduce the uncertainty which exists in other Atlantic Canada ports.

Mr. Speaker: Presentation of such a motion can be made only with unanimous consent. Is there unanimous consent?

Some hon. Members: No!

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF YOUTH DELEGATION FROM THE UKRAINE

Mr. Speaker: Order, please. Before beginning the oral question period I know all hon. members would wish to join with me in recognizing the presence in our gallery of an important and distinguished delegation from, primarily, the Ukraine. It is a youth delegation led by a number of members of the soviet of the city of Kiev and, particularly, by one member of the Supreme Soviet of the Union of Soviet Socialist Republics, Mr. Mikhail Kutsbeer.

Some hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

LABOUR CONDITIONS

VIEW OF LABOUR CONGRESS OF PROPOSED MULTIPARTITE FORUM TO DISCUSS ECONOMIC QUESTIONS

Mr. John A. Fraser (Vancouver South): Mr. Speaker, in the absence of the Minister of Labour might I put a question to the Prime Minister? Can the Prime Minister advise us whether the Canadian Labour Congress has in fact agreed to return its representatives to the Canada Labour Relations Council and the Economic Council, and whether the CLC has agreed to the labour minister's so-called multipartite national forum?

Right Hon. P. E. Trudeau (Prime Minister): On the first point, I am not aware of anything which has been said by the CLC. On the second point, I would remind the hon. members that the CLC itself asked for a tripartite set-up. They asked for this some time last summer in several meetings with myself and members of the cabinet. We have agreed to proceed along these lines if we can put a project together. So there is an arrangement in theory between us to have a tripartite, and perhaps eventually multipartite, group meet, but at this stage I think it is premature to say that the details have been fixed.

POSSIBILITY OF PROVINCES AGREEING TO MULTIPARTITE FORUM TO DISCUSS ECONOMIC QUESTIONS

Mr. John A. Fraser (Vancouver South): A supplementary question, Mr. Speaker. Can the right hon. Prime Minister tell the House whether, at the recent meeting between the government and the provincial labour ministers, the government was able to obtain provincial agreement to the concept put forward by the Minister of Labour of a multipartite national forum; and has the government obtained any commitments from the provinces to meet jointly with the federal government and the CLC?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I did not actually speak of a tripartite national forum. I indicated that there was an effort under way to have a meeting between representatives of the business community, representatives of the unions and of the federal government. This has been discusssed with both labour and management. The details have not been arrived at, and for that reason I think it is a bit premature to talk about any precise multilateral forum yet.

POSSIBLE ABANDONMENT OF MULTIPARTITE FORUM IN FAVOUR OF TRIPARTITE FORUM TO DISCUSS ECONOMIC QUESTIONS

Mr. John A. Fraser (Vancouver South): A final supplementary question, Mr. Speaker. May I ask the right hon. gentleman whether, in view of the fact that the Minister of Labour definitely stated in October that the policy of the government was the establishment of a multipartite national forum, the government has now abandoned that position and is prepared to settle for what the CLC has always insisted upon, and that is a tripartite forum, or consultative or discussion group, based on representatives from government, industry and labour?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the short answer is no, we have not abandoned that, but we are now considering the necessity perhaps of having, as a preliminary step, meetings together with business and labour. It is my understanding that business and labour have been meeting, and perhaps will meet again, together. We have now suggested that at one such meeting the federal government be present to discuss, among other things, the larger multipartite forum.

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ANTI-INFLATION PROGRAM

PLANS FOR ENDING WAGE AND PRICE CONTROL—ATTITUDE OF EMPLOYERS TO TRIPARTITE FORUM FOR DISCUSSION

Mr. Gordon Ritchie (Dauphin): In the absence of the Minister of Labour may I address my question to the Prime Minister. As the Minister of Labour has been rebuffed in his first overture to Mr. Morris because he was unable to meet their idea for decontrol, is the government now ready with proposals for the CLC with a definite date for ending wage and price controls, especially the knotty problem of wage decontrol within the public and private sector?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not sure to what particular rebuff the hon. member's question relates.

Mr. Hnatyshyn: There are so many of them.

Mr. Trudeau: Exactly. I do know that the last meeting we had with the CLC, which was toward the end of January, it was stated publicly by Mr. Morris at the end of the meeting that it was agreed we had made progress in discussing plans for decontrol and the post-control period.

Mr. Ritchie: A final supplementary question, Mr. Speaker. Since the Prime Minister has a recent meeting with business leaders, did he broach the idea of a tripartite discussion with them, and were those leaders receptive to the idea when he met with them?

Mr. Trudeau: Mr. Speaker, I am not empowered to speak for them, of course, but so far as I can assess their attitude and the government is prepared to act, it was that they were receptive both to tripartite and eventually to the possibility of a multipartite meeting.

* * *

● (1420)

UNEMPLOYMENT INSURANCE

ALLEGED USE OF QUOTA SYSTEM TO DISENTITLE SOME CLAIMANTS TO BENEFITS—GOVERNMENT POSITION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the Minister of Manpower and Immigration. Considering that we now have the highest number of unemployed in Canadian history, would the minister inform the House why he has permitted officials within his department to operate a quota system, the purpose of which is to disentitle claimants to unemployment insurance benefits to which they ought to be entitled? The target being described by one of his senior officials in the province of Ontario is "in the ballpark neighbourhood of 40 per cent."

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, I would say there is no quota system as such. What has happened—

Mr. Broadbent: As such?

Mr. Cullen: Do you wish me to finish or would you like to do your "sup" first?

Mr. Speaker, what we have under the benefit control system is cross-indexing so that when a study or testing is done there is some indication in the cards that there is some discrepancy or problem so the percentages appear higher than they should. I am sorry about that because the large majority of people drawing unemployment insurance are not cheaters. The interviewers know this and those who do not know it are instructed that is the case. The higher percentages come about as a result of the cross-indexing system and in that category they are higher than they would be for the over-all average of all claimants.

Mr. Broadbent: Mr. Speaker, I take it from the minister's answer that he does not deny the existence of some kind of quota system, whether or not he adds the words "as such". I should like him to clarify what he has just said to the House. Is there an informal or formal system at this point, with unemployment at least at the 900,000 level according to official figures? Do his officials have instructions to get out and disentitle up to 40 per cent of claimants for benefits under unemployment insurance legislation?

Mr. Cullen: No, Mr. Speaker. My people in the department are instructed to get out and disentitle those who are not entitled to benefits under the program. The hon. member asked what I meant by "quota as such". It turned out that those figures roughly paralleled that percentage but there was not a quota. That is what I meant.

Oral Questions

POSSIBLE AUTOMATIC DISENTITLEMENT OF ENGLISH OR FRENCH-SPEAKING CLAIMANT NOT ACCOMPANIED BY INTERPRETER

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, a final supplementary. This seems to be flatly denied by one of the minister's officials who implied it was an informal quota system. Be that as it may, I should like to ask the minister to confirm the report that a memo has been circulated in the Montreal area within his department which instructs officials when interviewing an English-speaking person who applies in the Montreal area which is predominantly French-speaking, say, in the regional office, to disentitle that person automatically if he does not have an interpreter or visa-versa, in areas of the country that are predominantly English-speaking are his officials instructed to disentitle automatically a person who is French-speaking unless that person has an interpreter?

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, I read the allegations contained in the Olivia Ward story. I noticed that she did not bother to make known the fact that my officials in Belleville were courteous enough to spend three weeks helping her research her story. I think when the regional office reports she has misquoted them throughout the article I would want to check some of the details before commenting further.

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[*Translation*]

FEDERAL-PROVINCIAL RELATIONS

REQUEST FOR STATEMENT OF FEDERAL FUNDS COLLECTED AND SPENT IN QUEBEC

Mr. René Matte (Champlain): Mr. Speaker, I wish to put a question to the right hon. Prime Minister.

In view of the difficulties we have in getting the exact figures concerning the amounts collected and spent by the federal government in Quebec, and as all kinds of fanciful figures may be issued in this regard, would the Prime Minister tell the House whether he soon intends to give the public exact information in this regard?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, surely the hon. member knows that this would be extremely difficult to establish, even theoretically, and still more difficult in practice, but I take note of the hon. member's proposition and will consider it.

Mr. Matte: Mr. Speaker, I wish to ask a supplementary question.

Does the Prime Minister mean by his answer that he considers the defence of federalism as something purely theoretical?

Mr. Trudeau: No, Mr. Speaker.

[Mr. Cullen.]

[*English*]

ENERGY

SALE OF CANDU REACTOR TO ARGENTINA—ALLEGED LACK OF CO-OPERATION IN INVESTIGATION OF AGENTS' FEES

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is for the Prime Minister. On Friday evening a CBC radio report stated that Argentine authorities claim they have received no co-operation from Canada in their investigation of agents' fees in the sale of a CANDU reactor, and in particular they have received no reply to two letters sent to the Canadian government, one in December and one in January, seeking assistance. Will the Prime Minister explain this lack of co-operation on the part of his government to these requests from Argentine officials and will he say when the letters were received and when they will be answered?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I was not aware of these requests, but I see the Minister of Energy, Mines and Resources here who is willing to volunteer some answers. Perhaps, Mr. Speaker, you could recognize the minister.

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): If I may, I should like to say to the hon. lady that I am not aware of any problem so far as the Argentinians are concerned. Indeed, I think the Argentinians have been well pleased with the degree of co-operation between Canada and Argentina. As the hon. lady may know, the Argentinians, the Canadians and Italimpianti signed the renegotiated agreement a matter of two weeks ago.

Miss MacDonald: Since the Minister of Energy, Mines and Resources did not seem to hear my specific question I would like to ask him what the government has done with regard to the letters, one in December and one in January, which have been directed to the Canadian government seeking assistance and to which, they say, they have received no reply. Would the minister say why there has been no reply and, at the same time, why during the renegotiation of the contract in Argentina this matter of agents' fees was not discussed by the chairman of AECL with the Argentine officials?

Mr. Gillespie: I will be very pleased to check with officials of AECL to determine whether or not they received any letters and what actions they have taken with respect to those letters. In answer to the last part of the question, whether there had been any discussion between the chairman of AECL and officials with respect to agents' fees, yes, there was. Indeed, the chairman on my instructions asked the Argentinians if they could assist him in finding out who the agent was.

Miss MacDonald: In view of the fact that some three months have elapsed since the Minister of Energy, Mines and Resources said in the House on December 2 that he was as anxious as anyone to get to the bottom of this whole business, will the minister now explain why he is unaware of the fact

that two letters have been sent by the Argentine officials to the government of Canada to which there has been no reply?

Mr. Baker (Grenville-Carleton): It's a big bottom.

SALE BY ARGENTINA TO PERU OF NUCLEAR FACILITIES—REQUEST FOR ASSURANCE NO CANADIAN TECHNOLOGY INVOLVED

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my supplementary question is for the Minister of Energy, Mines and Resources as well because, as he knows, those letters would have to go through the government of Canada and not AECL. According to press reports on the weekend emanating from Buenos Aires and in the New York *Times,* Argentina apparently is negotiating, or has actually concluded, a sale of nuclear facilities and technology to Peru. Can the minister tell us whether or not he has been assured that either no Canadian technology is included in this sale or, if it is, that there will be no abuse of that technology by any prospective purchaser of it from Argentina?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): I have been assured that there is no Canadian technology in the sale so far as is known to officials of AECL with whom I have discussed this question an hour or so ago. I can also assure the hon. member that if there were any Canadian technology in what is a research reactor designed, so far as I know, entirely by the Argentinians from their own expertise, the export of that reactor would then be subject to Canadian safeguards.

● (1430)

Mr. Lawrence: Mr. Speaker, bearing in mind that this is a sale from the Argentinian government and not from AECL and, indeed, may not have anything to do with AECL, I wonder if the minister has caused any inquiries to be made through the Argentinian government as to the facts of the case, bearing in mind that the Indian bomb was developed from a Canadian research reactor.

Mr. Gillespie: I thought I made it very clear a few moments ago that I had talked to senior officials of AECL to try to find out what it was the Argentinians wanted to export to the Peruvians, and I expect to get a detailed answer in a matter of days. Unfortunately, the officials did not have all the facts before them, but to their knowledge there was no Canadian technology involved in the transaction.

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AGRICULTURE

PESTICIDES—GOVERNMENT POSITION ON IMPORTATION—SUGGESTED STRICT ADHERENCE TO LABELLING REGULATIONS

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, my question is to the Minister of Agriculture. In view of the ruling of the Minister of Agriculture and the cabinet against the Canadian farmer and in favour of multinational pesticide companies with regard to the importation of pesticides, is the Minister of Agriculture going to have Mrs. Plumptre head up the toothless watchdog committee which is supposed to monitor the price of pesticides in Canada?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I do not agree at all with the hon. member's preamble. He knows full well, as practically everyone in the nation knows, that this Minister of Agriculture's concern is for our total society.

Some hon. Members: Oh, oh!

Mr. Whelan: To make sure I have a healthy agricultural industry, I have to have a healthy pesticide industry to go along with it. Canada is the only country in the world which allows its farmers to do what they are doing. The monitoring system we will be setting up is something we have never had for that industry. I do not think pesticides can be compared with anything our farmers buy in Canada. We are developing a very fair system, and the hon. member knows that. Out of some 300,000 farmers in Canada approximately 2,000 use this system, which has been made available to them through the goodness of the Minister of Agriculture.

Some hon. Members: Oh, oh!

Mr. Whittaker: Mr. Speaker, in view of the absence of the Minister of Consumer and Corporate Affairs I would like to direct my supplementary question to the Minister of Agriculture. Now that the cabinet has capitulated to big business—the multinationals—and used gimmickry to give them embargo protection for imports of pesticides in the guise of safety, a ruling against Canadian farmers, will the minister urge the Minister of Consumer and Corporate Affairs and the cabinet to enforce strictly the Labelling Act to see that all produce brought into Canada has bilingual labels no matter what form of package it is in?

Mr. Whelan: Mr. Speaker, this government has done much to assist our farmers, and our farmers have more programs available to them than farmers across the border in the United States, with whom they have to compete. If the hon. member thinks I have capitulated to the pesticide industry, he should talk to people in that industry to see what they think about it.

Some hon. Members: Hear, hear!

* * *

TRANSPORT

ALLEGATIONS AGAINST SHIP INSPECTORS ON EAST COAST—GOVERNMENT ACTION

Mr. Hugh A. Anderson (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Transport, to whom I have given notice.

Some hon. Members: Oh, oh!

Mr. Anderson: In a newspaper article of January 14, 1976, a Dr. R. Somerville stated in the Comox District *Free Press* that 66 per cent of the marine accidents on the east coast are caused by mechanical failure. He further stated that in many cases government inspectors—

Mr. Speaker: Order, please. If the hon. member has a question, would he please put it forthwith.

Mr. Anderson: He stated that they are wined and dined, and I wonder if the minister would answer these very serious allegations about practices which take place on the east coast of Canada? Has the minister conducted an investigation, and can he inform the House of the results of that investigation?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, there have been some general accusations concerning the conduct of inspection officers, but we have not been able to trace actual reports filed in this connection. I think it is very important that people who have any information let us have it so that we can proceed in an orderly manner. I think it is very unfortunate that accusations are made in this general way and in such a way as to bring discredit upon people who work in the inspection service without giving them a chance to clear themselves or to defend themselves.

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THE BUDGET

ANNOUNCEMENT OF DATE OF PRESENTATION

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in the light of the forecast made by the Parliamentary Secretary to the Minister of Finance last week about the date of the budget, I wonder if the minister could now tell me whether a date such as April 18 might be a fair guess as to the date of the budget.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would like to confirm to the hon. gentleman my intention to make a budgetary statement on the evening of Thursday, March 31.

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IMMIGRATION

REQUEST FOR STATEMENT ON REGULATIONS PRIOR TO SECOND READING OF BILL

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I would like to address a question to the Minister of Manpower and Immigration. I understand that the immigration bill is expected to come forward for second reading shortly. In view of the fact that the bill would enable regulations to be made in respect of a large number of important matters, including the imposition upon any person or class of persons—including, I assume, Canadian citizens—of the requirement of obtaining from an immigration official a report or of giving a report before leaving Canada, a provision for which, incidentally, we have criticized the U.S.S.R., and in view of other important matters covered by the regulations, will the minister give to this House a statement as to what is to be contained in the regulations before second reading?

Hon. Jack Cullen (Minister of Manpower and Immigration): No, Mr. Speaker. I think I answered a question asked by the hon. member for Provencher and said that the thrust and content of the regulations would be introduced at the committee stage and that I would be as forthcoming as I could at that time.

Mr. Brewin: Mr. Speaker, does the minister not recognize that it is a little irresponsible to ask parliament to approve in principle such sensitive legislation as the immigration legislation when a large part of the real provisions are left in blank, to be filled in by regulations? Do we not have the right to know what is in the legislation before we are asked to approve it in principle?

Mr. Cullen: Mr. Speaker, I think any careful reading of the bill will indicate that it is an excellent bill. It is a good bill both for Canada and for immigrants, and the contents of the regulations in so far as I know them at the time—not the regulations themselves—will be made available at the committee stage.

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UNEMPLOYMENT INSURANCE

ALLEGED CHANGE IN BENEFIT CONTROL PROCEDURES—GOVERNMENT POSITION

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Manpower and Immigration, and it relates to previous questions asked by the hon. member for Oshawa-Whitby with respect to the change of procedure or regulations set out to benefit control officers. Can the minister indicate when these regulations were substantially changed and what kind of advice or publication was made available with respect to those who were in receipt of, or beneficiaries of, unemployment insurance?

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, I think we have said on more than one occasion in the House that when the major amendments to this bill were passed in 1971, our prime concern was to get the benefits to the people who were thereby entitled. Subsequent to that, having achieved a measure of success in that area, we then moved to the benefit control phase, and I think nothing is different from what we have in fact been doing since the major changes in the act in 1971.

Mr. MacDonald (Egmont): Mr. Speaker, I am sure the minister would not want to mislead the House in suggesting there have not been significant changes with respect to benefit control procedures over the last year, inasmuch as reports have now been made with respect to the reduction in the total

amount of unemployment insurance paid last year, even though the number of unemployed was actually greater. I wonder if the minister can indicate when these changes were made and what steps were taken to notify people of the change in enforcement procedures with respect to benefit control, which has led to a great deal of personal difficulty and hardship for people, particularly for people in high unemployment areas.

Mr. Cullen: Mr. Speaker, the only people who are suffering hardship are those who are actually cheating, and benefit control officers are going after individuals who have jobs and who are at the same time drawing unemployment insurance and for other reasons, so on that point if someone is suffering hardship, that cannot be avoided. Frankly, it is a self-inflicted wound.

● (1440)

With respect to tightening the control measures, I have indicated that we follow the first procedure, send cheques to those entitled; we then set about improving the efficiency of our benefit control operation, and I think that has been successful.

Mr. MacDonald (Egmont): A supplementary question, Mr. Speaker. The minister seems unwilling to indicate the exact date when these changes were made. Equally important is the issue of notification to individuals directly involved. Since some unemployment insurance officers have indicated difficulty in understanding the complexities and nuances of the Unemployment Insurance Act and regulations, and since many recipients, particularly in high unemployment areas, as unskilled and partially literate, can the minister say what steps are taken to let people know how they should operate to avoid the possibility of disqualifying themselves even though they are legitimately unemployed, as the minister well knows may be the case?

Mr. Cullen: Mr. Speaker, we have improved our interview system and if, after the interview, the individual concerned is not satisfied with the information, or if information is not forthcoming, the case is transferred to a benefit control officer. Surely, it is simple to understand that you should not be working while drawing unemployment insurance.

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EXTERNAL AFFAIRS

POSSIBILITY OF SENDING UNLEAVENED BREAD TO SOVIET CITIZENS OF THE JEWISH FAITH

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker my question is for the Secretary of State for External Affairs. Will the minister use his good offices to facilitate the sending of unleavened bread to the Soviet Union so that Soviet citizens who are of the Jewish faith may celebrate the Passover?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, I am sure the intent of that question is most important. I have not heard of this matter before but will certainly look into it and if there is anything my department can do to accommodate the Jewish citizens of the Soviet Union, I assure the hon. member that I will do my best to see if it cannot be worked out.

* * *

TRANSPORT

GOVERNMENT SHIP CHARTERS TO OFFSHORE COMPANIES—POSSIBILITY OF POLICY CHANGE

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, my question is for the Minister of Transport. It is further to inquiries I made several days ago about the extent of revenues offshore shipping companies receive from Canadian government charters, such as CN charters. Is the minister now in a position to indicate the volume or extent of such charter business which is directed to offshore companies, to the detriment of Canadian taxation revenues? If so, will he indicate whether he is concerned enough about the situation to consider a policy change in this regard?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the full details of revenues going to offshore companies would be better supplied in an answer to an order paper question. It has been done before. I could supply the detailed information to the hon. member. His earlier remarks had to do with an allegation; it sounded as if the hon. member were referring to some impropriety. I have not been able to find any trace of that at this point. I have not received from the hon. member the information he said he had, information which he thought might be useful.

Mr. MacKay: A supplementary question, Mr. Speaker. I thank the minister for his answer. I remind the minister that I sent him some documentation. I have also sent some to the tax avoidance section of the Department of National Revenue. I should like the minister, in his capacity as Minister of Transport, to give some indication that he thinks it is in the national interest to give preference to domestic Canadian companies in the awarding of shipping charters, and say if he intends to take steps in this regard.

Mr. Lang: Mr. Speaker, certainly, within reason, it is desirable to give preference to Canadian vessels. With respect to the vessel to which the hon. member referred earlier, the *MV Marine Cruiser*, I am told that a search for appropriate vessels was made and this one was found to be available for the purpose.

[*Translation*]

EXTERNAL AFFAIRS

EARTHQUAKE IN RUMANIA—REQUEST FOR AID TO VICTIMS

Mr. Marcel Prud'homme (Saint-Denis): Mr. Speaker, my question is directed to the right hon. Prime Minister.

Could the Prime Minister tell the House what form of support the federal government decided to extend to the government and the people of Rumania, following the tragedy which occurred in this country?

[*English*]

While I am on my feet may I ask the Prime Minister if he has received the latest report from Dr. Gallup, on which all his colleagues wish to congratulate him?

Some hon. Members: Oh, oh!

Miss MacDonald: That was a planted comment.

[*Translation*]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I only know that the Canadian government offered $100,000 to the Canadian Red Cross in a first effort to help the Rumanians who experienced this terrible tragedy. Following the motion which has been put forward today, and which has been supported by the hon. member, I think the government will take this matter into further consideration.

* * *

[*English*]

AGRICULTURE

PESTICIDES—CHANGE IN POLICY ON IMPORTATION—MINISTER'S POSITION

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, may I direct a supplementary question to the Minister of Agriculture, a question connected with pesticides? In view of the minister's statement that pesticides are essential for maintaining the high level and quality of Canadian food production and since many prairie farmers are already committed to the importation of expensive pesticides, as has been their good farming practice for many years, and this in the face of the declining price of grain, what advice has the minister to offer those prairie farmers as they face this additional financial burden brought about by the government's change in policy?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I want to say this: We have said that the pesticide industry is most important for the health of Canadian agriculture, and 99.6 per cent of the prairie farmers buy a Canadian-produced and distributed product. Only a small proportion, less than one per cent, bring it into western Canada. Actually, most of that material entering Canada is brought into the province of Ontario, but there is a group in southern Manitoba also bringing it in. They are mostly corn growers. I admire them and admire the price they receive for their corn, because it is about 70 cents a bushel above the price they were getting in the interest of Canada under a special agreement; so they are not as badly off as the hon. member makes out. We have received a request in connection with this question, because farmers go south of the border to buy pesticides. Approximately 100 band together, go to the United States and put a down payment on a bulk order. This question is being considered because they neglected to apply for a permit to bring it in before we ceased that operation.

Mr. Dinsdale: Mr. Speaker, I do not think the minister quite replied to my question. My question was, what advice has he to offer to farmers already heavily committed to purchasing pesticides from south of the border, as has been their custom according to good agricultural practice in the past, a practice encouraged by government policy?

Mr. Whelan: Mr. Speaker, I want to make sure I understand what the hon. member means when he talks about the government having encouraged farmers in the past. We encouraged them to use pesticides, but to use them properly, according to Canadian environmental rules. If the hon. member is talking about that, yes, we encouraged them to do that. We encouraged them to buy Canadian products as much as possible, and support Canadian industry as much as possible. I just ask farmers to be a little consistent in their demands. Do they want me to close the border for one thing, but not another? The beef producer is demanding it, but when it comes to pesticides they say that we are in danger of destroying the agricultural industry in Canada.

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CANADIAN BROADCASTING CORPORATION

TERMS OF INQUIRY INTO RADIO-CANADA—POSSIBILITY OF LEGISLATION CREATING PRESSURE ON INQUIRY

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is for the Prime Minister. I ask if the letter tabled in the right hon. gentleman's name by the Secretary of State on Friday, directing the CRTC to look into the CBC, sets out all the directions and/or conditions of that inquiry?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there is no direction before the CRTC other than that particular letter. So, to the extent that that is what the hon. member wants to know, that is my answer.

Mr. Nowlan: A supplementary question, Mr. Speaker. Since the Minister of Communications said in this House several times that the second phase of the telecommunications legislation will come before the House, something she last repeated, I think, during the ministers' conference in Alberta, can the Prime Minister say if that stage of legislation is ready to come before the House, in order that no pressure, direct or implied which may be contained in that legislation, will affect the deliberations of the CRTC in its inquiry?

Mr. Trudeau: Mr. Speaker, I fail to see how that legislation could constitute pressure. But if it worries the hon. member, I

will look into the matter, and if it should constitute pressure, perhaps we will delay the introduction of the legislation.

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TRANSPORT

DISPUTE BETWEEN CAST AND MARITIME EMPLOYERS ASSOCIATION—RELATIONSHIP TO GUARANTEED LOANS TO ASSOCIATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question for the Minister of Transport arises from difficulties being experienced in the port of Montreal. Can the minister advise the House if he or any officials of MOT have had discussions with representatives of Cast Canadian National, the MEA, or the harbours board with respect to this dispute, particularly as it relates to recent press allegations that it may be a pressure move to force the government to act with respect to part of its guarantee concerning loans to MEA which are now close to $17 million?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am not aware of any such discussions. Certainly, none of them has reached my ears or eyes at this point, but I can check into the matter.

Mr. Forrestall: Mr. Speaker, my supplementary question consists partly of a representation and partly of a question. Since the minister no doubt recognizes that you do not benefit one part of the country by hurting another and knows of the difficulties which will arise if Cast were to pull completely out of Montreal—although we would love to have them in Halifax—can the minister assure us that the government does not intend at this time to consider writing off the $17 million debt incurred largely for the retirement of ILA members in the river ports?

● (1450)

Mr. Lang: Mr. Speaker, the matter has not come to the consideration of the government, so I can hardly give a reply to the question as to what that consideration will be.

PURCHASE OF ADDITIONAL HOPPER CARS FOR GRAIN—INQUIRY WHETHER CARS WILL BE USED ALL YEAR

Mr. Doug Neil (Moose Jaw): Mr. Speaker, my question is to the minister in charge of the Canadian Wheat Board. In view of the minister's news release dated February 18 with regard to the purchase of an additional 2,000 hopper cars made up of 824 aluminum cars and 1176 steel, CP Rail taking all the steel cars, in view of his statement contained in the release that CP Rail has agreed to use the steel cars on secondary lines and bearing in mind that CP Rail during the last year withdrew its service of hopper cars on secondary lines during the summer, will the minister advise whether the undertaking is to make use of hopper cars on a year-round basis or only in the winter months?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the intention is that the hopper cars will be used on a regular basis. Obviously, there may be some lines where there will be differences in service between winter and summer, but the general rule is that they will be used all the time. The basic position will be that the cars will be loaded to the weight which will avoid any danger of damage to the lines. The problem CPR ran into was over loading of cars. They have now introduced some new techniques which tend to insure against that happening. It was only on that understanding that we were willing to go ahead and order additional cars of that weight for CP.

REASON CANADIAN PACIFIC CHOSE STEEL HOPPER CARS

Mr. Doug Neil (Moose Jaw): Mr. Speaker, in view of the fact that the aluminium cars are lighter than the steel cars and more suitable for branch or secondary lines, can the minister advise if the only basis that CP Rail chose the steel cars was that they prefer one standardized car and was the calling of tenders based on that premise?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I was informed that the operational desirability of one type of car was the reason behind CP's wish to go with the 100 ton car. As the hon. member says, the 70 ton car is obviously lighter. However, the heavier car can be loaded in such a way as to produce a weight equivalence.

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FISHERIES

SIDETRAWLERS—POSSIBILITY OF PROGRAM TO MAKE OPERATION MORE EFFICIENT

Mr. John C. Crosbie (St. John's West): Mr. Speaker, my question is to the Minister of Fisheries. On January 31 he invited the minister of fisheries of Newfoundland to make suggestions as to what might be done to overcome the plight confronting sidetrawler operators under the present fisheries management scheme announced by the minister in December. I believe that on February 10 the Newfoundland minister of fisheries telexed the minister suggesting three changes to the fisheries management scheme to give some flexibility for the use of sidetrawlers, allowing them to operate more efficiently under winter weather conditions and to catch more fish so they could continue to operate. Can the minister now state whether he is going to make the changes to the fisheries management plan suggested by the minister of fisheries of Newfoundland and whether or not he is going to announce a further program of special financial assistance for the operators of sidetrawlers?

Hon. Roméo LeBlanc (Minister of Fisheries): Mr. Speaker, the report I have is that for the year 1976 sidetrawlers did fairly well. There was a difficulty at the beginning of this year. Some adjustments were made. According to the information I

received last week, those plants which had difficulty at the beginning of the year have reopened.

Mr. Crosbie: Did the minister receive three suggested changes to the fisheries management scheme from the Newfoundland fisheries minister? If so, is he accepting any of those suggested changes?

Mr. LeBlanc (Westmorland-Kent): Mr. Speaker, I have received suggestions from many quarters including, I am sure, that one. These have all been taken into account with regard to possible changes. The fact is we knew from the very beginning that because of the low quotas of redfish, the sidetrawlers would undergo considerable difficulty. We offered incentives which would allow them to fish in other areas where there are other species.

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CANADIAN WHEAT BOARD

POSSIBILITY OF COMPLAINTS BECAUSE OF LACK OF CONSULTATION PRIOR TO ANNOUNCEMENT OF INITIAL PRICES ON GRAIN

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, my question is addressed to the minister in charge of the Canadian Wheat Board. Have there been any complaints from any member of the Canadian Wheat Board or any member of the advisory committee to the Canadian Wheat Board about the minister's announcement of initial prices without informing either the Canadian Wheat Board or the advisory committee to the Canadian Wheat Board?

Hon. Otto E. Lang (Minister of Transport): No, Mr. Speaker, not to my knowledge, although I could check whether anything has appeared in my office. The information on initial prices, of course, is announced effectively as soon as the order in council for that purpose has been approved or as immediately thereafter as possible.

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HEALTH

POSSIBILITY DEPARTMENT DECENTRALIZED WITH REGIONAL OFFICE IN SYDNEY—GOVERNMENT POSITION

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a question for the Minister of National Health and Welfare. It is with reference to the government's stated program of decentralization of government services. Is the minister, or any other minister of the government, going to announce that his department will be divided into five regions and that the regional offices for the Atlantic provinces will be located at Sydney, thereby providing a better service for the region and much needed employment on Cape Breton Island?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the matter of regional decentralization is under the responsibility of the Minister of Industry, Trade and Commerce. There have been discussions with my department as to what can be done to try to alleviate unemployment in some areas by trying to decentralize some of our offices which can be decentralized while still providing efficient service to our citizens. I am not in a position to make a specific announcement with regard to a particular situation, but I might tell the hon. member that discussions have taken place between myself and the Minister of Industry, Trade and Commerce.

Mr. Muir: I thank the minister. May I direct one short supplementary to the Minister of Industry, Trade and Commerce. Is the minister in a position to cast any further light on this and state that if there is a decentralization, Sydney will be included? If so, will an announcement be made shortly or will it be made shortly before the next election?

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I would like to make an announcement very quickly. I am pleased to see that the hon. member supports this program. I hope he will talk to the hon. member for Grenville-Carleton who over the weekend criticized this policy very severely.

Mr. Baker (Grenville-Carleton): Question of privilege, Mr. Speaker.

Mr. Speaker: Order, please.

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ENVIRONMENTAL AFFAIRS

KITIMAT PIPELINE TERMINAL—SUGGESTION HEARING NOT BE HELD UNTIL NEW CHARTS OF CHANNEL PREPARED

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question is directed to the Minister of the Environment. On February 21 last the minister indicated that public hearings would be held into the Kitimat pipeline and that they probably would be commencing in April. In view of the fact that ship charts for that narrow channel are some 30 years old and the fishermen continue to find new shoals in that channel, and the fact that it was designed for 30 foot draft, can the minister give the House some assurance that the hearings will not commence until new charting is done with regard to that very narrow and dangerous channel in Kitimat?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, I can certainly give the hon. member the undertaking that this gap in the information will have to be filled before authorization for this type of project goes ahead.

KITIMAT PIPELINE—REQUEST FOR ASSURANCE OF PUBLIC HEARINGS ON ROUTE

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, when the minister announced that hearings would take place about April, they were for the seaward side. They concerned a terminal. In view of the fact it is proposed the pipeline will run

east from Kitimat, what kind of public hearing is the government proposing with regard to that area because there are three native land claims affecting that proposed pipeline? We have had no indication that there will be public hearings. Can the minister now advise whether he proposes public hearings both on the seaward side and landward side other than, of course, the NEB hearings?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, I made it clear that the public hearings would be dealing with the seaward side of the project. As for the land part of the pipeline, that is obviously going to come up when the Energy Board studies this proposal. I assume a public hearing will take place then.

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THE BUDGET

RELATIONSHIP OF ANNOUNCEMENT OF DATE TO POSSIBILITY OF GENERAL ELECTION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Finance. Until today it was generally felt that the budget would be introduced in April, after the Easter holidays. Now it has been decided to call it on March 31. Does that indicate the government is now considering its option of having a general election under the present system rather than under the new legislation which comes into effect on June 11 and which will add another 20 seats to the House, mainly in western Canada where the Liberal party is virtually non-existent?

● (1500)

Hon. Donald S. Macdonald (Minister of Finance): I didn't know I was that smart, Mr. Speaker.

Some hon. Members: Oh, oh!

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PRIVILEGE

MR. BAKER (GRENVILLE-CARLETON)—DECENTRALIZATION OF GOVERNMENT INSTALLATIONS

Mr. Speaker: The hon. member for Grenville-Carleton on a question of privilege.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, the Minister of Industry, Trade and Commerce (Mr. Chrétien) has left the House to pick up his copy of the *Globe and Mail*. I gather it will be read by him with the same degree of accuracy as the speech of the Minister of National Health and Welfare (Mr. Lalonde) in Toronto earlier on the weekend. I hope it will be more accurate. A very serious question was asked in the House by my hon. friend concerning the decentralization of government installations in Canada. On several occasions in the past when questions have been asked on this subject by the Leader of the Opposition, by myself and by members on both

sides of the chamber, there have occurred exchanges in which my name has been used in a context implying that I am opposed to the principle of decentralization either directly—as was the case today—or by implications in terms of my seat being beside that of the Leader of the Opposition, or as being House leader of this party.

If the Minister of Industry, Trade and Commerce would read the whole of the report in the *Globe and Mail*—

Mr. Chrétien: What page?

Some hon. Members: Oh, oh!

Mr. Baker (Grenville-Carleton): The same page as that on which the ridiculous speech of the Minister of National Health and Welfare in Toronto is reported. The minister succeeded in making an ass of himself then, and he is making another ass of himself today. In that press report in the *Globe and Mail* the following statement appears:

> The Progressive Conservative party has long advocated decentralization and still does on a rational, planned, open basis. Canadians everywhere are entitled to expect decentralization with clear goals, realistic criteria and a definite time-frame. We should not have to poke and prod at an amphorous mass to obtain small bits of information. There should be a white paper which can stand on its merits and be revised in the light of intelligent criticism. Plans which affect the lives of thousands of people and the economic health of communities from coast to coast should not be swathed in secrecy.

I put the position plainly. It is the position which the Minister of Industry, Trade and Commerce indicated prior to Christmas he would take—that he would shortly make a statement setting out the position with regard to decentralization. Mr. Speaker, the government suffers from a congenital problem. It finds it impossible to do anything in an open and plain manner. I know of no government in modern times which can take a principle, a reasonable principle like decentralization, and so twist it and warp it as to make it unrecognizable.

I asked the Minister of Indian Affairs and Northern Development (Mr. Allmand) a question with regard to a specific department. The hon. member for Cape Breton-The Sydneys (Mr. Muir) also directed a specific question on this subject. What I tried to say in the press release, and what the *Globe and Mail* correctly reported me as saying, was that we have had enough of the government trying to capitalize on movements. These decisions affect the receiving municipalities. They affect public servants, for example, husbands and wives who may be employed in different departments of government—one of them is suddenly uprooted and moved away. These are important considerations. What the leader of my party, what the hon. member for Cape Breton-The Sydneys and others have asked for is disclosure by the government, in the House of Commons, of what it has in mind—I have suggested a white paper—so that we could discuss the matter and put forward suggestions. In this way the public service unions will know what is happening, people entering the public service will know what is happening, and public servants generally will know what is likely to take place.

The reason for issuing my statement was, really, justified anger at answers given to questions 1,138 and 1,139 on the

order paper. These answers, given the most charitable interpretation, must be read as meaning all these decisions are internal and that no consultation will take place, that there will be no white paper and no discussion of this important issue of decentralization. I believe I have made my position clear and I hope the minister will retract his statement, one which is unworthy of him, even in good fun.

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I should like to make a few remarks on this question of privilege. First, I am very pleased to hear that the hon. member supports the policy. The problem I have is this: it is difficult for me to understand how a man can support a policy and at the same time say on every occasion that the policy is no good.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): I never said that.

Mr. Chrétien: However, I am glad to know the hon. member supports the policy. I accept his word for that. But I want to tell him this: if we apply a policy of decentralizing government bureaucrats, moving them out of Ottawa, I cannot make it effective without moving any people. The hon. member has asked for a white paper. I have agreed to his request. He keeps repeating there is no over-all policy. I want to listen to the opposition. I want to listen to the hon. member for Cape Breton-The Sydneys (Mr. Muir). But I want to give them a total package. There are decisions which will help some areas of Canada, perhaps the part which the hon. member represents; but I cannot bring everything up to date because I want to present a total package. I hope the hon. member for Grenville-Carleton (Mr. Baker) will continue to support the policy. I hope he will get it into his mind, though, that I cannot decentralize 4,000 or 5,000 employees and move them away from Ottawa without displacing anybody. I hope to be able to come here with a definite statement within a few weeks but I trust that whenever we give some information to the official opposition, their House leader will not complain because somebody is being transferred.

Mr. Speaker: Order. The hon. member for Grenville-Carleton (Mr. Baker) rose on a question of privilege which under previous rules would have been heard during the question period. Under the new rules, which I believe all members would agree have been very successful, the question of privilege was deferred until three o'clock. It is not, of course, a true question of privilege. However, it was based on a reference by the minister to some remarks over the weekend by the hon. member for Grenville-Carleton.

● (1510)

I would not want to get into a discussion of the general principles of the program of decentralization or the other peripheral views which relate to it. The question of privilege has a very narrow scope even in theory; that is, that the hon. member for Grenville-Carleton was aggrieved by the reference made by the minister. That matter has been contributed to by the member offended and by the minister. There is no question of privilege, and I think that the matter ought to stop there.

[Mr. Baker (Grenville-Carleton).]

ROUTINE PROCEEDINGS

[*English*]

ANTI-INFLATION ACT

REFERENCE TO ADMINISTRATOR OF ACTIVITIES OF CERTAIN BUSINESS AREAS

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I should like to table references to the administrator, under the Anti-Inflation Act, with regard to Horne and Pitfield Foods Limited, Sklar Furniture Limited, Elmira Public Utilities Commission, and the town of Keewatin, Ontario.

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ELECTORAL BOUNDARIES READJUSTMENT ACT

AMENDMENT TO RE-NAME CONSTITUENCY OF LETHBRIDGE AS "LETHBRIDGE-FOOTHILLS"

Mr. Ken Hurlburt (Lethbridge) moved for leave to introduce Bill C-405, an act respecting the Electoral Boundaries Readjustment Act (Lethbridge-Foothills).

Some hon. Members: Explain.

Mr. Hurlburt: Mr. Speaker, my reason for asking for the change from "Lethbridge" to "Lethbridge-Foothills" is that there is one city in my riding which lies at the eastern end of the riding and the new boundary extending to the foothills and the Rocky Mountains. I therefore request this change, Mr. Speaker.

Motion agreed to, bill read the first time and ordered to be printed.

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BANK ACT

EXTENSION OF BUSINESS PERIOD OF BANKS UNDER JURISDICTION OF QUEBEC SAVINGS BANKS ACT AND BANK ACT

Hon. Donald S. Macdonald (Minister of Finance) moved for leave to introduce Bill C-39, an act to amend the Bank Act and the Quebec Savings Banks Act.

Motion agreed to, bill read the first time and ordered to be printed.

QUESTIONS ON THE ORDER PAPER

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I would ask that all questions be allowed to stand today. The usual information sheet for the assistance of members of the House was circulated earlier in the day and it contained an error. I apologize for perhaps confusing some members with respect to that matter, but all questions are to stand.

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

NATIONAL TRANSPORTATION ACT

MEASURE TO REDEFINE OBJECTIVE OF TRANSPORTATION POLICY

The House resumed, from Thursday, March 3, consideration of the motion of Mr. Basford (for the Minister of Transport) that Bill C-33, to amend the National Transportation Act and the Department of Transport Act for the purpose of defining the objective of the transportation policy of Canada and authorizing the consequential rearrangement of powers and duties relating to transport, and to amend the Transport Act and the Railway Act in respect of freight rates and other matters, be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I am happy to participate in this debate on Bill C-33 to amend the National Transportation Act. Coming from Atlantic Canada, I suppose I can say I could get complete unanimity on two questions. First, lack of transportation is the popular reason in Atlantic Canada why economic development has not kept pace with development in other parts of Canada. Second, as a corollary to the many transportation problems we are facing, I suppose I could also get agreement from people on all sides of the political fence with the immortal words of a former minister of transport, namely that our transportation policy in this country is in a mess. So on the subject of transportation I think there is consensus.

Solutions to our transportation problems vary, obviously, depending on where you sit, who you are, and sometimes what political stripe you wear. But quite frankly, Mr. Speaker, transportation is almost above and beyond politics. Those in Atlantic Canada have been frustrated in their continued attempts to try to come to grips with this question. Transportation should provide the base for a proper and balanced development of Atlantic Canada. Yet in the words of a former minister of transport, one of the reasons this has not taken place is that our whole transportation policy, as I have said, is in a mess.

From that viewpoint, Mr. Speaker, let me turn to Bill C-33. Frankly, I do so with trepidation. I wonder whether it is going to resolve the admitted mess into which this government and its predecessors of the same political stripe have placed transportation. What scares me is the fundamental flip-flop of the government in regard to the National Transportation Act passed by this House in 1967. Bill C-231, as it was known, was debated several years ago when I was a member of the House, and I heard Mr. Pickersgill, the then minister of transport, continuously expounding all the worthy, positive principles contained in the legislation, including the fact that there was to be created a Canadian Transportation Commission, of which, ironically or prophetically, he became chairman. Never did a minister of this House have such pride of authorship. For not only did he father, sire, wean and feed Bill C-231 which created the CTC, but he found he had to go to his Valhalla and become its first chairman.

Mr. Munro (Esquimalt-Saanich): Sounds like legislative incest.

Mr. Nowlan: As my hon. friend for Esquimalt-Saanich (Mr. Munro) says, never has there been such legislative incest, with a minister fathering a bill to which he then becomes the nursemaid when he leaves this green chamber. I do not know what the present Minister of Transport (Mr. Lang) has in mind if he survives another election, but one thing I do know is that he does not intend to be successor to the present chairman of the CTC, because Bill C-33 effectively castrates the power, authority and stability of the CTC which is charged with the responsibility of solving our present complex transportation problems and the mess which the former minister of transport admitted.

A quick perusal of Bill C-33 indicates that some of its clauses directly remove power from the CTC and transfer it to the governor in council. According to my count, there are 11 clauses in the bill providing that the governor in council shall make policy, not the CTC. The CTC will be the implementer, as I understand it, of ministerial discretion emanating from the minister's office. As a sequel, Mr. Speaker, there is another interesting provision in the amendments in Bill C-33 which provide that the minister shall, or may, do such and such and so and so. This appears in five separate places. For all practical purposes, the CTC will have no basic power in policy-making.

● (1520)

This will create confusion in the sea of confusion and will pile mess upon mess. Parliament is supposed to be supreme: We are always hearing those words related to interpretations of the Broadcasting Act or to the decisions of the CTC—that the minister cannot do something or other because it is not the will of parliament and he would not want to touch the vague, esoteric, undefinable will of parliament. The minister can claim that he is no longer going to hide behind the will of parliament and that all problems of transportation will come

to his desk. In the House and in committee he will be exposed to legitimate questions, and it will be incumbent upon him to reply to those questions because he can no longer use the CTC as a decoy. That is the reply to the supposed argument of the minister.

The recent history of transportation in this country bothers me in regard to the minister and his predecessor. If he had been allowed to exercise ministerial discretion, many parts of the country, not just Atlantic Canada, would have been adversely affected. I will explain that point in the next few minutes.

This is an extreme bill, in a vital area that is fundamental to the economic development of the country. It is too important to have the power delegated, in effect, from this chamber to the minister's office and, in effect, to *de facto* neutralize the CTC. No one in this chamber would complain that when the chips are down there has to be political control. The minister appoints the chairman and the commissioners of the CTC. A lot of them are very good friends of his and some have been good members of this House. That is a different thing from the political science theory, however, that there has to be political control of the decision- and policy-making right in the minister's office without the benefit of public ventilation of those policies which the CTC now provides.

To have the CTC emasculated in the way this bill intends, with the minister responding to the political whims, for political survival, that happen from time to time, will not give us what we need in this country either in transportation or in the economic fabric of the land—and that is continuity and stability in policy-making. Regardless of political stripe, I think a minister of transport can handle the day to day problems, the complex, conflicting and competing claims of transportation and bring continuity and stability at least to the CTC. But there should be a review procedure so that if the CTC takes the wrong road or comes up with the wrong decision, the minister can step in. To completely eliminate that initial public ventilation by the CTC would be a retrograde step and would not enhance the development of a transportation policy.

The turnover of ministers is significant, Mr. Speaker. We can take 1968, when the Prime Minister (Mr. Trudeau) was incarnated, as the demarcation point; when he said things which I am sure he will wish he had never said. There have been five ministers of transport since then, starting with Mr. Hellyer to April, 1969, Mr. Richardson as acting minister until May, 1969, Mr. Jamieson—and I will have a few words to say about him—from May, 1969, to November, 1972, Mr. Marchand from 1972 to 1975, and the present minister who took office in September, 1975. At the moment, in theory and sometimes in practice, he is the fifth minister since 1968.

Let us look at the other side of the coin. There have been two chairmen of the Canadian Transport Commission since 1968, Mr. Pickersgill and the present incumbent, Mr. Benson. So there have been five ministers of transport and two chairmen of the CTC since 1968. This shows that by its very make-up the CTC will, in an apolitical, non-pejorative way bring a little more stability and continuity to policy-making than the ever-changing, revolving musical chairs necessitated by cabinet appointments.

The powers the minister will have through order in council—and there are 11—make him not only the transportation czar of Canada, but he could become the economic czar as well through his interpretation of the rates to be charged for competing commodities and his analysis and definition of a review of what "variable costs" mean. While the CTC might review the formula, the bill provides that the minister could dictate where industries and firms should locate and what should be grown. There is no provision for review by parliament or any real review by the Canadian Transport Commission.

I suggest that a brief history of what the minister wanted to do in the last year or so does not lend any great confidence to giving the minister this blank cheque to make transportation policy without any reference whatsoever to parliament. I became a member of this House in 1965, and since then I have seen many bills delegate power to ministers, in some cases with power of review by parliament or an outside board; but I do not think there has ever been a bill that gives so much power to one minister as Bill C-33. I hope this is not a forerunner of the new telecommunications legislation that is supposed to come before the House.

There have been hints that the Minister of Communications (Mrs. Sauvé) wants undiluted, unqualified power directed to her so that she can direct the CTC. We will have a situation in this country in which the Minister of Transport, with unfettered powers in transport, economic planning and economic development, will control the economic side of this country, and the Minister of Communications, if there are similar provisions for delegating power by order in council replacing the power of parliament and changing the position of the CRTC, becoming the czar of culture in this land in all the manifest and various forms affecting broadcasting, films, video and cable. Then we will really be moving a long way down the road to an Orwellian society with Big Brother. Quite frankly, the Minister of Transport has many attributes, but one which would not make me too happy is to have him any more like Big Brother, which is one reason I look at Bill C-33 with a great deal of skepticism and reserve. I do not see, at this stage, why he should be allowed this delegated power.

● (1530)

One only has to look at the recent past involving Atlantic Canada, in particular, when the minister, in the general government restraint program, wanted to change a fundamental and basic provision in our legislation to do with "at and east" rates which help the export of flour to offshore markets. If the minister had his way—as, in effect, the amendment under Bill C-33 would let him have his way—the preferred rates for moving flour to offshore export markets would have been eliminated a long time ago.

The Minister of Transport lacks credibility. Assurances were given to the maritime premiers at the time when a change was made in the restraint bill and the section having to

do with "at and east" rates was deleted. At that time the maritime premiers thought it was deleted for good and that the "at and east" rates would stay. We are talking about a relatively few million dollars—about $4 million to $5 million. An assurance was given, direct or implied, that if that section was removed from the restraint bill so as to help the passage of the bill, the "at and east" rates would not be tampered with and the problem would not come up again.

Yet we hear now, since the restraint bill became law, that the minister intends to bring back the legislation to eliminate "at and east" rates in another way. Quite frankly, under Bill C-33, using some of the powers which we would give him under that bill, if he could get it in place in time, he would not have to bring in another bill but under ministerial discretion, and using powers given to him in Bill C-33, he could eliminate "at and east" rates. Thus, he could get rid of what he considers to be a meddlesome and contradictory situation where we in the east receive preferred treatment in the export flour trade and do not fall completely victim to his theoretical user-pay concept in the transport of goods and people.

What faith can anyone in Atlantic Canada have in the user-pay concept when we hear the minister making a press statement about eliminating, with the stroke of a pen, about $1 billion worth of debt on the St. Lawrence Seaway, and at the same time saying he will charge proper tolls? By "proper tolls" he means to charge double the present rate. Already we have had a howl not only from eastern Canada and western Canada but from central Canada as well about what this will do to the economic development of the whole of Canada. Eliminating, with the stroke of a pen, a debt of almost $1 billion, which has accumulated on the St. Lawrence Seaway, is not in accordance with the user-pay concept. How the minister can build credibility by suggesting that this debt can be eliminated overnight or with a stroke of his pen or, in effect, through discretionary provisions under Bill C-33 without, on the other hand, guaranteeing a proper toll structure on the St. Lawrence Seaway with input from all those adversely affected, so that we do not start a new debt, is something I find difficult to accept. The two have to go hand in hand.

We in Atlantic Canada reluctantly went along with the financing of the St. Lawrence Seaway because we believed at the time, and we still believe, that it was good for the national development of the country, even though we knew it would have an adverse effect on Atlantic ports. But to have the debt structure of Atlantic ports on the books and not forgiven with a stroke of the pen, as the minister did with the St. Lawrence Seaway debt, is inequitable and in our eyes is not the proper exercise of ministerial discretion. It makes us very reluctant to grant to the minister the power which he seeks under Bill C-33 in its unamended form.

If he can do with the St. Lawrence Seaway what he intends to do now with the powers given to him under Bill C-33, we in the east will be completely shut out unless we are able to get to his left ear and make sure his right ear is blocked so that he hears no one else speaking in his right ear. Whoever gets to the minister's ear gets his attention. We know his nanny has his one ear—and who else can get his attention when his nanny has it? We do not have confidence in the Minister of Transport because of the way he has abused his own principle of user-pay, and we do not have faith in him.

We wonder what he is going to do with regard to fundamental questions affecting not only all of Canada but especially Atlantic Canada. We do not have to talk only about "at and east" rates which are still legislatively suspended above the House and are still on the minister's desk to do what he wants with them. We can consider the recent debate on former Bill C-61, the maritime code, which was supposed to implement the Darling report which was supposed to do many things for many people and, in effect, would make Canadian ships manned by Canadian seamen serve Canadian ports.

We all know the pluses and minuses of this basic argument. But my point is not to debate the plus and minus of Bill C-61 but to use it as an illustration. If Bill C-33 is put in place, there would not be the opportunity, however rare it might be in the House—and in the words of the Prime Minister we are all nobodies anyway—through the work of such diligent members as the hon. member for Dartmouth-Halifax East (Mr. Forrestall) and other hon. members with a long-standing interest in the maritime code, to spotlight and bring attention to the provisions of Bill C-61.

While statements were made in the House about the assurances given to the maritime premiers, it turned out, as often happens, that they were not worth anything. When we were younger there used to be something called the Boy Scouts, although this is a pejorative term now. Now they are debating whether there should be "girl scouts" or "person scouts". In my young days we used to play the Kipling game. You would look at ten objects on the table and say what they were and this would be repeated ten times over. By the tenth time there would be ten other things on the table because, due to the vagaries of human nature and the fallibility of tongue, eye and ear, if you repeat a story several times it becomes garbled. In this case you ended up with different items on the table from the ones the first person saw.

I have been in the House and heard the Minister of Transport state that assurances were given and that they were acceptable to the Atlantic premiers with regard to the maritime code, that there would be safeguards so that the Atlantic ports would not be adversely affected. Less than a year ago verbal assurances were given in this House, but there must have been some slip between lip and ear. Some of the statements were perhaps not reassuring to the Atlantic premiers. Over a year ago the then chairman of the council of maritime premiers, Mr. Hatfield, sent a telex to the Minister of Transport with regard to the maritime code saying, among other things:

● (1540)

The governments of Nova Scotia, New Brunswick and Prince Edward Island are most concerned that the maritime code bill, which includes changes to the coasting trade law, is now before the parliament of Canada, while the assurances given by your predecessor, Honourable Jean Marchand to the council of mari-

time premiers and to the Premier of Newfoundland in September, 1973, have not been fulfilled.

These assurances, which were made public, included—

Then it lists four assurances which were given, but because of changes in ministers, in this case from Mr. Marchand to the present minister, verbal assurances are sometimes confused, even though they are given in good faith. Changes in ministers can lead to confusion. The maritime code was before this parliament and was vigorously debated. It fundamentally affects any coastal member or community and the economic development of those communities. I suggest that if Bill C-33 had been in place we would not have had to worry about debate. We would not have had to worry about the committee, and we might very well have had the minister move in his own arbitrary and unilateral fashion to develop the changes without proper public scrutiny. Assurances could have been given or written into the legislation.

Something very close to my heart is the movement of feed grains from the west into Nova Scotia, particularly the Annapolis Valley. I am all for developing local feed grains, but with the soil conditions and the need we have, and while we have programs to stimulate development of local feed grains, there is still a fundamental need for the movement of feed grains from the west to the east. This has always been considered basic to Atlantic Canada. However, over the last few years its place on the totem pole of security has not been high enough. Farmers have not been able to make plans; they have not been assured of assistance for moving feed grains east. That assurance slowly slipped away. That item is as sacrosanct as perhaps the Crowsnest pass rates, although it was not embodied in legislation; it is just an item in the estimates. Each year the Canadian Livestock Feed Board and the eastern farmers have to wait to see the estimates in order to know the amount of assistance there is to be for the movement of feed grains.

There is quite a debate going on in agricultural circles and before the agricultural research economic council as to the pluses and minuses with respect to the movement of feed grains. In fact, in an agricultural way I do not think there is any question which has as many cross-currents—geographical, political, let alone economic—as the question of feed grains. Some ministers of transport and ministers of agriculture have said that the subsidy should be eliminated and that the local areas which need feed grains should produce them. I am not today arguing the merits of that position. I am trying to point out that by giving a minister arbitrary power, without public ventilation on this question, we might inadvertently effect a program, which has been pretty basic to much of eastern agriculture, eliminated by the stroke of a pen.

There is Parkinson's law and another law stating that it is more difficult to reverse a wrong decision than to influence the decision before it is made. Once there is a ministerial or bureaucratic decision, the proverbial pride of authorship is involved. Natural ego is involved, and it is difficult to change. Obviously, some factors go into decisions and people do not want to be shown to have made wrong decisions. There is a danger in giving arbitrary power to a minister when there has not been prior public ventilation. Giving a minister arbitrary power allows him to make decisions which inadvertently could be wrong decisions, but they are very difficult to reverse.

In terms of "at and east rates" respecting the maritime code, Bill C-61—which was debated over the last couple of years—in terms of the movement of eastern feed grains, in terms of the inequity of the St. Lawrence Seaway debt structure, about which nothing has been done, and there has been no intention either expressed or implied to do anything about the debt structure of the ports of Halifax and Saint John, no Atlantic Canadian member can look with equanimity at a bill giving a minister so much power and allowing him to exercise so much ministerial discretion. Another reason we in Atlantic Canada look with a great deal of skepticism at Bill C-33 is the shift in ministers.

Mr. Paproski: Shifty ministers.

Mr. Nowlan: Inadvertently, some of them perhaps have been shifty. The hon. member for Edmonton Centre (Mr. Paproski) has a basic point there. I want to play back for the record something which has irritated me for several years. The last time Atlantic transportation problems were really debated in this House was when the present Secretary of State for External Affairs (Mr. Jamieson) was minister of transport. That was in the 1969 period. At that time the legislation under debate was the Atlantic Region Freight Assistance Act which involved itself with something we thought up to that time was pretty fundamental to Atlantic Canada, the Maritime Freight Rates Act. We in the east thought that was very basic to us. We asked for some protection and as members of confederation we thought we deserved it. The recommendations of a royal commission of the 1920s were incorporated into a form of subsidy assistance to help us get our goods from Atlantic Canada into central Canadian markets.

The Atlantic Region Freight Assistance Act varied and qualified, in effect, certain parts of the Maritime Freight Rates Act. The Secretary of State for External Affairs was then the minister of transport, and one of the reasons that bill became law without perhaps more violent objection from Atlantic members was the assurance given by the minister. We are not babes in the woods. We know that assurances given in the House have no real legislative effect—but they are indications of intent. At that time, on June 17, 1969, at page 10226 of *Hansard* the minister said that the Atlantic Region Freight Assistance Act was just the beginning of a comprehensive Atlantic transportation policy. He said it was just one bill, that there would be many other bills and that we should not get too worried because the government would move in a comprehensive way on Atlantic transportation problems. I said earlier that that received the approval of all the people of Atlantic Canada, although there were diverse opinions as to what the full solution should be. Among other things, the then minister said as reported at page 10226 of *Hansard*:

—I may say in a general way that this is only part of the comprehensive transportation policy which is being evolved for the Atlantic region, and these are measures that it was felt, and I believe hon. members will agree, ought to be

put into effect as quickly as possible. There will be, of course, considerable additional legislation . . . we will be proposing at a subsequent date amendments to existing legislation or perhaps entirely new legislation.

That was said on June 17, 1969. Later in the debate as it was concluding in that memorable June of 1969, on June 19, as reported at page 10383 of *Hansard*, the minister said:

● (1550)

When I made reference to this bill as being an interim measure, I want to assure the House that I meant that it is only interim in the sense that it represents a portion of a much broader concept that we hope to develop with the help of the very excellent report of the transport committee in the coming months and on which I will be working during the summer recess.

I was a member of the committee. We toured Atlantic Canada for weeks, brought in a unanimous report and made unanimous recommendations. Concurrently, the Atlantic premiers also made unanimous, comprehensive recommendations concerning Atlantic transportation policy. The minister had both reports in his mind when he said that this bill represents a portion of a much broader concept. He went on to say:

There is no suggestion, and I want to make this perfectly clear to the House, that there will be any significant change in any of the measures which either now prevail or which, I hope, will prevail following the passage of this legislation until and unless this more comprehensive program is brought forward and until there has been full-scale consultation with the premiers and the representatives of the Atlantic provinces.

He said all this on June 19. There was a previous statement made on June 17, 1969. To be fair, there have been changes in official committees working on Atlantic transportation. They have made recommendations concerning transportation. But as for the substance of the matter, as for more comprehensive changes under the National Transportation Act, there has been no change. There has been no platform put forward, no plank of a platform or even a nail of a plank, to do with any concrete program for Atlantic transportation.

I gather that my allotted time is almost up, Mr. Speaker. The minister has read the report the transport committee made in 1969 and the recommendations of the premiers. Nevertheless, remembering the assurances made in the past and given in this House, we on my side of the House are not happy with Bill C-33.

The Acting Speaker (Mr. Ethier): Order, please. I must inform the hon. member that his time has expired.

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, Bill C-33, a bill to amend the National Transportation Act, is another instalment of legislation concerning our national transport system, a system once envisaged as a national dream. It has become a national nightmare. The NDP does not support it because we fear its long-term implications for a rational and efficient transport system.

What should a national transport policy include? I shall consider that question, consider what has happened in the last few years, consider what the bill proposes to do, why we think it will fail and propose alternative policies. What should be the goals of any national transportation policy? Surely it must encourage, and not obstruct, the free flow of people and goods in Canada. It must not discriminate against regions either on grounds of geographic location or economic health. We should consider our rail, road, air and marine networks as a means for promoting national unity. All our people must be treated equally. No matter in which region of Canada they live or which goods they process and manufacture, they must have access to various modes of transportation. Surely that ought to be the goal if we are at all serious about designing an adequate national transportation system. Second, we must create an instrument which will give us the framework for undertaking economic and regional development in Canada. If these are legitimate goals, as I think they are—and I hope hon. members accept them as reasonable and obtainable—the question arises, how can we best achieve them?

It seems to me that we must follow a certain course if we are to succeed. First, we must devise a national transportation policy which is an instrument of public or government policy and not an instrument solely of private profit. In other words, our national transportation system must be operated as a public utility. Second, we can only reach the goals I have outlined by replacing the present policy of competition between various modes of transportation with a policy of co-ordination and integration. Third, we must abandon the false premises which the Liberal and Conservative parties accept; that is, abandon the idea of commercial viability and users bearing transport costs, for such ideas are inherent in previous legislation and in the present legislation.

What is the situation in Canada? What is the condition of our country's transportation? Looking at our national transportation system, we see it is in a sad state. It is unco-ordinated. Road, rail and air services are not integrated. Interconnections between different modes are often non-existent. Sometimes you must stay overnight in a town before you can switch to another mode of transport. Timing, schedules and services are bad. Also, the movement of goods is not co-ordinated. A characteristic of our system is that it discriminates, a discrimination evident in freight rates and the matter of regional development.

When I say this I think of the dilemma facing less developed, poorer regions of the country, such as the Atlantic provinces, northern Quebec and particularly my region, northern Ontario. Our freight rates are discriminatory. Although the government gives grants to encourage development and job creation in the regions, the planning and hard work of our people is frustrated by a national transportation system which charges discriminatory freight rates and works against the development of regional industry and manufacturing in favour of maintaining the status quo in manufacturing in central Canada. The same can be said about raw materials which we obtain basically from the west and the north of Canada.

● (1600)

When we look at our national transportation system, in addition to the two problems I have mentioned we notice a deterioration of service. One has only to look at the standard of efficiency of rail passenger service, or the phase-out by this

government of some of the coastal ferry system, to see how the general public is being discouraged from using these facilities and suffering because of lack of service. When we look at the situation we cannot help but agree with the former minister of transport when he stated in this House that the transportation system in Canada is in a mess. It is there for everyone to see. The more fundamental point is to examine why we are in this transportation mess today. How did we get into this situation? One does not have to look far for the reason.

In 1967, this House of Commons was debating the National Transportation Act which organized transportation policy on the basis of competition and commercial viability. In other words, the two railway systems in Canada were to compete with one another and railways were to compete with trucking firms and air transport, and vice versa. In 1967 we were told that was the great salvation to ending the transportation problem in Canada: "Let us have competition, and this will create efficiency. The transportation system will thrive and all the regions and people of Canada will benefit".

Surely any person with a knowledge of Canadian history and geography knows that a policy based on those premises is bound to fail. Canada is a country of vast distances and a sparsely scattered population. Because of the great distances between communities and small population in the various towns and cities outside the large metropolitan areas, if you rely solely on the premise of competition and commercial viability those small communities and regions will not get the service. No profit-making corporation in its right mind will build a railway line, put a truck transportation system or airline into areas in which they cannot make a profit. Therefore, you are faced with a dilemma. Either you ignore the bulk of our population which is in scattered areas of Canada or you go around the system of commercial viability and implement subsidies so that service may be maintained for Canadians in these regions. That is what the government has been forced to do.

The logic of geography, history and economics has meant that we must subsidize our transportation systems so that the poorer, less developed and sparsely populated regions can get rail, air and road services in terms of providing people with a chance to move and to bring in and ship out goods. This is what has happened with regard to the maritimes, northern Ontario and the far north. Without the subsidy system we would not have the service. In the debate in 1966 and 1967 the New Democratic Party pointed out that basic fact. They argued that we could not expect the poor and sparsely populated areas of Canada to pay the total cost. User-pay is not feasible in a country such as Canada. Competition does not make economic sense in Canada when so many areas, because of their size, are dependent on a single mode of service.

To base a transportation policy on the premise of user-pay and commercial viability undoes the whole idea of confederation and what this nation is about. We came together as a nation to pool our resources and our wealth and to share our benefits among the regions. The idea was that through the national government all taxpayers shared the cost of common

[Mr. Symes.]

services, whether they be medicare, old age pensions or access to transportation. If we do not work on the premise that all Canadians should be treated fairly and equally in terms of what they, as Canadians, can expect from the services of this country, we end up making second-class citizens out of people who live in the poorer and less developed regions of this country. What is true in terms of creating equality of condition in social services is also true in terms of transportation services. Transportation has to be looked at in terms of service and not only cost. It has to be looked at in terms of a public service that should be available to all Canadians at a reasonable cost. What I am saying is not some new philosophy. It is not a philosophy peculiar to the New Democratic Party. It has been accepted because of common sense and history. It has been accepted by every municipality in this country.

When we look at the kinds of services that are provided to people we see that fire departments are no longer run on the competitive system. In ancient Rome there were two fire departments. If a house were on fire, each brigade would rush over and the bidding would begin to see which one would put out the fire. We accept the principle that all taxpayers, through their municipal governments, should pay taxes in order to receive common service from one fire department. It is a public utility. The same is true of city sidewalks. We do not have a toll gate on every sidewalk based on the principle that the user pays for walking on that sidewalk. If that were the case there would not be enough money to build sidewalks in a neighbourhood. Therefore, we pool our resources through the common tax system and provide sidewalks to be used for all in the city.

The same is true with the bus services in municipal transportation. If that were done with the user-pay concept, those who depend on bus services would never have that kind of service because the cost would be prohibitive. For that reason, municipal governments must subsidize buses to the extent that revenue falls below costs. The bus service is run as a public utility.

● (1610)

What makes me so angry is that the federal government still fails to recognize the obvious about transportation in Canada—that a competitive system distorts transportation goals and discriminates against users in various regions. The Minister of Transport (Mr. Lang) is, unfortunately, still wedded to the indefensible concept of commercial viability as the principal component of a national transportation policy. It is this idea which has produced the mess in which we find ourselves in the field of transport today. The thinking behind this legislation still shows that the government is wedded to the concept of commercial viability and user-pay. It is a principle which can never work effectively in this country.

What does the bill say? Competition is still the norm. There are exceptions in the legislation, a few changes, but they do not alter the basic principle. The bill tells us in effect, "Where a transportation system is mature, the user must pay the full cost of the service". We find that the costing date supplied by

the railway companies will be used as the basis for establishing freight rates. As one who comes from northern Ontario, I am concerned that this should be the case, because I know it will perpetuate the kind of discrimination in freight rates which has for so long inhibited industrial development in my area.

Further, the legislation gives the Minister of Transport a blank cheque in terms of the orders he may issue to the CTC on policy matters. I am worried about the danger of putting power of this kind into the hands of a minister who is basically unsympathetic to the idea of public service being the norm when considering transportation policy. When I hear the minister talk about selling off certain parts of the CNR which were paid for by the taxpayers of Canada and which, after many years, have now become profitable, my fears become even greater. In my opinion, this would be one of the most backward steps imaginable. The proposal is indicative of the private enterprise philosophy held by the minister in relation to public transportation.

I have stated that the government's transportation policy discriminates against various regions of Canada. In northern Ontario, for example, we possess great wealth in the form of raw materials—minerals and forest products. Over the years we have been hewers of wood and drawers of water. We take the minerals from the ground, cut the trees, load them on to boxcars and ore cars and ship them to southern Ontario or the United States where they are processed for manufacture into goods some of which are subsequently sold to us. Of course, as we export our raw materials we export our jobs. Unemployment in northern Ontario is persistently high. Our people must move out of the region, against their will, to look for jobs in the south where the processing of our raw materials takes place. This persistent lack of job opportunities arises to a large extent from a freight rate system which encourages the export of raw materials as opposed to manufactured goods.

If some businessmen or government agency wanted to set up a plan for processing more of our nickel—for example, in the Sudbury region—or associated metals such as copper, they would find that the level of freight rates would make the venture prohibitive: it would cost more to ship processed goods to southern Ontario than it would to ship nickel. For example, in my constituency of Sault Ste. Marie there is a large steel industry. If we wanted to diversify and carry the processing of the steel further, to embark upon its fabrication for the automobile or the appliance industries, freight rates would work against such diversification. As long as we leave the freight rate system as it is, basically at the discretion of the railway companies to manipulate to their own advantage in accordance with the profit motive, we shall not get the industrial development in northern Ontario that we should be getting.

I turn now to another area of national transportation, the St. Lawrence Seaway. I should like to call attention particularly to what is happening in my area of Sault Ste. Marie. We have one Canadian lock at this important juncture of the Great Lakes. It is a small lock. It has not been upgraded and it is only able to handle about 35 per cent of the ships using the system. There are no tolls on either the Canadian or the United States locks at Sault Ste. Marie, but the Canadian lock provides us with our only option in terms of a Canadian entrance to the upper lakes. Yet the government is hearing representations from the Dominion Marine Association to close the lock as a cost-saving measure.

Mr. Speaker, it costs only $1.1 million a year to run the lock. Closing it would end the Canadian option at that important point on the Seaway system; we would be obliged to rely entirely on the United States facilities. In my opinion, this would indeed be a backward step and I do not think the government would agree to taking it. We should be building a second Canadian lock or, at least, upgrading the one we have in order that we could effectively move goods along the system to the advantage of those who live in my area. In this case the government is in a position where it might reduce subsidies and cut back on costs only to the detriment of citizens in our area who regard the Sault lock as an integral part of the St. Lawrence Seaway system. My plea is that these locks not be downgraded but that they maintain 24-hour operation and be expanded so they are able to fulfil their proper function.

• (1620)

I want to discuss another aspect of our national transportation system. I refer to railway passenger services. Here we can see how the bias of the government is against railway passenger services and in favour of air and bus services. The minister is embarking upon a policy of phasing out one of our transcontinental railway services. Most likely the plan will be to maintain the CPR passenger service from Montreal to Winnipeg and then to split the line into the CN and CPR routes to Vancouver. This will mean leaving communities along the CN line in northern Ontario in the lurch. It will mean unemployment for many railway workers along the transcontinental railway system and, indeed, may mean the death of certain railway towns.

The minister argues that subsidized railways are becoming too costly; therefore he should start phasing out some railway passenger services. The point is that subsidies are necessary to provide service to the people and to keep the cost of goods transported by rail to the regions down to a reasonable level. What the minister fails to tell Canadians, when he talks about the high cost of railway passenger service, is that the government is also subsidizing, but to a much higher degree, other modes of transportation.

In 1973, the last year for which I have figures, all other modes of transportation were subsidized, but indirectly so that we do not see headlines like, "Government spends 'X' millions of dollars on railway subsidies". For example, revenues from air transport paid for only 31 per cent of the costs of that system. Revenues from marine transport paid for only 19 per cent of the cost of operating our marine services. As for road transport, revenues paid 64 per cent of total operating costs. However, revenues gained by the railways paid 74 per cent of the cost of operating the railway system. So that the argument of the minister that he is paying too much in the form of

subsidies to the railways just does not hold water, in light of the evidence.

The federal government is building airports and paying personnel to operate those airports. This is a form of indirect subsidy. We know that federal and provincial governments build roads and a new highway today costs about $1 million per mile. That is a form of subsidy to the truckers and private automobile users. The railways, of course, build their own roadbed. I maintain that all modes of transport in Canada today are subsidized for the benefit of the user: no mode of transportation pays its own way.

The government has deliberately allowed rail passenger service to be downgraded. The Minister of Transport admitted this in the House on January 29, 1976, when he said, as reported at page 10437 of *Hansard:*

> We have operated extensive rail passenger services in Canada. However, they have been allowed to deteriorate so that Canadians no longer have a fair incentive to use them. This was in no way due to any fault on the part of those who operate the trains, but to a combination of management and government policies which could only produce losses and worsening service.

In the same breath, Mr. Speaker, the minister says that Canadians are not using railway passenger service as much as before, and therefore subsidy payments made by the taxpayers are too high, or they are not necessary, and railway passenger service must be reduced. I submit the policy should be the opposite: we should be upgrading our services to encourage use. Railways are more economic in regard to shipping goods and passengers.

In this regard I should like to refer the House to the total amount of subsidies that are paid. The net subsidy for passenger transportation in all modes in 1974 amounted to $909 million. Roads received 62.7 per cent of that total subsidy; air received 22.5 per cent; the railways received 14.8 per cent. In other words, proportionately less subsidy was paid for rail passenger service than for other modes. In terms of energy consumption, railway passenger service is much more economical that any other mode of transportation. Passenger miles per gallon by a DC-9 aircraft averaged out to 34; a B-727 averaged out at 37 passenger miles per gallon; an automobile averaged 63 passenger miles per gallon; a bus 280; whereas a turbo-train averaged 256; and the LRC averaged 303 passenger miles per gallon. So if this government is serious about energy conservation, it should be promoting more passenger rail services. Needless to say, trains cause less pollution than jets, buses or cars. They are also safer, and cheaper for the passenger in terms of energy costs, which are driving up air fares and the cost of operating an automobile.

The government seems to be allowing the CPR gradually to phase out its passenger services, especially in regions like northern Ontario. For example, the CPR wants to end its passenger service between Sault Ste. Marie and Sudbury, yet in light of the evidence that I have put forward it seems to me that logic dictates that the service should be upgraded. We would then be able to co-ordinate schedules and introduce a fast, efficient regional train service in the Sault Ste. Marie-Sudbury-Toronto corridor and the Sault Ste. Marie-Sudbury-Montreal corridor. Upgrading can take place in other areas too. As the Canadian Railway Labour Association said in its brief to the cabinet:

> For example, CN has estimated that 3½-hour train service (competitive with the comparable air trip time) from Toronto to Montreal can be accomplished for $150 million in right-of-way upgrading. By comparison, a new cutoff in Montreal connecting route 20 with the northern autoroute to Mirabel will cost approximately $130 million.

So there is much that can be done in terms of relative costs to make the railway service the kind of service it should be and which Canadians expect it to be. The Liberal government has reneged on its past election promises to create viable passenger service between the regions and to grant money to promote a mass transit system in the larger cities. In past policies, in the policy that is implied in this bill and in other announcements, the Minister of Transport is persisting in the commercial viability, competition and user-pay concept. This is a concept which, sad to say, will discriminate against regions and those who must depend upon rail and other services to promote, co-ordinate and integrate an efficient and economic transportation system. It seems to me that this government is going to repeat the mistakes of the past and will not solve the problems of regional development, of fair cost and access to the services that Canadians expect, if it continues with this legislation and the kinds of precepts the minister has announced.

● (1630)

We know we have an enthusiastic and capable work force in the transportation system whether it be rail, air or marine service. They are the backbone of the system and anxious to serve the public, but they want to be treated fairly. This government's actions in terms of lack of safety and job security, as well as in wages and salaries—the Anti-Inflation Board has rolled back the legitimate wage demands of the workers—are undermining the transportation system. Mr. Justice Hall of the Supreme Court, after looking at all the evidence, came to the conclusion that in 1975 railway workers should have received a 13 per cent wage increase. The Anti-Inflation Board arbitrarily rolled that back to 9.3 per cent, undermining the morale of these very competent workers.

In conclusion, Mr. Speaker, I submit that unless we design a system of national transportation to provide reasonable service at reasonable cost and equity for the regions of Canada, we will be doing a disservice to the Canadian people. It is my opinion that this government, and specifically this legislation, is doing that disservice.

Mr. Art Lee (Parliamentary Secretary to Solicitor General): Mr. Speaker, it is an honour to enter this debate. The legislation we are dealing with today is of utmost importance to Canadians. My province of British Columbia entered confederation because of a national transportation policy that resulted in the building of a national railway. Chinese workers were recruited in large numbers to work on the railway that was to bind this nation together. My grandfather was one of those nation-builders. It is because I have an awareness of that history that I applaud the government in its initiative to redefine the framework that would provide us with a transportation policy to meet Canada's future needs.

I welcome the stated policy of the government. Commercial viability, wherever possible, ensures the earnest attempt to minimize government intervention in the marketplace. Equally gratifying is the policy's recognition that some regional areas or some parts of the transportation system where services are required in the national or regional interest but cannot be viably operated on a commercial basis demand the federal government's active support of direct or indirect financial help.

The movement toward re-establishing the policy authority within the government will unquestionably enable the Minister of Transport (Mr. Lang) to take a much more positive role in developing transportation policies. The initiative to strengthen the minimum and maximum provision of the railway freight rates act is welcome news to westerners. I urge the government to proceed as quickly as possible in this area so that westerners will not continue having to pay a disproportionate amount of freight for manufactured goods from eastern Canada. Westerners will also welcome the stated provisions to regulate the practice of long-haul and short-haul rates by railway companies.

Mr. Speaker, the Minister of Justice (Mr. Basford) who delivered the speech for the Minister of Transport, spent a considerable length of time outlining the government's current transportation program. Indeed, it is a bold and imaginative one; but, like any other major policy designed to bind this nation together, it has to be flexible to meet the needs of the diverse areas and regions of our great nation. With that in mind, it is my intention to discuss how this program is affecting the people of British Columbia.

The matters I wish to discuss are as follows: first, Pacific Western Airlines; second, shipping subsidies for west coast shipping; third, urban transportation assistance. Recently, the Supreme Court of Canada held that Her Majesty the Queen, in right of the province of Alberta, was not a person within the meaning of that term in the National Transportation Act and the air carrier regulations. The result of this decision was that the air transport committee of the Canadian Transport Commission was without jurisdiction to require Her Majesty the Queen, in right of the province of Alberta, to obtain the consent of the commission to the acquisition and control of Pacific Western Airlines Limited or to inquire into the question of whether acquisition of the shares was in the public interest.

I submit that this decision of the Supreme Court of Canada did not, however, declare that the air transport committee has no authority to govern Pacific Western Airlines as an air carrier. Federal aviation law is still applicable. The committee in the past held that it had jurisdiction to question whether the movement of key officials and facilities was a breach of the airline's licence to provide adequate equipment, facilities and services in British Columbia. Furthermore, the committee has rightly maintained its supervisory power over tariffs and safety matters. But in the interlocutory hearings before the committee in July, 1976, there was no hearing into the important issue of whether the transfer of Pacific Western Airlines from British Columbia to Alberta would not be in the public interest. With that in mind, I strongly urge the Minister of Transport to grant the petition of the British Columbia government.

The petition requests the Minister of Transport to direct that the air transport committee conduct an inquiry to determine whether the transfer is in the public interest. If there is any doubt on the part of the federal government whether it has the necessary legislative authority, I urge it immediately to enact legislation giving it the power to ensure that the Queen, in right of the province of Alberta and any other province that may in the future become engaged in aviation, is subject to federal law.

Mr. Speaker, I take this position because, first, I strongly feel that the government of Alberta, through its ownership of the airline, will not adequately account for the availability and supply of air transportation services for the people and goods to, from and within British Columbia.

Second, I feel that the government of Alberta, through its ownership of Pacific Western Airlines, will not act in the best interests of British Columbia because the removal of any of the administrative headquarters and/or maintenance activities will adversely affect all areas of the province by eliminating the indirect and direct employment and income derived from the airline.

Third, I feel the government of Alberta, through its ownership of Pacific Western Airlines and its declared intention to focus all future northern expansion through Edmonton, will not adequately allow for a proper development of potential air routes between the interior of British Columbia and the Yukon.

Mr. Paproski: That is not true.

Mr. Lee: Indeed, the minister of transportation for the province of Alberta, the Hon. Hugh M. Horner, is on record in his legislature as stating:

● (1640)

Mr. Speaker, those are the reasons we acquired, in a very bold move, Pacific Western Airlines; so that we could look after the people of Alberta in a very real sense, look after the transportation of goods and strengthen our position in northern development, which is one of the exciting things that will happen in this country in the future. It was acquired, Mr. Speaker, not just as an investment, but as a policy mechanism for the government of Alberta to have some input into how the province developed in the direction that development would take. Let there be no misunderstanding by anybody, relative to the reasons and, indeed, the subsequent acquisition.

Fourth, regional airline policy accounts for the regional make-up and diversity of our nation. But, more important, such policy is a part of national aviation policy. This, in turn, is a part of national transportation policy which helps unify this country as a nation. I feel that if the government of Alberta were allowed to retain ownership, a serious precedent would be established which could lead to other provincial take-overs of regional carriers that would result in the balkanization of national aviation and, in turn, national transportation policy.

Fifth, I feel that there is no social economic justification for the ownership of PWA by the government of Alberta. It should be the principle of any free enterprise government not to enter into public ownership of any business or industry unless it can be clearly established that there is a social need for government ownership and that such business or industry cannot compete effectively in a free market economy without assistance of public ownership. Pacific Western Airlines has a proven track record that shows it does not need direct government intervention of public ownership. It is probably the only air carrier in Canada recently to have made a profit.

Mr. Speaker, the second matter I wish to discuss is that of shipping subsidies for west coast shipping. Clearly, the events of late should be sufficient proof that active federal support and financial assistance is required. If we are to develop the mid and north coast areas of British Columbia pursuant to the federal government's stated policy of regional and northern economic development, transportation in these areas will have to be aided by direct government intervention. The history and track record of private shippers operating in these areas should be proof enough that the principle of commercial viability is inapplicable. My colleagues, the hon. member for Coast Chilcotin (Mr. Pearsall), the hon. member for Comox-Alberni (Mr. Anderson), and the hon. member for Skeena (Mrs. Campagnolo) have during the past year and a half forcefully made this point.

It is, then, gratifying to hear the Minister of Justice, on behalf of the Minister of Transport, stating that if such a case is made, federal financial assistance and support should follow. He said:

> Our view is that the role of the government should vary according to the nature of the services and region concerned. Those services which are well developed and mature should be operated on a commercially viable basis within a general policy and regulatory framework provided by the government. Hence, in those cases where there is effective competition, rates and services should be determined largely through the forces of the marketplace. Yet in other regions or in other parts of the transportation system where services are required in the national or regional interest, but cannot achieve commercial viability or the required degree of technological development, the federal government is prepared to provide active support and financial assistance.

Related to this issue of shipping subsidies is the matter of the maintenance of a work force at the port of Prince Rupert. Since the cessation of Northland operations, the work available to the longshoremen at the port of Prince Rupert has not been sufficient. Recently, the British Columbia Maritime Employers Association and the ILWU presented a joint brief about this matter to the Minister of Transport. In view of the fact that the federal government has committed itself finally to establishing the port of Prince Rupert as another major gateway to the Pacific by building the Fairview dock and indicating that the grain facilities will be expanded, I submit that the federal government should protect its interests in ensuring that there is an adequate work force when the port of Prince Rupert finally comes on stream in the near future.

If there is no adequate work force, this new major gateway to the Pacific would soon have the reputation for chronic labour shortages, and certainly this is not what it needs or deserves. Like the port of Vancouver, the port of Prince Rupert must be considered a major, integral part of the government's initiative of developing and facilitating western access to the Pacific rim countries.

Mr. Speaker, the third and final issue I wish to comment on is the urban transportation assistance program. When the federal government announced its initiative in this area, it clearly made a commitment to help alleviate the problems of urban transit. The announcement was made jointly by the Minister of Transport and the former minister of state for urban affairs, the present Minister of National Defence (Mr. Danson). I quote from their joint press release dated August 27, 1976, as follows:

> The federal government recognizes the importance of establishing an urban transportation policy which will conserve energy and improve the urban environment through a shift in urban transportation use from private automobiles to public transit facilities. At the same time the government has a commitment to restrain expenditure increases which would arise from substantial new federal programs.

Unquestionably, the federal government should be concerned with restraint; and as of late it has been doing an excellent job. Of equal importance, the government should be actively supporting concrete means that will enable it to achieve its goal of energy conservation. I submit that the urban transportation assistance program is one of these means. In view of the high costs of gasoline and road building, I submit this government should be actively supporting and financially aiding public transportation systems in large metropolitan areas.

Approximately half the population in British Columbia live in the lower mainland. The bulk of them are commuters. The lower mainland, in comparison to other metropolitan areas of comparable size, is faced with a dearth of transportation alternatives. Montreal and Toronto can look to subway and freeway systems which do not exist in the Vancouver area. This need for a lower mainland transportation policy was recognized and became an integral part of the Liveable Regional Plan. This is a blueprint of proposals to manage the growth of greater Vancouver. It was funded by the federal Department of Urban Affairs and carried out by the Greater Vancouver Regional District which is our form of regional government for the municipalities in the lower mainland.

The Liveable Regional Plan proposes a five-part strategy for managing growth in the region. Briefly, they are: first, achieve residential growth targets in each part of the region; second, promote a balance of jobs to population in each part of the region; third, create regional town centres; fourth, protect and develop regional open space; fifth, provide a transit-orientated transportation system linking residential areas, regional town centres and major work areas. It is proposal No. 5 that I wish to discuss in greater detail. Fully cognizant of the complexity of the transportation issue and the cost, the GVRD has proposed a three-part strategy to move people and goods efficiently and as cheaply as possible. Firstly, it proposes growth management. Essentially, what this means is to put more housing where the jobs are in order to limit traffic growth and ensure proper planning that will enable de-emphasis on the automobile in favour of public transportation.

● (1650)

Second, the GVRD has recommended a number of ideas to make better use of existing programs. For example "Turn Down Traffic" talks about car pooling and staggered work hours. I should add that this program was funded by the Department of Urban Affairs and is now being fully implemented. Third, there is a need for new facilities. I am gratified to see that the GVRD rejects costly stop-gap auto bridges and freeways. It estimates that today under 10 per cent of the daily trips in the region are made on public transit. With the expressed desire to increase this to 25 per cent to 30 per cent over 10 years, active and financial support from not just the provincial but also the federal government is mandatory.

The GVRD has proposed: first, light rapid transit; second, North Shore passenger ferries; third, suburban rail from Vancouver on the CPR mainline along Burrard Inlet to Port Moody and Coquitlam; fourth, fast bus; fifth, articulated routes for streetcars or trolley buses; and sixth, improved local bus routes. I submit that the proposal of the GVRD emphasizes getting the best transportation bargain. It emphasizes minimizing the need for travel by co-ordinating transportation with growth management. As many hon. members of this House have said, this is even more important because the days of abundant and cheap fuel are gone. The federal Department of Energy, Mines and Resources has accurately painted the future of doubling fuel prices and Canada as an energy-importing nation. These are compelling reasons for the federal government to be the leader in causing a turnabout in stressing efficiency and public transit. Lately the government of British Columbia appears to be in a position to respond to the GVRD and the people. Certainly the federal government should be in a position to respond as well.

Related to this matter of urban transportation assistance is a problem which adversely affects the people of my riding and that of my neighbour, the hon. member for Vancouver-Kingsway (Mrs. Holt). The city of Vancouver has designated a number of city streets in our ridings as truck routes. To name a few, they are Powell Street, East Hastings, McGill and Kingsway. Heavy trucks use these streets, and the result has been an environmental problem of noise pollution and constant danger to life, especially to small children. Since the opening of the National Harbours Board container facility, Vanterm, there has been an ever-steady increase in the amount of truck traffic on these designated truck routes. Unquestionably, I submit, Vanterm has compounded the problem. With respect to a solution, I have suggested the use of the Grandview cut as the major east-west truck route. Support for this has come from the city of Vancouver. The reason I raise this matter is that the urban transportation assistance program could be used as a source of funds for this proposal.

In conclusion, I again want to congratulate the government and the Minister of Transport for the initiative in this legislation. The re-establishment of policy authority in the Minister of Transport is unquestionably the right move.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, it is a matter of considerable gratification to me that this bill should be brought forward at this time because it gives me an opportunity to enlarge on some matters upon which I have been trying to have dealings with the minister but I have not been very successful. I will not continue the theme of the hon. member for Vancouver East (Mr. Lee) who was congratulating the minister. I merely congratulate the minister on his timing.

Fundamental to a complete understanding of the attitude of the members of my party toward this legislation is an understanding of our attitude toward the minister who introduced Bill C-33 and the degree of credibility he can command in the House on this issue. We all remember the famous statement which came from the benches opposite, not very far from where the minister sits, to the effect that the Department of Transport was in a mess. That goes without saying. This bill is an attempt, presumably, to put the department in some order.

When we consider the manner in which this minister has treated the House within the last week, I think we have some idea of the degree to which he can command our support of the matters he raises. We need only cast our minds back to last week when in the course of some 48 hours the minister made two fundamental statements outside the House touching on the transportation systems of this country.

One announcement dealt with passenger services. He announced a complete revamping of passenger services. The second announcement dealt with the St. Lawrence Seaway in two respects. The first dealt with the financing of the Seaway and the second with tolls. Both these announcements were made outside the House and the minister deprived members of this House of an opportunity to question him on these initiatives. Hearing comments from the official opposition and other parties in this House on these initiatives is from my point of view fundamental to the proper working of the House. The minister has shown disdain and scorn for this House. It is, therefore, very difficult for us to take seriously the matters he brings forward.

Mr. Speaker, I would be grateful if I could call it five o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Timiskaming (Mr. Peters)—Consumer Affairs—Position of CMHC on use of aluminum wiring in dwellings; the hon. member for Vancouver South (Mr. Fras-

er)—Labour Conditions—Statement of minister on government's accommodation of labour—Government position.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions and public bills.

PRIVATE MEMBERS' MOTIONS

[*English*]

The Acting Speaker (Mr. Turner): Notice of motion No. 4, in the name of the hon. member for Ottawa-Vanier (Mr. Gauthier).

Some hon. Members: Stand.

The Acting Speaker (Mr. Turner): The motion stands at the request of the government.

Mr. Douglas (Bruce-Grey): Mr. Speaker, I rise on a point of order. I believe it is agreed that we proceed with notice of motion No. 7 standing in the name of the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) and that all other motions before that be allowed to stand.

Some hon. Members: Agreed.

Mr. Lambert (Edmonton West): Mr. Speaker, just so that the practice of this House shall not be derogated from, it must be clearly understood that notwithstanding this proposal which may come from the parliamentary secretary and which is accepted by someone on behalf of the opposition, all those items affected stand at the request of the government, because that is traditional and it is a practice of this House that any deferment is at the request of the government.

Some hon. Members: Agreed.

* * *

VETERANS AFFAIRS

REQUEST FOR COMMITTEE REVIEW OF ALL ASPECTS OF PROGRAMS

Mr. Jack Marshall (Humber-St. George's-St. Barbe) moved:

That, in the opinion of this House, the government should give serious consideration to a reference to the Standing Committee on Veterans Affairs to examine and review all aspects of veterans affairs in relation to (a) the services program (b) war veterans allowances (c) the Civilian War Allowances Act (d) supplementary financial assistance on the basis of need (e) hospitalization and medicare assistance, with particular attention to the results of the progress in the transfer of veterans hospitals to other levels of government or agencies (f) educational assistance for veterans and the pensioned children of the deceased veterans (g) specialized services for blind, deaf, paraplegic veterans (h) counselling service (i) reviewing the need for increasing grants and contributions to the army benevolent fund, the Royal Canadian Legion, Canadian Veterans Association of the U.K., Commonwealth Graves Commission, United Nations Memorial Cemetery in Korea (j) the consideration of grants to other veterans' organizations in Canada (k) examining the need for improvements under the Pensions Act, with particular reference to the recommendation of the Standing Committee on Veterans Affairs to provide pensions for widows whose deceased husbands were receiving 48 per cent or less (l) the Pension Commission (m) the Pensions Review Board (n) the Bureau of Pensions Advocate (o) assessing the progress under the special housing program for veterans (p) considering the need for increases in funding towards the Last Post fund and assistance for funerals, burials and headstones (q) reviewing the P.W. Compensation Act and considering amendments to include First World War veterans, escapees and evaders (r) other matters, pertinent to Canada's obligation to its veterans.

[The Acting Speaker (Mr. Turner).]

He said: Mr. Speaker, it is fortunate that our rules provide an opportunity during private members' hour to focus attention on matters which, unfortunately, do not seem to achieve national attention even though the veterans community consists of approximately two million of our population, comprising some 885,000 veterans plus their dependants. They deserve a hearing. Some hon. members are concerned about the veterans of this country. But there are some hard facts to be known, and I think it is time to put them in their proper perspective.

● (1700)

Even though we who hold a particular interest for veterans keep repeating to ourselves that we have the best veterans' legislation in the world, I suggest , that we do not have it. If we did have it we would not be in the embarrassing position, in 1977, some 58 years after World War I, 31 years after World War II and 20 years after the Korean conflict, of not having provided for a veterans' charter which serves the veteran and his dependants, and we should not face the many glaring inequities still existing in our veterans' legislation.

I want to put some further glaring examples on record. Hon. members will not be surprised when I point out, again, the discrimination existing under the Pension Act whereby widows of veterans who died with a disability pension of less than 48 per cent are discarded by the department and thrown into the hands of provincial welfare systems unless the death was attributable to the pensionable condition. Of the 85,724 married pensioners, 68,526 are between the 5 per cent and 45 per cent category, and while many of them may have other income which might preclude the need, there must be a sizeable proportion of widows who are forsaken by the government and must rely on the welfare program. This is an embarrassment to us all.

The inclusion of these widows for pension was a recommendation of the Standing Committee on Veterans Affairs arising out of the Hermann report on the need to compensate prisoners of war. Naturally, this government turned it down with the excuse that they could not afford to pay the $40 million or $50 million it would cost. I will try to point out the weaknesses still existing in the legislation and explain the discrepancies existing in that the department cannot seem to recognize the lack of equality as between two pieces of legislation.

Under the Pension Act a married veteran receiving a 48 per cent disability pension, with no children, receives $347.88. On his death, his wife receives $417.47, or some $70 more, which is fair and equitable. But the widow of a veteran who was receiving 47 per cent, or just $34.78 less, receives nothing unless—and I repeat—the death was attributable to his pensionable condition.

On the other hand, let us look at the war veteran's allowance recipient. If married, he receives $392.49 minimum, or $462.49 on a needs basis. If he or his wife can work, he is entitled to casual earnings of $188 per month, for a total of $580.49. On his death, the widow of the war veteran's allowance recipient is entitled to draw the married rate for one year. She then reverts to the single rate of either $270.16, or $355.16, if she can earn under the casual earnings provision.

I think, too, that we ought to look into the discrepancies which arise form relating disability pensions to war veterans' allowances. These confirm the need for a comprehensive review of the entire question. Let us consider the benefits to be derived under both sides of the veterans' charter. I hope hon. members are paying attention and will recognize the existence of obvious discrepancies. I ask hon. members to consider the following examples and compare benefits, taking into account that one of the benefits is for disability while the allowances are designed for a pre-aging condition.

A single recipient under WVA receives an entitlement of $230.16 which is indexed quarterly. On the basis of need he may be eligible for a further $40 per month, for a total of $270.16. The single disability pensioner, on the same basis, must have a disability of 60 per cent to be eligible for that amount. I think hon. members agree that a 60 per cent disability is pretty serious. Further, if the WVA recipient can work, he can earn $125 per month, to give him a maximum of $355.16. In order to reach that pension level the disability pensioner must have a 60 per cent disability.

I come now to the case of a married war veteran's allowance recipient with no children. His basic allowance is $392.49, and in the case of need he can be eligible for a further $70, for a total of $462.49. The disability pensioner must have a disability of at least 70 per cent to qualify for that amount. If the married WVA recipient can earn a partial living, he is eligible for casual earnings of $188 per month, giving him the maximum earnings of $580.49. This compares with the allowance of a pensioner with an 85 per cent disability.

To take the matter one step further, a married veteran with two children under WVA can reach a maximum earnings figure of $701.27, made up of the basic $392.49 plus $120.78 for two children up to the age of 25 if they are in university or other institution of learning, and $188 in casual earnings. To be entitled to the same amount a disability pensioner must have a disability of 85 per cent.

In addition, there is another variation with regard to drug care. The war veteran's allowance recipient has access to all the drugs he requires, yet the disability pensioner can only qualify for the drugs relating to his pensionable condition. It should be obvious that these discrepancies justify the presentation of my motion, and I ask for unanimous consent to refer the whole veterans' charter to the Standing Committee on Veterans Affairs.

On the other hand, any veteran who qualifies for a disability pension of 5 per cent, which would give him the meagre pension of $27.82, single, or $34.78 married, is eligible to apply for war veteran's allowance. It should be obvious that disability pensioners who earn no other income could qualify for a war veteran's allowance far above their present pension. Some of our veterans are not aware of this situation; consequently, they are losing many dollars of income for which they could qualify, and they could perhaps protect their wives after their death since widows of recipients of war veteran's allowance are eligible for allowances.

Statistics show that some 68,524 veterans between the 5 per cent and 45 per cent categories may be losing many dollars of income, to say nothing of the loss of protection for their wives who cared for them through their suffering, or for the widows of veterans. But these inequities are not recognized by the "secret societies" of the government, the experts on veterans affairs. I am referring, for example, to the group known as the management by objectives committee, the organizational effectiveness group and the management advisory services group. It is the job of such organizations to redefine, to keep a watch on legislation affecting veterans and make sure that it is to the benefit of our veterans.

While we are talking about discrimination against widows, I am wondering about the concerns of the status of women council. What are they doing? Clearly, they are not aware of this discrepancy, which only emphasizes the fact of, diminishing concern for the veterans of our country and their widows. I am thinking of veterans or widows with meagre pensions, with pensions based on 48 per cent of disability.

Another matter that indicates that changing conditions require constant attention is the basic rate of pension. In 1972 the rate was finally established relative to the average wage of five public service groups. It has now become obvious, because of an increase in the wages of the people in the public service, that the veteran has fallen considerably behind and that amending legislation is necessary to correct this variance. This question was brought to the attention of the minister forcibly when the Hong Kong veterans wrote pointing out the salary levels of the five categories of public servants on which the 1972 rates were based. They gave the list of the composite group of public service employees. The average earnings were $8,501. Applying the 1976 income tax exemption for a single person, the taxable income was $6,161.

• (1710)

Federal and Ontario income tax on this amount, based on 1976 rates, will be $1,285, leaving a net income of $7,216. They point out, further, that the 1977 annual basic pension rate for a 100 per cent single pensioner is $6,679. Therefore, the pensioner is now behind his counterpart by $536.56 or $44.72 a month.

Another matter which indicates that changing conditions require attention is the basic rate of pension. That change is with regard to indexing of WVA benefits for those over 65 years of age. The hon. member for Winnipeg North Centre (Mr. Knowles) and I have brought this utter confusion to the attention of the House. When the veteran is over 65 years of age and his pension is indexed and at the same time his WVA

is indexed, he loses the war veterans' allowance indexing in favour of the old age security.

Disability pensioners are also losing out on income as a result of the 5 per cent graduation in classes of pension. For example, under one classification pensioners assessed at 18 per cent to 22 per cent are all paid at the 20 per cent rate. Therefore, pensioners at 18 per cent get the same amount as their comrades at 22 per cent. The same situation exists in the other classes. This indicates an inequality which should be reviewed.

While legislation has been introduced to allow shortening of time of qualification of emigrants from five to three years, as pointed out by my colleague from Edmonton West (Mr. Lambert), under the new old age security rules, a former resident who had 20 years prior legal service after age 18 would be entitled to receive a full pension abroad without returning to Canada. Even though it does not apply in some cases, is there any reason why a war veteran who has to come back to Canada for 365 days to qualify should not be given the same preference? Changes should be made to assist the World War I veteran.

There is another item of discrimination. Male veterans must be 60 years of age in order to qualify for war veterans allowance while female veterans can qualify at age 55. This, too, should be reviewed and taken into consideration by the committee in order to bring our veterans' charter in line with changing conditions and to recognize the service.

While we who sat on the veterans affairs committee can stick out our chests and boast about the fact that we were able to get compensation for veterans who were prisoners or war, there are many factors that have come to our attention since and which were not included in the act. We either forgot or ignored World War I veterans who were prisoners of war. Even though representation was made, we did not take into consideration the escapee or invader, some of whom suffered more than those who were captured. We failed to recognize the veteran who was incarcerated for only three months. A person must have been incarcerated for at least three months before he can qualify. We failed to recognize that disability pensioners at 90 per cent, who qualified under the prisoners of war compensation act for the largest amount or 20 per cent, loses out by 10 per cent because of the maximum 100 per cent section in the act.

Another main concern of veterans across the country is as a result of the government's decision in 1963 to transfer hospitals to non-departmental agencies. While the principle may have been logical, the results on a good number of occasions leave much to be desired. I can substantiate this statement since I visited, with members of the caucus committee on veterans affairs, some of the hospitals already transferred. Whoever decided on this policy—and I do not quarrel with the decision made in 1963—and promised priority care and that domiciliary care and chronic case beds would be available on a priority basis, as well as active care, was less than capable in projecting the needs of veterans as they grow older and require extended care, more so in 1977 than ever before.

[Mr. Marshall.]

This is borne out by the fact that in the hospitals transferred, waiting time for veterans is up to two years for a bed. A prime example of this lack of attention is the transfer of the Veterans Pavilion in Victoria to the Jubilee Hospital. As a result of the protests by concerned veterans associations in Victoria, several visits were made by the minister and his staff to hear the complaints of those who care. I need do no more than give a comment on a report by the department as to the availability of domiciliary and chronic care beds made just three months ago on November 10, 1976, referring to waiting lists. In Saint John, New Brunswick, there is apparently a great shortage of beds. It is impossible to estimate the waiting time. In Vancouver and Victoria applicants are on a points system, as well as having to wait for a vacancy. The applicant with the lowest points could in some cases wait forever. Is this the way to look after our veterans?

Apart from neglect of Canada's commitment to veterans, the government gave as the reasons for the transfers the fact that they could not keep doctors because active care is not required. This I quarrel with because according to people I have talked to there are enough retired dedicated medical doctors who will care for their comrades. In spite of this, the government is handing over to the provinces not only hundreds of millions of dollars in buildings and equipment but hundreds of acres of valuable land. In addition, they are paying out more millions of dollars to the provinces to provide the care and the beds. Surely, the least a veteran can expect is fulfilment of the commitment made to him by those who asked him many years ago to serve his country. I repeat that these facts emphasize the need for a complete review by the Standing Committee on Veterans Affairs before any further transfers of hospital beds are made. In fact, this should be done immediately.

I now wish to deal with the housing legislation. With the approach of the March 31, 1977, deadline for additional loans under the Veterans Land Act, I think it is worth while pointing out that we can now say, "We told them so." I was happy to read in the annual report of the Department of Veterans Affairs that as a result of the opposition forcing the government to extend the act for one year, approval of 1,291 new small holding establishments and 13 new farm establishments was made. Additional loans were made to 1,905 veterans already settled under the act, and a total of 533 veterans were able to build new homes, for a total expenditure of $34 million.

Not only can we say, "We told them so", but we were able to prove the supposed experts wrong, those supposed experts who wrote columns trying to convince the citizenry that they were right, when they did not know what they were talking about. In this connection, I commend Canadian Press for having told our story impartially when we fought and won the battle for some 3,742 veterans, but I am also happy to condemn the few to whom I referred beforehand.

The Acting Speaker (Mr. Turner): Order, please. I regret having to interrupt the hon. member, but the time allotted to him has expired. He may only continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

● (1720)

Mr. Marshall: The government was also forced to introduce a new housing program which could be improved by a review by the committee. In this regard I refer to the need to expand the present program to include home repairs, similar to the residential rehabilitation assistance program now in existence, whereby grants of $3,750 can be directed to those on low and fixed incomes of $6,000 or less. In spite of the fact that I keep getting the answer that these grants are applicable to all Canadians, the loans are restricted to areas designated by the provinces, which leaves many veterans out and denies them the opportunity to take advantage of the program, which, again, shows lack of interest in the needs of veterans.

The utter absurdity of the phasing out of the act is borne out by the fact that it was not costing the taxpayer money. It is another example of the failure of Canada's commitment to the veterans, along with the further step by the government to phase out the department. Repayment of principal amounted to $48.5 million dollars, with interest received of some $28 million. I will always hold glory in the fact that our motion, which extended the act, served 3,742 veterans who otherwise would have been left out.

While time does not permit me to cover the remainder of the 17 points in my motion, may I group many of them by pointing out that the government should take a hard look, as a result of inflation, at increasing funding for funerals, burials and headstones under The Last Post fund and other benevolent funds. It is obvious, when one reads the financial statements of the benevolent fund that while the veteran population is decreasing, expenditures are increasing; due, of course, to inflation. When one examines the estimates for this year, it is evident that grants and contributions to the army benevolent fund, the Royal Canadian Legion, the Canadian Veterans Association of the U.K., and the Commonwealth Graves Commission, should be increased. Recognition should also be considered for veterans organizations which are serving the veteran population; I mention in particular War Amputations of Canada which for many years has led efforts to provide improved prosthetic devices for veteran amputees.

I thank hon. members for extending the time available to me. I could go on for many more minutes. I only hope I have made some impression on the members on the Standing Committee on Veterans Affairs and others. I understand there are some 50 veterans still sitting in this House, and they should be proud that the legislation is to be reviewed at the earliest opportunity.

Some hon. Members: Hear, hear!

Mr. Hal Herbert (Vaudreuil): Mr. Speaker, I appreciate the opportunity to speak on the motion which has been proposed. It is broad enough in its terms to enable us to discuss a number of subjects, and this afternoon I wish to mention two or three which are of particular interest to me. The first concerns administration of the hospitals which remain the responsibility of the Department of Veterans Affairs, in particular, the Ste. Anne de Bellevue Veterans Hospital in my riding. The present situation is causing anxiety among both the veterans who work at this hospital and the veterans who are patients there. Their concern arises at the prospect of impending transfer of responsibility to the provincial government in connection with which discussions have been going on for some time.

I have placed many questions on the order paper on this subject and have received a variety of answers. It seems that another hospital presently in the hands of the department in the province of Quebec, the Queen Mary Veterans Hospital, was being turned over to the provincial authority. In fact, a recent answer says there is an agreement in principle that the Queen Mary Hospital in Montreal will be transferred, though negotiations in connection with the transfer have not yet been completed. Since then there has, of course, been a change in the provincial government and it now seems as if this particular transfer is not to take place, at least in the foreseeable future.

The problem in connection with the Ste. Anne hospital is the continuing uncertainty. Employees are worried about their security. They are concerned about their benefits. Moreover, the situation with regard to the patients themselves is not clear. Not all the patients are the responsibility of the federal government. According to an answer to a question of mine on the order paper, there are 845 patients of whom approximately one-third are considered to be a federal responsibility. The other two-thirds, although they may be veterans, are concerned about what might happen to them if the hospital is transferred.

At Senneville Lodge, which is part of the Ste. Anne de Bellevue Hospital, there are 136 patients at the present time. The lodge is a very old building. It was the intention of the federal government to construct a new building, and some $6 million has been allocated for that purpose. It was assumed that if the Ste. Anne veterans' hospital was transferred to the province, along with it might go a lump sum to cover the construction of the new facilities. Nevertheless, because of the delay and the lack of decision nothing has happened and no construction is planned. In fact, at the present time the situation is completely dormant. I therefore propose, and will continue to suggest, that the Department of Veterans Affairs make up its mind by stating there will be no further discussion on the subject for a period of not less than three years or, better still, five years, during which time normal responsibility would be exercised. This would put an end to the immediate anxiety of patients and employees.

In the department itself, the question of morale among the staff is one which must be considered. The recent announcement that many of the branches of the department would be transferred en bloc to Prince Edward Island met with anything but a favourable reaction among employees. A release issued by employees of the department gives expression to this concern and draws attention to the disruption of family life, the main reason given by the overwhelming majority of departmental employees for rejecting the transfer to Charlottetown.

According to answers given by employees of the department responding to a Public Service Alliance circular, many members of the veterans affairs component last November rejected the idea of a transfer by some 90 per cent; only 5 per cent favoured the move, and the remainder claimed they were undecided at that time because of lack of information as to the government's intentions. This is understandable. Apparently, according to an announcement by the department, relocation will not take place until 1980 or early 1981, and employees will not be required to consider their decision to relocate until at least another three years. Therefore we have a situation where the employees will not be spoken to until the end of the current year, and they are going to be discussing something which will not happen for at least another three years.

● (1730)

Although I fully support the principle of decentralization, I find it strange that the department should proceed in this manner, leaving everyone so uneasy. Surely if we are going to decentralize the department, the first thing to do is to discuss it with the employees in order to find out precisely what the effect is going to be, to familiarize them with the intentions of the department concerning the problems everyone will have, and then, after all these decisions have been made on location, the cost of relocation and so on, make the announcement. This seems to me to be the logical way to proceed. It is difficult for me to understand why there has to be such a complicated procedure as to talk about three years hence, thus leaving everyone so uneasy.

I placed four questions on this subject on the order paper on October 29 last, questions Nos. 859, 862, 863 and 865, and they are still there today. I find it strange that the department is unable to answer the first of these, for example, which inquires how many square feet of office space is presently occupied by these various departments which are intending to move. I then asked whether any of the space is rented and, if so, what were the terms of the lease and the termination date. I would have assumed that a simple question, asking the Department of Veterans Affairs how much space it was using, whether it leased the space and what were the terms of the lease, covers information that could have been obtained within a matter of a few days at most, and the question answered probably within two or three weeks. However, I reiterate that on October 29 the question was put on the order paper and, some five months later, it is still on the order paper. No wonder there is some dismay on the part of the employees.

If I can go back to the release to the employees of the Veterans Affairs Department, it even reiterates that only about half of my questions have been answered, and that most of the responses provided by the Veterans Affairs Department have been uninformative. These questions are put on the order paper for a multitude of reasons, one of which is that information will be made public. In this case the employees themselves would have had a better idea of precisely what is involved in the move. Obviously many of these employees are now well established in Ottawa. Many have purchased houses and have mortgage obligations and so on. Many have wives working in Ottawa. They have children going to school in Ottawa. Many employees in the department are French speaking employees. Their children go to French language schools. They are asking what is going to happen to them when they go to Charlottetown. Are there going to be school facilities in the French language in Charlottetown? These are normal questions that one would think would be answered prior to announcing any move.

Again quoting the press release in the employees' newspaper:

> Mr. MacDonald admitted, however, his department has not analyzed the implications of relocation on DVA staff and no employee assistance policy has been adopted.

I think that is a dreadful admission, and I am sorely disappointed that it has been made by a minister of our own government.

When we are discussing language, some interesting things come from questions. In the whole of the DVA in 1975 there were 122 employees whose mother tongue was English. In 1976 the number had increased to 211, or an additional 89 employees. French bilinguals increased from 732 in 1975 to 786 in 1976, or 54 additional employees. Incidentally, Mr. Speaker, this information was given in answer to two questions of mine, Nos. 856 and 1,460 in this session of parliament.

This information raises some interesting questions concerning the attitude of the department toward blingualism. In the national capital region, 39 whose mother tongue is English were bilingual; in 1976 that number had increased to 87, a plus of 48, while those of French mother tongue diminished from 180 in 1975 to 165 in 1976. Note that unilingual employees, French and English, have dropped by 70; and bilingual employees have increased by 34, leaving a reduction in staff of 36 employees. Yet the total of employees in 1975 compared with 1976 shows a decrease of only six employees. In other words, I am even questioning here the arithmetic of the department.

Worthy of note is the fact that the number of bilingual employees has increased from 39 in 1975 to 87 in 1976. This does not mean that they are bilingual in the true sense of the word but probably that they meet the requirements of the department. There are examples where employees have spent a number of months at language school and since they have been in the department have not spoken a word of French. This, of course, is one of the problems all departments are facing these days. In a question answered only last week I suggested that the government should look at the effect on second generation children in a family when there has been an encouragement to bilingualism, we find the situation where the Francophone bilingual tends to become more Anglophone, and the probability is that his children will tend to be more English than French.

In other words, whereas the teaching of French to an Anglophone—in my opinion, sometimes a rather futile exercise in the public service though certainly a very expensive exercise—will not in any way destroy the capability of that family to speak their mother tongue, English, the chances are that the

teaching of English in a Francophone family will encourage its descendants to speak the other language, the language most often used in this capital of Ottawa, namely, English.

What we have to face is the fact that the more often used bilingual in the public service, who frankly is the Francophone, is being torn away from his culture by this encouragement toward bilingualism; and I have suggested that the easiest way to handle this is to hire more Francophones at different levels in the public service.

I have brought out these points, Mr. Speaker, because even the Royal Canadian Legion reacted to this announcement of the DVA move. Their concern was efficiency. They support the principle of decentralization, as we all do, but they felt, as I feel, that there have been too many indications that this department has a kind of knee jerk reaction—there is lack of planning, there is no evidence that the move has been planned in advance, there is no evidence that the effects of the lengthy, drawn out discussions concerning transfer of hospitals in the province of Quebec have been adequately considered. The result is low morale among the employees, a situation which, in my opinion, should be corrected by a full investigation.

The motion proposed by the hon. member is complex and not one which in its entirety I would be willing to support. But the principle of looking into the Department of Veterans Affairs I support 100 per cent.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to commend most warmly the hon. member for Humber-St. George's-St.Barbe (Mr. Marshall) for having put down the motion that we are discussing this afternoon. He indicated it contains some 17 points, so even he was not able to deal with all of them. I certainly will not try to do that either, particularly in view of the fact that this is a private members' hour and time is our enemy.

• (1740)

I wish to speak about three or four subjects mentioned in the motion, on all of which the hon. member for Humber-St. George's-St. Barbe touched. Before I do so may I say that I welcome the intervention of the hon. member for Vaudreuil (Mr. Herbert). In particular I am glad that he raised the question of the proposal to move the Department of Veterans Affairs from Ottawa to Prince Edward Island. I think many of us share his view that we favour the principle of decentralization of government departments but we insist that each case should be looked at on its merits.

The Department of Veterans Affairs exists for the purpose of providing service to our veterans. Some of us are not sure that that angle has been completely looked into in planning for this move. In view of the fact that nothing is going to happen for two, three or four years, I hope the considerations raised today by the hon. member for Vaudreuil will be looked at by the department and the government. I join with the hon. member in expressing regret that there was so little consultation—indeed practically none—in advance of the announcement either with the employees of the department or with the various units that make up the Department of Veterans Affairs. I could stay on that subject, but I would rather underline a few other points mentioned in the motion which were discussed by the hon. member who put this motion before us this afternoon.

At the top of the list I mention the need to do something about what we all know as the 48 per cent rule. In my view, for the law to continue to deny to the widows of veterans, where a veteran's pension was less than 48 per cent, a pension as of right, is most unfair. The view that there should be pro rata pensions for those widows has been put forward officially four, five or six times to my knowledge. It was in the report of the Woods Commission a number of years ago, and again in the report of the commission headed by Dr. Hermann on the question of prisoners of war. To my knowledge the Standing Committee on Veterans Affairs two, three or four times recommended the implementation of Mr. Justice Mervyn Woods' recommendation or the recommendation made by Dr. Hermann. The idea is not just one that some of us in opposition put forward. It has been around for a long time. I think it is fair to say that the evidence will bear out when we discussed this matter in the Standing Committee on Veterans Affairs that the officials were ready to comment on it; so it is obvious they have thought about it as well. I plead that it not be allowed to drag on much longer.

Another issue mentioned by the hon. member who proposed this motion is compensation for prisoners of war. We did well a few years ago when we provided compensation for Hong Kong prisoners of war, and again a year or so ago when we improved that compensation and established pensions for those who were prisoners of war in Europe.

One might raise some question about whether the amounts are adequate, but the main deficiencies are those already mentioned by the hon. member for Humber-St. George's-St. Barbe. The first is the failure to include prisoners of war from World War I, and I hope we get around to that before they are all dead. There cannot be many left. To try to explain to them that somehow there was a difference, just does not wash.

Then there is the problem of the escapees and evaders. This was covered in the report the Standing Committee on Veterans Affairs made to the House after studying the Hermann report. I regret that when the government brought in the legislation these items were left out. They were not forgotten; it was a case of deliberately leaving them out. Like the sponsor of this motion, I think this matter should be dealt with without further delay.

I underscore very heavily the plea made by the hon. member for Humber-St. George's-St. Barbe about the rate of the 100 per cent disability pension. It took 40 or 50 years of activity in parliament to get that rate back to what it was when it was first established in the 1920's, namely, a rate that bore some relationship to income in the Public Service of Canada. In 1972 we established that the rate of the 100 per cent war disability pension was to be the equal of the average income of five selected categories in the public service. They are low categories in terms of wages, but at any rate five were selected

and their average, taking income tax into account, was established as the basis of the 100 per cent disability pension in 1972.

That decision was made on the basis of a report from a very important tripartite committee which consisted of representatives of veterans' organizations for one part, the Department of Veterans Affairs for another, and the Canadian Pension Commission for the third. When that tripartite committee recommended that the 100 per cent disability pension be established at the rate I have indicated, the composite average, it also recommended it continue to be tied to that average. We supported that, and recommended that as the wages of those five groups in the public service went up, the 100 per cent disability should go up by the same amount. I was elated when we got that recommendation from the tripartite committee, and I was elated when the Standing Committee on Veterans Affairs supported it.

I can think of another instance—although I do not want to tread on any toes in these few minutes—where we have used the composite industrial index instead of the cost of living index, but in this case the government did not accept either the recommendation of the tripartite committee or of the Standing Committee on Veterans Affairs. Instead of saying that the 100 per cent rate would remain whatever the level was for that composite group, it said we would start with an absolute sum for 1972 and after that escalate only by the rise in the cost of living index or the consumer price index. The hon. member for Humber-St. George's-St. Barbe has already put the figures on the record, but the fact of the matter is that in 1977 the 100 per cent rate, which was the equivalent of the composite rate in 1972, is $536.56 per year, or $44.72 per month behind the composite rate of those five groups in the public service. This is a disgrace, Mr. Speaker. It took nearly 50 years to get back to the original decision of the 1920's. Some of us were afraid that, because of attaching it to the CPI rather than the composite index of those five groups, this would happen. It has happened sooner, however, and gone further than we feared. I suggest that needs to be corrected. But since this is private members' hour, and one of the sins opposition members do not indulge in is to talk till six o'clock. I must wind these remarks to a close.

● (1750)

I want to support the idea that a particular area for overhaul is the War Veterans Allowance Act. I could go into this in some detail, but I think I shall make my point by citing a case that is in my mind at the moment because of a letter I received a few days ago. It will demonstrate how unfair this situation can become. I received this letter last week from a woman in the province of New Brunswick, the wife of a veteran who had served six years in World War II. At the end of the war he was invalided home, and he has been in poor health ever since, indeed for more than 30 years. He has been in and out of hospital and he has had all kinds of treatment, but even so the maximum disability pension he has been able to get is only 15 per cent. That being the case, he was entitled to the war veterans allowance, so he got it. When he was 65, he became entitled to old age security and the guaranteed income supplement. These amounts plus his 15 per cent disability pension have reduced the amount he receives as a war veterans allowance, so that his total is not above the ceiling that is allowed under the War Veterans Allowance Act for a married veteran.

Fine, so far so good. But the wife writes to me and says that she will be 60 in a few weeks and she has been told that she will then have to apply for the spouse's allowance. That is true. The law does not say she must apply, but the law says that if she does not apply for the spouse's allowance she will be treated as if she is getting it and the war veterans allowance will be cut off. She will be treated by the War Veterans Allowance Board as though she had applied for the spouses' allowance. So she applies for the spouse's allowance, the war veterans allowance is cut off. So there is no change; the same number of dollars will be coming into the home of this veteran of World War II and his wife.

But, she says to me, having seen certain things in the paper, what happens if her husband dies—his health is very poor—before she reaches 65? She is told she will lose everything. That is true. If he dies before she reaches 65, his old age security is dropped, his guaranteed income supplement is dropped, his 15 per cent disability pension dies with him because it is less than 48 per cent, and her spouse's allowance will be dropped because she is no longer a spouse but a widow.

The only thing I could say to her by way of hope was that in that circumstances, of course, she would be able to reapply for the allowance for a widow under the War Veterans Allowance Act. Nevertheless, she faces that prospect, and it is one, I suppose, that will probably happen, knowing her age and his health. What he is now getting will all drop because of the means test on the war veterans allowance and because of the marital test or the spouse's allowance.

Surely we can do better for a veteran who saw six years' service in World War II and who has suffered so much in the 30-odd years since then. Surely we can do a lot better for his wife and potential widow.

To do these things, the various pieces of legislation we spoke about need to be reconsidered and, in addition to what we should do about the Pension Act, the 48 per cent rule, the prisoners of war and so on, we now need a thorough overhaul of the War Veterans Allowance Act to make it come much closer to a guaranteed annual income for all our veterans. Mr. Speaker, I support the motion.

Mr. Wm. Andres (Lincoln): Mr. Speaker, I should like to speak briefly on the motion of the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall). I listened to him with interest, and I read his motion with interest as a member of the Standing Committee on Veterans Affairs. I am concerned, as are all of us, about the veterans of this country. The hon. member spoke about us who hold a particular interest in veterans. I am not sure whom he includes in that "us", but I can assure you that we on this side of the House are and have

been very concerned for those who have given a part of their lives for this country.

Some hon. Members: Hear, hear!

Mr. Andres: I sometimes see some inconsistencies in what some hon. members say and in some of their reactions. As I read the motion I see that each of the 17 items referred to is something that we are all concerned about, and I commend the hon. member for bringing these points forward. However, to ask that all these items be sent to committee for a review, as the hon. member for Winnipeg North Centre (Mr. Knowles) indicated, is not practical. Many of these veterans would be dead before we got through reviewing all those items. I have seen some of the stalling by opposition members in the committee and I can imagine how long it would take before we got through such a review, so I begin to wonder and question their sincerity. Then they talk about the sins that are often committed in the House by members talking out a motion.

Some hon. Members: Question.

Mr. Andres: Apparently today the very first sin was committed when the hon. member who put forward the motion went beyond his allotted time, with the permission of the House—

An hon. Member: You can't question that.

Mr. Andres: —and rightly so, because the motion was worded in such a way that I am convinced many members on this side of the House were not exactly sure what was meant by the motion. That is the problem.

Mr. Alexander: You may not know, but we on this side know.

Mr. Andres: I am not sure how far the hon. member over there can see when he talks about members on this side, but I want to assure you, Mr. Speaker, that we on this side of the House have always been very concerned about the veterans. We have taken all these items under consideration and have dealt with them and will be dealing with them in due course and as the need arises.

Some hon. Members: Question.

Mr. Dinsdale: Let's have a vote for the veterans.

Mr. Andres: Hon. members are asking for a vote. I am not convinced that is what they want. If I were convinced they wanted a vote, I would allow them that. I am convinced that they themselves wanted to bring this matter to public attention and then wanted to talk the motion out because they do not want to go any further with it.

I am sorry, Mr. Speaker, I would like to go on because I have some pertinent points to make on each item, but hon. members opposite have not even given me the courtesy of sufficient time to speak on this. May I call it six o'clock?

Mr. Knowles (Winnipeg North Centre): There is half a minute still to go.

The Acting Speaker (Mr. Turner): Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

NATIONAL TRANSPORTATION ACT

MEASURE TO REDEFINE OBJECTIVE OF TRANSPORTATION POLICY

The House resumed consideration of the motion of Mr. Basford (for the Minister of Transport) that Bill C-33, to amend the National Transportation Act and the Department of Transport Act for the purpose of defining the objective of the transportation policy for Canada and authorizing the consequential rearrangement of powers and duties relating to transport and to amend the Transport Act and the Railway Act in respect of freight rates and other matters, be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, when I called it five o'clock I was saying that to understand our attitude toward this bill and the minister who presented it, we have to go back to last week and have a closer look at the minister's performance in Vancouver and here in Ottawa at a press conference he held across the street.

[*Translation*]

Last Wednesday several colleagues of my party and other members of the House rose to complain against the attitude of the Minister of Transport (Mr. Lang) towards the House. We expressed resentment about the characteristic arrogance, scorn and contempt shown by the minister and his cabinet colleagues. We pointed out that the minister had not deemed advisable during the previous 48 hours to disclose the substance of two important measures on transport in Canada, thus preventing the members of the House from commenting on those policy changes and still more important from asking the minister why he had given those new instructions on an essential procedure to the efficient operation of Parliament. This attitude of the minister which, as I said, is characteristic of the whole government dealings, cast a slur on the Parliament of Canada. The more respect and power of parliament are reduced, the less our proceedings are efficient. The power

of government is not questioned, but under its mandate it must seek the advice of parliament in all important cases. By avoiding that essential procedure, the government runs the risk of reducing the prestige of such an institution in the eyes of the public and the provincial governments. And it is precisely in that area that this government is enormously responsible for what happened in the province of Quebec during the election of last November 15. Because of the attitude of the present federal government, Quebec voters say, the parliamentary and democratic process no longer operates at the federal level and that is why we no longer trust the Liberal party which, through its actions, has practically demolished the parliamentary institution. Therefore, Quebecers say, we shall support the PQ, which promises efficient, democratic and consultative government.

The government of the right hon. Prime Minister (Mr. Trudeau) needs no longer look for scapegoats like the CBC, for instance, or the English-speaking community of Ontario, to explain its declining popularity throughout the country and in the province of Quebec particularly. The responsibility for that belongs to the Liberals, who have weakened the parliament of Canada to such an extent that the Canadian people have lost all confidence in it and gives it little credibility.

[*English*]

That is the reason, Mr. Speaker. It explains—

Mr. Roy (Laval): Are you quoting from a newspaper?

Mr. Munro (Esquimalt-Saanich): We are getting more arrogance all the time.

Mr. Roy (Laval): Mr. Speaker, I rise on a point of order. If the hon. member is quoting from an article, does he know the name of the article? Is he speaking on behalf of his party in support of the Parti Québécois?

● (2010)

The Acting Speaker (Mr. Turner): Order, please.

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, I am not sure if the hon. member raised a point of order. I suggest he did not. Probably he did not understand my French, for which I am sorry. I have tried to explain my party's attitude to the minister and this bill.

Actually I am glad of the timing of this debate since it enables me to speak about certain things which concern me greatly. One of them is the urgent necessity for radar at Victoria international airport. I was not at all satisfied with the minister's reply to my questions on this subject. I asked two questions, on January 31 and again on February 16. One may read the minister's reply as reported on page 3097 of *Hansard* for February 16. Before I read the minister's answer perhaps I should explain what happened. On January 21 I took scheduled flight 266 from Victoria to Vancouver. An aircraft, not reported to the pilots of the scheduled airliner, almost collided with our aircraft. But for our pilot's evasive action, an accident would have happened. As I say, thanks to the speedy action of the captain of my particular aircraft, we avoided an accident. In the face of this the minister had the gall to tell me that he had seen the report and I had grossly exaggerated what had happened. Frankly, I am not sure the minister saw the report. The report I hold in my hand mentions the imminence of a collision and says that if the captain had not taken evasive action the aircraft would have collided.

I had to accept the minister's explanation in the House. It was not a good explanation. I made inquiries, wanting to know what sort of report the minister had read, and was told by a variety of people that, since there had been no request for an inquiry, the incident was not considered as important. And that was the tone of the minister. I did not like his attempt to put me down, by suggesting it was not a serious incident. Perhaps he would like another by-election in Esquimalt-Saanich. I am not ready for that yet. At any rate, the minister's party would stand no chance of winning.

One part of the pilot's report refers to a near miss. I do not know if the minister was aware that another aircraft was in the air at the time. I had evidence of that aircraft's presence, as well. Soon after Air Canada flight 266 took off and had reached 2,000 feet, another aircraft was reported. That was cleared and there was no problem. The pilots of the small aircraft and the commercial airliner, each knew exactly where the other was, and that was fine. When the commercial airliner reached 3,500 feet of altitude, the pilot saw another aircraft, the one I spoke about earlier. We nearly collided with it. As I say, but for the rapid and appropriate evasive action taken by the captain of our aircraft, we would have collided.

I contest the minister's right to say that I grossly exaggerated the facts. The minister has his report, and I have mine. I know where the aircraft were, and I know they nearly collided. I wonder if the parliamentary secretary is prepared to table the report he is now waving in his hand.

Mr. Roy (Laval): Why does the hon. member not stick to Bill C-33?

Mr. Munro (Esquimalt-Saanich): Which deals with transport.

Mr. Roy (Laval): Right.

Mr. Munro (Esquimalt-Saanich): I am dealing with transport, air transport. I was speaking about aircraft.

An hon. Member: You were, as we are aware.

Mr. Roy (Laval): The hon. member made some kind of statement about the Parti Québécois. We don't know what that has to do with the bill.

Mr. Munro (Esquimalt-Saanich): I suspect members of the party opposite are trying to eat into my time.

An hon. Member: Which you like.

Mr. Munro (Esquimalt-Saanich): No, I do not like it. Talk about the user-pay principle; it should be called, the "user-pray" principle. Anyone who takes off from an airport not

equipped with radar should pray. The minister is not spelling his policy properly.

To show you how important Victoria international airport is, let me put some statistics on record. Figures for November, 1976, show that Victoria international airport ranks thirteenth in the scale of total aircraft movements. There were some 13,600 take-offs and landings controlled by the control tower, as compared with some 15,000-odd at Vancouver airport. How many do you imagine there were at Mirabel? I will tell you—just over 3,700. And at Victoria international there is no radar. Would you believe me if I tell you that they use binoculars at Victoria international, to see the aircraft, to determine their height and direction of travel? Mr. Speaker, this is unreal.

Would hon. members like to hear some statistics concerning Gander international airport? In my second question of February 16, I alluded to radar equipement being taken out of Vancouver airport. It is to be taken across the continent to Gander, not across Haro Strait, to where it is badly needed. And how many take-offs and landings do you suppose occurred at Gander last year? The airport ranks fifty-sixth on the list. There were about 1,850 take-offs and landings in Gander, compared with 13,600 at Victoria. Surely even my friends from Newfoundland would grant us the right to have radar in Victoria.

Mr. McGrath: Hear, hear!

Mr. Munro (Esquimalt-Saanich): Let me point out how traffic at Victoria international airport has grown over the years. For example, in 1971 there were about 105,000 take-offs and landings from Victoria. By 1975, according to the latest statistics I haved seen, the total had risen to 185,000. In 1971 there were about 135,000 take-offs and landings at Vancouver airport; by 1975 the figure had reached 203,000. Traffic at Ottawa international airport, on the other hand, declined from 219,000 movements in 1971 to 205,000 in 1975. That represents a drop of about 15 per cent. Movements at Victoria international rose from 105,000 to 185,000 in the same period. These figures are ample grounds for the case I have been trying to make in the past few months. I do not like being put down by an arrogant minister.

I received a letter which the minister did not even have the courtesy to sign. He got one of his flunkies, his executive assistant, to sign it. Presumably he wrote the letter. It reads in part:

● (2020)

> I wish to assure you that flight safety in this area is not adversely affected by the unavailability of radar equipment. Effective pilot and air traffic control procedures are in use which are designed to give maximum assurance that the control tower staff at Victoria are aware of the position of all aircraft about to enter or operate within their area of responsibility.

This has been given the lie by that incident of January 21. I am not yet sure whether the minister knows there were two aircraft as well as the commercial aircraft in the air at that time. My reports make it quite clear that there were. If that is not a hairy incident, I would like to know what is. Therefore I feel it is time that I had a sensible, decorous and non-arrogant reply from the minister.

There are a couple of other tables I would like to record. Table 5 is related to the type of engine that is used when there is a distinction being made with regard to jets, turbo-props, and piston driven aircraft. There are itinerant movements, ones that are just going by. They are not the ones taking off and landing.

In the month of November there were some 6,000, of which 585 were jet take-offs and landings, 726 with turbo-props and 5,000 with piston engines. Anyone who has had anything whatsoever to do with flying knows that piston engines still do not travel as fast as jet aircraft. Their manner of getting out of the way or in the way is hampered by their speed.

In the incident to which I referred, it was the turbo driven aircraft that took the evasive action. It was quick to respond. The piston driven aircraft, which some of us, including myself, saw, seemed to be unaware of our presence.

An hon. Member: Were you scared?

Mr. Munro (Esquimalt-Saanich): I have had enough flying hours not to be scared. You get some flying hours in and you will understand.

At Gander, by comparison to the 6,480 total that I spoke of, there were only 1,600 of which 880 were jet, 200 turbo prop and 326 piston. This means there is a heavy concentration of piston driven aircraft in that particular area. It suggests to me there is every need for a radar at Victoria international airport. If the minister or his delightful parliamentary secretary, who had the courtesy to address me on one occasion, read this particular issue of *Hansard*, and want more information, I am quite prepared to give it.

There are two other matters. I am not sure whether time will permit me to deal with both. The first has to do with ferry subsidies. There has been a great deal of talk about the amount of subsidies provided to operate east coast ferries. Admittedly some of these subsidies must be provided constitutionally such as the ferry to Port aux Basques, Newfoundland. That subsidy is one of the terms of confederation with Newfoundland and the rest of Canada. The ferry between Prince Edward Island and the mainland is likewise an interprovincial ferry.

The argument we get from the other side of the House is that subsidies cannot be given in cases that are not interprovincial. If it is from one part of the province to the other part of the province, subsidies cannot be authorized. To that I say poppycock.

The Public Accounts of Canada will bear me out that there have been instances of subsidies granted to ferries, either for construction, operation, or slipways in which they berth at one end or the other of their passages, which operate within a single province. Two grants were made by the ministry to aid ferry vessel construction.

One grant of $3 million was made to the province of Ontario to aid in the construction of vessel and terminals for the

Tobermory-South Bay Mouth service. Reference to that service can be found in the Public Accounts of Canada 1973, page 26:12. I am not deploring this. I am glad it is there. I am happy to say that the design of the ferry operating on that service was perfected by naval designers in my constituency. It is something of which they are proud, and I am sure the people in the area are proud of it too.

The province of Quebec was granted $3 million to aid in the construction of an icebreaker type ferry for use on the St. Lawrence River. Reference to that may be found on the same page of the 1973 Public Accounts of Canada, 26 being Transport and 12 being the page within Transport. This was the ministry's share of a $6 million grant. The remaining $3 million was funded by the Department of Regional Economic Expansion. Therefore let us have no more of this hogwash from the other side about there being no subsidies available for ferries that are plying within provincial waters.

There is a very strong argument that needs to be put. It has been put by many of my colleagues on this side, and I am happy to say by some members opposite, that there is a need for a subsidy for the service of ferries on the west coast of the island.

There is one other matter that is of equal concern on the west coast. That is the passage of commercial and, particularly, tanker traffic in and out of the Straits of Juan de Fuca. This is a peculiar situation and I think it deserves some attention.

The Straits of Juan de Fuca separate Vancouver Island from the state of Washington, the Olympic Peninsula. It runs pretty well down the middle of the channel. There was one provision in the treaty under which that boundary was set. It makes it quite clear that all the waters south of the forty-ninth parallel—by the time it gets down to the Straits of Juan de Fuca it is south of the forty-ninth parallel—shall be free and open for navigation to the ships of both countries.

For navigational purposes, ships of both Canada and the United States may travel across the international boundary without getting into trouble with the coast guard, the police or whatever. They are not supposed to be doing any fishing. Let us not fool ourselves. It is navigation only.

A strange situation has developed within these waters between Vancouver Island and the Olympic Peninsula as far as the attitudes of the respective governments are concerned. On the Canadian side from the shoreline, the low water line of Vancouver Island, out to our midline which is our boundary, these are considered in Canada as internal waters; and as internal waters, international law, which includes the right of innocent passage, does not automatically apply. It may be granted on request, but not automatically.

On the American side of this boundary and down to the southern edge of it to the Olympic Peninsula, the first three miles off the low water line up toward the boundary are considered by the United States authorities as territorial waters. That is all, just three miles. From three miles to the international border, which in some places would be as much as 12 and in some cases as little as 10, the United States authorities consider these waters as the high seas to which the right of innocent passage applies under international law. These are the waters into which the vessels carrying the crude oil from Prudhoe Bay should be entering, possibly before the end of the year. We have cause for concern.

● (2030)

There are two different regimes covering this body of water. In existence now is a voluntary system of pilotage. Ships coming in are expected to enter on the starboard side through waters which, under the U.S. interpretation, are the high seas and where they have the right to innocent passage. They are supposed to go out on the starboard side too, which puts them in Canadian waters where they do not have the right of innocent passage. This is a stupid situation. The Canadian and United States authorities must resolve it before the tankers come. One could imagine circumstances in which the standards on the Canadian side might be such that, having been allowed in by the American authorites, the vessels could not get out to sea again.

I do not know where the fault lies, but this situation must be sorted out because these are the waters in which the tankers carrying the crude oil will be sailing. Further, these are not calm waters. They are often subject to high winds, strong currents, fog. A voluntary system of traffic management will not do. We need something better. There must be a mandatory system in force from the Pacific Ocean through the Straits of Juan de Fuca to wherever these vessels go. I should like to see them prevented from coming in, because we have found a better place for them to offload their cargoes. But as matters now stand they are planning to come in, and I suggest everything possible be done to prepare for this in advance.

This afternoon the hon. member for Vancouver East (Mr. Lee) was talking about the need to assist communities in coastal British Columbia with special reference to the services available to them by water. It was the Minister of Transport (Mr. Lang), urged on by some members of his own party, who was looking for some ways to save money—I hesitate to mention names but if pushed I might be able to produce one—who decided to go after the $4 million freight subsidy covering Northland Navigation.

An hon. Member: She got mad at him.

Mr. Munro (Esquimalt-Saanich): Well, if she got mad at him at that time she might not have had quite as much influence as I thought she had. If she made a mistake, she backed away from it. People who live far from the coast do not understand about the need for a good freight and passenger transport service on that coast. This is a land of some 5,000 pioneers, we might call them, who are making their living in more than a hundred small, isolated communities from Howe Sound up to Rivers Inlet.

The coastline runs for 500 miles, encompassing some 150 inlets and places of call. One has to travel up that coast on one of these freight carriers to appreciate the beauty and also the

danger of the voyage, not to mention the need for this service. Those who use it are Indian reserves, logging camps, stores, sawmills, fishing camps, guides, summer resorts and retirement communities ranging from one or two families to 250 people. There is no other way of reaching these places unless by a privately-owned float plane. What do these vessels carry? They carry explosives, food, furniture, compressed gas. And liquor. I have seen them onloading the empties—not on this coast but on the west coast of Vancouver Island—and offloading the full bottles from the provincial liquor board. They carry livestock, lumber, machinery, tires, trucks and wire rope. They also bring cargo to the Vancouver market, shakes and shingles, machinery for repair, frozen shrimps, and sometimes even dirty laundry.

Aircraft have been suggested as a supplementary means of transport in the area. But aircraft are hampered by seasonal conditions, fog most of all. In the long haul sea transport provides the only communication with the outside world for weeks and weeks. This is the area from which the subsidy has been withdrawn, throwing the communities north of Vancouver into a complete tizzy. I trust that other members of the House, both on this side and across the way, will be addressing themselves to this particular matter. These are not ferries about which I have been talking.

Ferries join the mainland to Vancouver Island, both to Nanaimo and to Schwartz Bay in my riding. Fares on these services have had to be doubled in the last year to make them pay. The route from Nanaimo to Horseshoe Bay is part of the trans-Canada highway. That highway was built with subsidies from federal funds. I just cannot understand why there is a gap in the trans-Canada highway because no subsidy has been paid, as it has on other parts, both for maintenance and construction. The slipway also deserves a subsidy, as do the vessels themselves and the vessel operations.

● (2040)

I see Your Honour is getting a little unsettled, so with that I will say thank you very much.

Mr. Ian Watson (Laprairie): Mr. Speaker, I welcome Bill C-33. I feel it is a piece of legislation which is going to put back into law what has, in effect, been the practice regarding the government's relationship with the Canadian Transport Commission. The so-called independence of that commission which was touted when the existing legislation was passed about ten years ago never really materialized, and in many instances—I intend to give an example of one later—it was actually used to camouflage, in effect, the government's own unwillingness to take certain steps. This legislation brings back to the cabinet full responsibility, which in effect was always there anyway but which was at times at least partially camouflaged. The legislation is a needed rationalization. I am looking forward to supporting the bill in committee and perhaps trying to improve certain aspects of it.

The subject matter to which I wish to address myself tonight is urban transit. The House had an opportunity to discuss urban transit last Friday but the debate was a fairly one-sided affair so far as this side of the House was concerned. It was a very good example of just how the political perception of members of this House as to what policies are vital to the well being of this country can be affected by home town or home constituency realities.

With the exception of the Parliamentary Secretary to the Minister of Finance (Mr. Kaplan), who addressed himself to two arguments against the government's living up to the promises it made to the Canadian public during the 1974 election campaign, the fact that no other member from an urban riding had the opportunity to speak, on this side, is an indication that, although we got the rural view, we did not get the point of view of members who every day are under the gun from their electorate in regard to what is going to happen next to relieve the almost unbearable conditions many of them have to put up with going back and forth to work because, for a number of reasons, they live in areas of the country which are not served by public transit facilities.

It is all very well to say that this is a provincial matter. It is all very well to say, as the Parliamentary Secretary to the Minister of Finance said, that there have been two major fundamental changes in Canada since the 1974 election. Double digit inflation and the need for restraint have become paramount in the government's considerations regarding embarking upon new programs. The parliamentary secretary's other argument was that since November 15 last the prospect is for a major realignement in the federal-provincial division of powers. I do not know that he used that exact term, but in any event he implied that this was a very poor time for the federal government to be launching new spending programs in areas where there is a fairly clear provincial responsibility.

The two arguments that he made, he made well, but I feel that the counter arguments—I will advance at least half a dozen of the major ones—far outweigh whatever merit or validity the two positions that he advanced had.

As for double digit inflation and the restraint program, surely, Mr. Speaker, we are facing in this country a situation where, unless something is done quickly about our energy consumption and unless something is done soon to move away from the tremendous reliance on petroleum product consumption, we will find ourselves in an extremely dangerous financial position vis-à-vis our balance of payments and our trade picture with the rest of the world.

The energy conservation aspect is only one part of the total picture in terms of petroleum product consumption. An urban transit program can be started now but it will be two or three years down the road before any serious demands for money are going to be made. The total cost for the economy over the medium term, say 12 to 15 years, will be tremendous unless a program is commenced now. The potential for gasoline savings by moving quickly to public transit in our urban areas and major cities and suburbs is enormous. Moving over the longer haul to electrical transportation systems using rails has even greater energy conservation potential.

As for the prospect which the Parliamentary Secretary to the Minister of Finance fears, namely, a realignment of feder-

al-provincial powers, I do not feel like jumping the gun on that subject now. From what I can see the public of Canada is still largely sympathetic to a strong central government acting where there is a need and a reasonable case for federal intervention and where there is some constitutional responsibility.

● (2050)

In the area of urban transit there are several constitutional grounds which I would argue justify federal intervention. There is a clearcut federal responsibility for railways and I would suggest that as the promise in 1974 included action on public transit systems involving the use of rail facilities, passenger train facilities, as well as railroad beds being upgraded for rapid transit use, these are all matters where constitutionally the federal government can and should have an input.

When I refer, as I did earlier, to the whole question of energy conservation and the long-term effect this can have on the balance of payments and the future economic prosperity of this country, then it seems to me we have a constitutional responsibility above and beyond our responsibility with regard to railways. This does and should allow us to provide at least the kind of catalystic funding which could stimulate the public transit programs which this country, and particularly the suburbs which have grown up around the cities, so desperately need.

What is happening now is unfortunately reminiscent of what happened with our entire housing program after the Second World War. In the early 1950's the Central Mortgage and Housing Corporation was established. The intention was that it would not only provide good housing for Canadians—which it did eventually by establishing standards which make Canadians today well housed in comparison with any other country and we can be proud of it—but at the beginning it had another hope just as important as housing. It was concerned that the places where houses were to be built should be well planned. The idea was to use the lending power of CMHC to require the municipalities and the provinces where the housing was to be built, to plan properly.

Unfortunately the Liberal government of the day in its wisdom did not want to go out on a limb. It felt that it could not do this constitutionally so in effect all this housing, with a few exceptions, was built at the whim of local developers and local municipal politicians were the arbiters. In my view this was a tragedy. We had the power at that time to develop suburbs that made sense from every point of view.

Recently members of this House who sit on the committee for the National Capital Region attended a seminar arranged by the Parliamentary Centre for Foreign Relations in Washington, D.C. where they had an opportunity to visit Columbia, one of the new cities that lies outside Washington. I also had had an opportunity previously to visit Reston. These are two new cities planned from scratch and they could have been emulated in this country. Back in the 1950's we had the people, the architects, and the visionary planners to do this but they were not allowed to.

[Mr. Watson.]

Let me give an example of what can happen with this kind of planning. Neighbourhoods are arranged around schools, then there are villages made up of several neighbourhoods and sufficient villages in the case of Columbia to make a city of about 100,000 people. The result is that 85 per cent of the children can walk to school. In Columbia alone this year school busing costs show a saving of over $1 million. It is estimated that the saving in school bus and transportation related capital investment is $150 million compared to what it would have been if there had been no planning.

This is only one aspect of the potential saving through this type of planning. We had the potential to do it and failed. We still have not influenced planning concepts in the development of almost all our suburbs.

I suggest that we are in the process of doing the same thing with urban transit funds as we did with housing. The Railway Relocation and Crossing Act passed in 1974 not only provides for upgrading of existing rail lines for rapid transit purposes but more important, it provides as a precondition of federal funding of a rapid transit or public transit plan or regional transportation plan that there be a regional development plan. Section 3(1) of the act reads as follows:

> Where, in respect of an area in a province that includes or comprises an urban area (hereinafter in this Part called a "transportation study area"), the government of the province and all the municipalities within that area have agreed upon an urban development plan and transportation plan (hereinafter in this Part called an "accepted plan") for that transportation study area, the province or a municipality may, subject to subsection (5), apply to the Commission for such orders as the Commission may make under section 6 and as are necessary to carry out the accepted plan.

● (2100)

The railway relocation plan which we passed in April of 1974 is the framework for making full use of our railway lines around cities or for public transit purposes, and it also—and this is the portion which is so important—provides that prior to doing this there must be not only agreement with the provinces but a regional transport plan and a regional development plan. These requirements would mean that in the future at least we will avoid the kind of development lacking public transit facilities which have characterized our surburban growth since World War II. If we do not move quickly toward funding urban transit, we will be making the same mistake for which we are now paying the consequences in excessive automobile use and excessive reliance on the automobile.

I mentioned our constitutional rights regarding railways and I have made reference to energy self-sufficiency obviously being a national objective. Surely the quality of living of our people is a matter of concern. In my own district of Laprairie-Chateauguay there are people who leave their houses at 6.30 in the morning in order to be at work or in class at 9 a.m., and yet they are only 15 miles away from their offices or classes. They have to put in an hour and a half of waiting in line to get across a bridge which is crowded with automobile traffic. Almost all the people trying to cross the bridge in the morning had moved into the area into houses built with CMHC loans or guarantees. It is we who have lent them money in a totally unplanned way.

We encouraged development in these areas through CMHC. Now we are standing back and washing our hands of the responsibility. Not only on the south and north shores of Montreal but across the country until three or four years ago the development that took place was largely funded by CMHC direct loans or CMHC guarantees. We encouraged these people to move into the suburbs, and now we wash our hands of them.

The example which the United States is giving us in the area of conservation will be brought home very effectively to us when President Carter next April 20 makes his announcement. We have been footdraggging on the question of energy conservation and we will have to be prepared to accept large increases in our fuel costs, restrictions on the kinds of automobiles we drive and the kinds of luxuries we enjoy if we are serious about energy conservation.

Last summer Gallup made a poll of the Canadian population on the subject of the desirability of increased conservation efforts in the nation. Of the respondents, 85.8 per cent said that it was desirable to have increased conservation efforts, 9.1 per cent said no, and 5.1 per cent had no opinion. Surely to those members of the government who accord some importance to public opinon polls this poll should be fairly convincing.

While I do not expect us to move to the federal U.S. position which involved the U.S. government paying 80 per cent of urban transit systems across the United States as well as a percentage of the operating costs, it seems to me that the formulas which were outlined during the 1974 campaign, most of which involved a 50 per cent sharing of costs, make a lot of sense. They made sense then, they were good promises, promises which at that time the government obviously felt it could back up. Rather than as the Parliamentary Secretary to the Minister of Finance has said, that there are two major reasons why we should not fulfill these promises, I would argue that the reverse is true. If anything has happened, the factors which would make such a program more essential now than ever have become increasingly evident. Energy conservation is one, and world costs of petroleum which have gone up considerably even since 1974 are another.

I have mentioned conservation, living standards, and the quality of living to which surely we have to pay some attention. If you have people waiting in line at bridges crossing to the island of Montreal, crossing into Vancouver or coming into one of the Toronto expressways every morning for minutes or sometimes hours on end, this is a waste not only of energy but of human resources which is unacceptable in a society which prides itself on wishing to give us all a better quality of life.

The absolutely startling figures which were revealed last year when the budget estimates were tabled for 1975-76 indicated an overwhelming expenditure of federal funds to even out petroleum prices for all Canadians. We had to spend a total $1.6 billion to even out the price to all Canadians to make up the difference between the world price which we paid for petroleum for our eastern market and which was sold at the much lower domestic price and what we were not able to cover of that world and domestic differential from our sales of petroleum to the United States at world prices. I think it would be a fairly reasonable guess—although I do not pretend it to be accurate—that of that $1.6 billion, $800 million went on gasoline expenditure. We spent that year approximately $800 million out of our budget to subsidize the consumption of gasoline in this country. We then felt it necessary to institute—as we did in 1975—a ten cents a gallon gasoline tax which helped to reduce that tremendous drain on our federal resources.

● (2110)

With this ten cents per gallon gasoline tax I understand our gasoline now sells at very close to the world price, but I argue that if it really does boil down to a question of finding funds and not being able to find them anywhere else, that we should direct our attention to that ten cents per gallon tax and use it, even if it means we have to bring the price of gasoline up to the world price and have the ten cents per gallon added to that world price. It should be used to fund what we have to do in the area of urban transit, and if there is anything left over it should be used for other conservation efforts. That would bring the price of gasoline above the world price, but it would allow us to continue to keep the price of heating oil slightly under the world price. This is the kind of hard decision which I feel the government is going to have to make if it expects to receive the confidence of the Canadian public in the future.

I never cease to be puzzled by the shortsighted arguments which are advanced against urban transit funding by the government. When we desire to create new jobs in high technology fields—and half a dozen ministers are talking about this continually—surely this is a suitable endeavour in the Montreal area, in the Thunder Bay, Winnipeg and Toronto areas.

There are several major companies and literally dozens of subsidiary companies which would be affected by the side effects of a major move into the building of urban transit vehicles of one kind or another in this country. This is the kind of job creating program which really does make sense. It makes far more sense than some of the nonsensical efforts we seem to make from time to time to stimulate job development in various parts of the country.

A measure which was, in effect, ready to be legislated was the proposed transport development corporation. It was all set to go. It was drafted, but it has been held back and never brought before this House by way of legislation. The advantages of standardization across the country in urban transit systems are so obvious that there should not even be an argument. These things have all been left to linger or drag along. They have not been pushed, and it comes back to what I said at the very beginning. It is unfortunate, but the perspective of the people in this House is determined by their own constituency needs. For example, if the Prime Minister (Mr. Trudeau) were sitting for the South Shore instead of for the town of Mount Royal, and if he did not have a train running through a tunnel from the middle of the city to his riding, hon.

members could be sure that he would have a different perspective.

If the Minister of Finance (Mr. Macdonald) did not represent a downtown area and instead was representing an area like mine where his constituents were knocking on his door and telephoning him about the problem, he would have a different perspective. The President of the Treasury Board (Mr. Andras) has a potential transit vehicle company in his constituency. It is an important transit vechicle company, and perhaps he should have another look at that aspect of the urban transit problem.

There is another important need which hon. members should not ignore when they are thinking about influencing the future relationship between the people of Canada and the federal government. Are we at the federal level going to be a completely foreign element as far as the average man in the street is concerned henceforth in this new federal-provincial relationship which the parliamentary secretary thinks is about to evolve, as he mentioned last Friday? Are we simply going to have a very remote relationship with the public? If that is the case, I really do not think the future looks very good for the federal government. When it can do so constitutionally the federal government needs to be in close contact with the public. By satisfying a public need which has been demonstrated in all the major cities of this country and in the suburbs of those cities for the last 15 years surely we bring ourselves closer to the people.

This closeness with the people is surely one of the stronger arguments members of the cabinet should be considering when contemplating whether they should spend the extra funds to which the Minister of Transport (Mr. Lang) alluded briefly in his remarks last Friday. I can only appeal to the cabinet that the time has come to make a favourable decision with regard to an expanded urban transit program and to the proposed transport development corporation to encourage the new technology which can produce, with Canadian effectiveness, not only adequate vehicles to service our cities in the field of urban transit for the next 15, 20 or 30 years but which can provide jobs and a fantastic amount of export market potential as well.

There are so many good arguments in favour of this that I really cannot fathom why the obviousness of the case has yet to convince the powers that be, and especially the financial powers that be, who somehow feel that the program of restraint has to zero in on a program like this one, which makes sense from every conceivable point of view, including the financial point of view. If only they would stand back from their desk, look out the window, and just think a little bit about the future of Canada—surely this is something we can ask them to do—and if they take a few minutes and apply a little Canadian common sense to this situation, then they will sympathetically review and fulfil the promises which they so generously made in the spring of 1974.

The optimism which engendered those promises surely is no less justified now, and I hope we can hear some encouragement from them in the next few days. The budget is coming out on March 31. It must contain much more than we have been led to anticipate so far by the Minister of Finance.

Mr. James A. McGrath (St. John's East): Mr. Speaker, I listened with great attention to the hon. member who has just taken his seat. I want to congratulate the hon. member for Laprairie (Mr. Watson) on what I consider to be a very well reasoned, well thought out, and well presented speech. Having sat on his side of the House in a position not dissimilar to his, I know from experience how difficult it was for him to make a speech like that. However, surely that is the kind of speech which has to be made from time to time to keep reminding the government of commitments it made and the moral obligation it has to discharge these commitments.

Naturally we were appalled, to say the least, when we heard the statement issued by the Minister of Finance (Mr. Macdonald) in Toronto a short time ago. He declared that the government would not be able to discharge its commitment to spend $290 million on assisting urban areas meet their transit responsibilities to commuters. The government made that promise in 1974, as part of its election platform. The Prime Minister (Mr. Trudeau) emphasized it in a speech in Winnipeg. Two years after making the promise, the government, forced into austerity by the need to restrain federal spending, announced it could not keep that commitment.

● (2120)

Even though large municipalities, including metropolitan Toronto, metropolitan Winnipeg and Montreal had either begun planning how to take advantage of the federal urban transit commitment or had already spent substantial sums on programs in which it was thought the federal government would participate, the government announced it could not fulfil its commitment. I say the government will change its mind, must change it, indeed shall change it, given the economic climate in this country. I suspect that in his budget speech on March 31 the Minister of Finance will announce that the government knows how necessary is the commitment with respect to urban transit it made in 1974 to the cities. The government must also feel a moral obligation to its members representing urban areas for, to a large extent, many of them were elected, or re-elected as the case may be, on the basis of the program the government presented to the people of Canada in that campaign. The hon. member for Laprairie and other urban members documented their concern in the debate last Friday and in the questions they have raised in this house.

Despite the fine print in the Constitution, the federal government has become increasingly involved in matters under provincial jurisdiction. It has become increasingly involved in urban problems, and its responsibility for helping our growing cities is just as great as if it were clearly spelled out in the Constitution. That commitment grew from the federal government's involvement in housing. Many years ago it passed the National Housing Act, which was originally envisaged as a means of funding housing, and established Central Mortgage and Housing Corporation as the executive arm to implement the provisions of the National Housing Act.

Once the federal government became so greatly involved in housing, an area which had been clearly under provincial jurisdiction, it had the concomitant responsibility to assist in planning. That responsibility carried with it the commitment to assist with urban transit, in other words, the responsibility to make sure that our cities were planned in such a way that those who lived on the fringes, in the suburbs, would have adequate transit facilities for travelling to and from their places of work. That commitment is even more important today, considering it is estimated that by the turn of the century more than half our population will live in the three large metropolitan areas, greater Montreal, metropolitan Toronto, and the greater Vancouver area. In addition, we must provide for the growth of our medium-sized cities. This responsibility entails the provision of efficient means of transport to ensure that growth is orderly and that people who are obliged to live in our growing suburban areas will have adequate and equal access to their places of employment and business.

The Minister of State for Urban Affairs (Mr. Ouellet) and municipal and other authorities in Canada have tried to reach a trilevel consensus which would make it possible for the federal jurisdiction to deal directly with the municipalities, in order to assist them in their ongoing and ever growing commitments. That is only as it should be, considering that the British North America Act does not provide our municipalities with adequate tax resources for discharging their commitments, whereas, paradoxically, at the other end of the scale the Government of Canada takes in more money than it needs.

I hope that the federal government will, as the Prime Minister has already suggested, re-assess and re-examine its position. In that regard I look forward to hearing the Minister of Finance make his budget speech on March 31.

The House passed the National Transportation Act almost ten years ago and this is our first opportunity since passage of that law to examine the policies which the National Transportation Act created and to look closely at the Canadian Transport Commission, the main regulatory agency established under the act. Of course we are also examining various transportation agencies in the country, especially the two major railways. If my memory serves me right, we have not been able to examine in committee the annual report of Canadian National Railways for at least four or five years. That makes it all the more important to raise the subject in the present debate on second reading of Bill C-33.

I come from a province which relies heavily on the federal transport commitment. It is crucial to the economy of the Atlantic provinces, and vital to the economy of Newfoundland. For us, an ongoing transportation commitment is essential. It is essential for the Government of Canada to spell out its contractual obligation to the province of Newfoundland, an obligation to assist economic growth by taking a major role in transportation to and from, and within Newfoundland. Until 1969 the major ground transport system in Newfoundland consisted of a train service operated by Canadian National Railways. As the result of a decision of the Canadian Transport Commission in 1968, this service ceased on April 15, 1969.

The Canadian Transport Commission directed that, in place of the train service, a cross-island bus service should operate within the province of Newfoundland. That is contained in the Canadian Transport Commission's order No. R2673 of July, 1968. I quote it for the record:

● (2130)

> The bus service proposed by the Applicants and described in detail in the Judgment of Woodard, C., shall be inaugurated and continued as long as a requirement for passenger service continues, and the passenger facilities, including terminals and the shelters mentioned therein, with proper communication links, shall be provided and installed, all to the satisfaction of the Committee.

That directive by the Canadian Transport Commission was carried out by CN up to July, 1976. As a result of an application which CN made to the Public Utilities Board of the province of Newfoundland for an increase in fares and as a result of a jurisdictional dispute which flowed from that application, CN, notwithstanding the fact that the Supreme Court of Canada had ruled that the Public Utilities Board had jurisdiction by virtue of Part III of the National Transportation Act not having been proclaimed, withdrew its bus service on July 12, 1976. That was a violation of a directive by a quasi-judicial body acting under the statutory authority of the Newfoundland legislature.

What we found incomprehensible was the attitude of the Government of Canada. We appealed to the Government of Canada. The premier of the province sent a wire to the Prime Minister on July 15 last year. We set out the legal obligation of Canadian National vis-à-vis the Public Utilities Board of Newfoundland as determined by the ruling of the Supreme Court of Canada. The premier set out in the wire the constitutional obligation with regard to the Terms of Union and the order of the Canadian Transport Commission which I quoted, that CN continue to provide a bus service within the province.

That appeal was made to the Prime Minister to direct this Crown corporation to obey the laws of the province of Newfoundland. That is all we were asking, that they restore the service on which the people of Newfoundland were wholly dependent.

Instead of the Prime Minister acting in a responsible way and directing, by order in council, that CN restore that service in pursuance of the directive of the Canadian Transport Commission, an order in council was passed the following day, July 16, at the instance of the Minister of Transport (Mr. Lang), placing the CN road cruiser service in the province of Newfoundland under the National Transportation Act.

Nobody questions the right of the Government of Canada to proclaim that section of the act and place that particular service under it. However, surely it would have been logical to assume that before that was done the service would be restored under its existing jurisdiction, and that the laws of the province of Newfoundland as set out by the Public Utilities Board in its ruling would be upheld.

What was at issue was an application by CN for a fare increase of up to 150 per cent. Our Public Utilities Board had the nerve and the gall to say they could only have an increase of up to 30 per cent, that this in fact could not be justified on a user pay basis. They stated that it was a part of the national rail service of this country and that, to all intents and purposes, the CN road cruiser service in the province of Newfoundland, since it had a monopoly on ground transportation in the province, had the same function as CN trains before they ceased to operate in 1969.

The dispute was never resolved, the Supreme Court of Canada notwithstanding and the Constitution notwithstanding. Instead, we had an order in council passed placing the CN road cruiser service under the National Transportation Act.

The next episode in this unsavory story was an application, which we knew would follow very soon, by CN to the Canadian Transport Commission for an increase in rates. That application is now before the commission. It is very interesting because it tells it all. They modified their demands to the point where the application now before the Canadian Transport Commission calls for only an 8 per cent fare increase. However, they state, and this concerns us in the province of Newfoundland, that they are placing the service on a user pay concept. That is completely contrary to the spirit, intent and letter of the policy now before us.

In this regard I wish to quote the Minister of Justice (Mr. Basford) when introducing this bill on March 1. I quote from page 3525 of *Hansard*:

There are, and probably will always be, some services which are required in order to meet legitimate economic and social needs such as regional development or access to remote communities but for which the particular users cannot reasonably be expected to pay the full costs.

I tried to establish that that is obviously the case up to this point in time with regard to the CN road cruiser service in Newfoundland. The minister went on to say:

In such cases government support in the form of direct or indirect subsidy is necessary and reasonable. Government support of this kind to ensure the provision of necessary transportation facilities which cannot be commercially viable represents the use of transportation as an instrument for the achievement of economic and social objectives.

In further support of my contention I wish to quote from the June 18, 1974, Prime Minister's announcement, "Liberal party program on transportation, inter-city passenger transportation". I quote:

The Passenger Transport Corporation—

That is a corporation which the government promised to set up in 1974.

—will also ensure, with provincial co-operation, high quality passenger bus services in areas not adequately served by existing carriers.

The Prime Minister went on to refer to a "super-bus" service. We would be satisfied with ordinary bus service if we could be assured that bus service would be a part of the national transportation grid in Canada, that it would be treated the same as the new VIA rail passenger service which the minister announced, and that it would qualify in the same way for whatever federal government subsidies there may be. This would enable the CN to provide a level of service in the province of Newfoundland in accordance with the national transportation policy. This super-bus service was to be introduced between medium-sized centres. Fares on these buses would be reasonable, but vastly superior terminal and on-board comfort and services would be provided.

• (2140)

I only wish the Minister of Transport and some of his officials could go to Newfoundland and take the present CN bus service from St. John's to Port aux Basques. It is the only way our people can travel across the province unless they go by air from Halifax. Let the minister take the road cruiser service, as it is referred to by the CN, from Port aux Basques to St. John's across the trans-Canada Highway, which is 600 miles long and well below ordinary trans-Canada standards; indeed it is beginning to show substantial wear and tear as a result of CN truck traffic, something which in itself is a major cause of concern. The minister and his officials should take that 14 or 15 hour trip across that long and, in many places, desolate stretch of highway. They would then realize what our people have to go through.

There are no adequate terminal facilities. There are no adequate facilities en route. People are unable to buy meals because satisfactory facilities are not available at designated stops within the time allotted for the stop-overs. In many cases there are no shelters at places where people have to stand to wait for these buses. Once aboard, passengers have to sit in fairly cramped quarters. All too often they are able to find standing room only. I really wish the minister and his officials could take that trip.

An hon. Member: The scenery is very picturesque, though.

Mr. McGrath: The hon. member says it is very picturesque. I suggest that regardless of how picturesque the scenery might be he would soon get tired of a most uncomfortable ride under most unsatisfactory conditions.

I have described what it is like to take that journey in the hope that hon. members will realize it is the only means of travel we have in Newfoundland, and I should like some assurance from the minister before this bill passes that the CN bus service in the province of Newfoundland, or in any other province in which the railways intend to operate such a service, will be considered within the terms of the Prime Minister's statement that where they fulfil the same need as railways they will be able to qualify for whatever federal subsidies there are as part of the government's transportation policies.

A short time ago the Minister of Transport met with the three maritime premiers and the minister of transport for the province of Newfoundland. I must say I was encouraged by the new attitude exemplified in the press release from the Department of Transport on the outcome of that conference. I quote from that communique of February 8, 1977.

Mr. Lang, Mr. Morgan and the Maritime Premiers agreed in principle that improved passenger transportation could best be achieved by providing special assistance for upgrading bus and air services in the region.

Hon. members will note that they were not specific. The problem with which we have to contend in Newfoundland is that the CN enjoys a monopoly. There is only one bus service throughout the province, whereas in Nova Scotia and New Brunswick, while still having the advantage of rail passenger service, passengers can choose between several other modes of ground transportation which are competing for their dollars.

Anyway, if that communique is an indication of the minister's new policy, I wish he would tell us what his position is before the CTC brings down a decision with regard to the application by CN for what is to be the first of several anticipated increases in the fares to be charged on the road cruiser service in Newfoundland. I intend to press him on this matter when the bill goes to committee, and to do so again in the House should I have an opportunity. I ask the minister to tell us what he has in mind because this is most relevant to whatever decision is reached by the CTC with respect to the application by the CN for further increases in fares.

I should like some assurance that in addition to improvements in the service—and, God knows, there is an obvious need for improvements—there will be an improvement in the support services, for example, the installation of adequate terminal facilities across the province, and scheduling which will ensure that enough space is available to cope with peak periods—I have in mind holiday times, and co-ordination with the semesters of universities and colleges.

The minister has taken an obligation upon himself. We intend to hold him to it. He did so by virtue of the order in council passed last July which placed his imprimatur upon an illegal act committed by the CN. That is what it was. The minister gave an illegal act his imprimatur when he had the order in council passed removing jurisdiction from the Newfoundland Public Utilities Board and placing it under the authority of the CTC by virtue of the National Transportation Act. I hope that now he has the responsibility, notwithstanding how long the CTC may take before making a decision on the present application, a directive will be issued with respect to the obvious need for the improvement of the service in my province.

It always intrigues me that there should be no CN bus service to handle passengers coming ashore from the east coast ferry which operates between North Sydney and Argentia. Passengers using this ferry depend on private transport, which is not always adequate. Indeed it is not always available. It seems logical to me to expect that the CN, which operates this ferry service, would be able to direct one of its road cruisers to meet the ferry when it arrives.

There should also be some rescheduling of the bus service to fit in with airline schedules so that we could co-ordinate the total pattern of travel within and outside the province more effectively.

We have had to depend on CN in our province for a long time. I assume that, notwithstanding the new Via rail service and the new corporation which is to handle rail passenger service, we shall still have to depend on the CN for some time to come to fulfil the major part of our passenger and freight traffic requirements.

• (2150)

Now we are going to have another study, a royal commission, which is about to be established to examine the transportation picture in the province of Newfoundland. The initiative for this study did not come from the Government of Canada or from the government of Newfoundland; the initiative came from Canadian National. Of course it found a willing participant in the federal government in the Minister of Transport, and so the study is going to be a joint study.

I regret very much that the province of Newfoundland has agreed to this study, because it is only two years since we had the last study, known as the trans-Newfoundland corridor transportation study. There are 11 volumes to that study, Mr. Speaker, which was commissioned in 1972 by the Canadian Transport Commission under the direction of the then minister of transport. It released its report in March of 1974. The study cost the people of Canada $370,000, and not one of the conclusions reached or recommendations made by that study has been acted upon to this day.

Surely it is only reasonable to ask, before we embark upon another study, just what exactly is the government's position vis-à-vis the findings, conclusions, and recommendations of this last study. Or could it be that this new royal commission is merely a means, a traditional Canadian means if you like, of shelving the problem so that we do not have to deal with it for a while—so we can put the problem into cold storage for the next two or three years? We have already been postponing major decisions for two or three years since we had the last study. We are now to have another royal commission, which I suppose will cost another $500,000 or more, to bring in some further recommendations in another two years, when another government will be in office. Then another royal commission could put the thing on ice for another two years.

There is a limit to our patience, Mr. Speaker; obviously there has to be. Ours is a vast province with a relatively small population. We must have an efficient transportation system in the province, both passenger and freight, to ensure that there is economic growth within the province. Economic growth in our province in becoming crucial in these days in view of the rate of unemployment in Newfoundland today, which I believe is around 25 per cent.

I suppose there is not much more I can say about the new study; we are going to have it anyway. The Newfoundland government has agreed to it, and so has the Minister of Transport. It is just a matter now of making the announcement, and I expect that will be made any day now. I hope that one of the first things the royal commission does when it receives its commission will be to examine the 11 volumes of the trans-Newfoundland corridor transportation study commissioned by the Canadian Transport Commission and undertaken by the firm of Messrs. Peat, Marwick and Company. Certainly this is more than the Government of Canada has

done, because to this day not one of the findings or recommendations made in that report has been acted upon.

Before resuming my seat, may I say to the Minister of Transport, albeit in his absence, that before this debate is concluded we hope he will speak, notwithstanding the fact that his colleague, the Minister of Justice introduced the second reading debate on this bill. We hope he will address himself to the matters that have been raised during the course of this debate. I should like to hear him respond to the very eloquent, well reasoned, and well documented case put by the hon. member for Laprairie who preceded me in this debate. I hope he will have something to say to the people of Newfoundland who are beginning to feel they have been canned by these studies, and who certainly are feeling they have been studied to death by this government.

[*Translation*]

Mr. Albert Béchard (Bonaventure-Îles-de-la-Madeleine): Mr. Speaker, I wish to thank you for your generosity at this time of the evening. Since there is only one minute and a half left and so as not to soften the impact of my remarks on Bill C-33 and its effects on transportation in the Gaspé Peninsula and the Magdalen Islands, I should point out that it is ten o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

CONSUMER AFFAIRS—POSITION OF CMHC ON USE OF ALUMINUM WIRING IN DWELLINGS

Mr. Arnold Peters (Timiskaming): Mr. Speaker, the other day I asked the minister responsible for housing whether he would consider recommending that any building constructed under federal auspices should have the same protection which any federal public works has. As I pointed out privately to the minister at the time, the department has said that when it is constructing any building under the auspices of the federal government—there are a large number built each year—it is a requirement of the tender that no aluminum wiring be used, or at least that only copper wiring be used. Mr. Bowen, the departmental official concerned, indicated that so far to his knowledge no such building has been built since this instruction was sent out under the federal tendering system. It seems to me that Central Mortgage and Housing Corporation should do no less.

It is the Minister of Consumer and Corporate Affairs (Mr. Abbott) whose responsibility really this is. I have a bill recommending a ban on the use of aluminum wiring in domestic housing. The minister has said there is nothing wrong with aluminum wiring, and he is correct, Mr. Speaker; there is absolutely nothing wrong with aluminum wiring so long as you do not hook it up to a power source. But normally you hook it up to a power source, which connects it to the circuitry in a house, and this is where the problem lies.

Two things happen with aluminum wiring which do not happen so readily with copper wiring. First of all, with aluminum wiring when you scratch the bright, shiny aluminum the shininess disappears and oxidation takes place almost instantaneously. When it becomes oxidized it, in effect, insulates against the proper conduct of electricity. When aluminum wires are bent over for the purpose of screwing them into switches or receptacles in the wall, the exposed wiring again almost immediately oxidizes.

Secondly, heat affects the expansion of aluminum many times faster than with copper. If you have copper screws in your receptacle and heat develops, as it will due to weakness in aluminum wiring caused by the oxidation, the aluminum wire passing around the screw will expand. This in effect flattens the wire because it then cannot expand beyond the allowance of the screw. When the wire cools, it is no longer directly connected but there is a gap. It also oxidizes where the flattening has taken place.

● (2200)

There are 500,000 homes with aluminum wiring in this country. I could point out the decisions that have been made in the United States and what has been done about it there, but we do not have to talk about that; what we should talk about is what we are going to do to protect people in Canada. Hydro authorities have stated that if the wiring is properly installed it is not dangerous, and that is true. Proper installation would mean adding a piece on the end of the aluminum wire. After it was cleaned a clip would be put over the wire. There would be pentrox grease inside the clip. A hydraulic clamp would then be squeezed firmly in place. The clamp would likely be made of copper so the process would be expensive. But, Mr. Speaker, it will have to happen.

One of the major culprits in this town that has looked for a shortcut at the risk of human life is the Campeau Corporation in the subdivisions it has developed. It is interesting to note that when Mr. Campeau's own house burned down there was some indication that the fire was caused by the electrical wiring system—aluminum wiring apparently. It can be argued whether or not that was so. But he built a new $150,000 house and used aluminum wiring in it. The television cameras were there to watch the installation which was widely publicized. And why was that? Because even at the risk of his own life and his children's lives he had to establish credibility so that he would not lose his money through having to rewire the Campeau subdivisions.

I am positive one little girl was lost in a subdivision fire in Ottawa last year because of electrical wiring, and I am pretty sure there were two more boys burned in the same subdivision shortly afterwards. People expert in the field say that the main problem will not develop for ten years.

I suggest that we outlaw the use of aluminum wiring in future building and tag all houses that now have it so that people will know it is there and that a dangerous situation exists.

Mr. Jean-Robert Gauthier (Parliamentary Secretary to Minister of State for Urban Affairs): Mr. Speaker, the important question raised by the hon. member for Timiskaming (Mr. Peters) prompted some inquiries on my part not only within the ministry but in my own files. I was familiar with the question mainly because a member on this side of the House, the hon. member for Ontario (Mr. Cafik), had spoken to me several times during the last year about aluminum wiring. I found in my files several documents, not the least of them a memorandum written by the hon. member for Ontario on June 10, 1976, and addressed to several ministers. Knowing the hon. member for Ontario I am sure he will be flattered at the interest being shown in his cause by the hon. member for Timiskaming.

The matter of the installation of aluminum wiring was examined by a task force on aluminum terminations. This task force, set up under the auspices of the Canadian Standards Association, agreed that the new terminal devices which have been introduced are satisfactory but that a standard for aluminum wire should be developed to ensure that an acceptable and consistent product continues to be acceptable.

Provincial authorities, having the responsibility for establishing and enforcing electrical wiring safety standards, have taken steps to overcome initial inadequacies in the connecting devices and workmanship. They appear to be actively reviewing the matter and displaying a readiness to take any further action necessary to ensure that aluminum wiring installation will be adequately controlled and will meet acceptable standards.

Subject to new factors or changes in present conditions, we believe that this matter must be resolved by those agencies which have the expertise in the electrical field and which have been entrusted with responsibility for safety in electrical installations.

LABOUR CONDITIONS—STATEMENT OF MINISTER ON GOVERNMENT'S ACCOMMODATION OF LABOUR—GOVERNMENT POSITION

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I should like to remind the House that in a speech made on October 28, 1976, the Minister of Labour (Mr. Munro) said:

> One of the first things we want to do is to create a national forum which would discuss and make recommendations on the big economic issues of the day. Such a forum would bring together representatives of government, labour, business, the farm community, possibly others.

In that speech he also said:

> This is a program I have been developing with my departmental officials over several months. I will not be deterred by inflation. I will not be deterred by the wage and price control program, or by labour's opposition to it, or by opposition in the business community to the restraints.

That was the minister's position setting out government policy on October 28.

On November 27 last, as reported at page 1332 of *Hansard*, I asked about the other parties he had referred to in his speech. I said:

> Can the minister say whether the Canadian Labour Congress accepts the format the minister sets out?

The minister replied:

> We are not sure at this stage whether the type of forum we are suggesting—an alliance of various interests on an equal footing to discuss national problems—would be suitable to the business community or to labour.

That was the position of the minister on November 24. On November 29, 1976, the Minister of Finance (Mr. Macdonald) was asked similar questions. He said in respect of a meeting with representatives of the business community:

> . . . but they were positive about participation in a multipartite group which would make it possible to have discussions and perhaps agreement on some of the major economic questions . . .

On December 3 last another question was asked of the Minister of Labour as reported at page 1642 of *Hansard*. I asked:

> . . . will the minister now please tell the House what other parties the government will be talking to, to whom he referred in his answers a few days ago—

And to whom he referred in his speech—

—and whether he has told labour what other parties he has in mind.

He was unable to set out what other parties he was referring to, and he said:

> We do not know whether there is going to be some real participation by, for instance, labour.

That was on December 3. Later questions were raised again in the House on February 9 this year. These questions were directed by me to the Minister of Finance. He said in reply:

> . . . we have active negotiations under way for a multipartite meeting with business, labour and provincial representatives.

Then he said:

> We are in the process of discussions with the various groups, and we have recommended to them that they should be prepared to meet at such a generalized meeting.

Following that, on February 19 the Minister of Labour made his incredible statement about the Liberal Party and its forging a new accommodating relationship with labour, which was of course immediately denied by Mr. Morris of CLC and Mr. Pilkey of the Ontario Federation of Labour. Mr. Morris said:

> . . . they now know they were sold down the river by the Liberal government . . .

Mr. Pilkey said:

> There is no way labour can find any accommodation in the Liberal party.

More recently, on February 22, the Acting Prime Minister (Mr. MacEachen) repudiated the statements of the Minister of Labour in the House and disavowed any connection with them.

The first question is as follows: has management agreed to the multipartite forum or, if not, to a tripartite forum, or either of them?

The second question is: in the discussions with the provinces, has any agreement been met with respect to the proposal of the Minister of Labour?

The third question is: has CLC agreed to the multipartite national forum and, if not, does the government expect agreement or is it prepared to settle for a tripartite consultative organization representing government, labour, and management?

Finally, has there been any discussions with other groups, as the Minister of Labour said there would be as long ago as November 24, 1976?

● (2210)

[*Translation*]

Mr. Jean-Robert Gauthier (Parliamentary Secretary to Minister of State for Urban Affairs): It seems important to me not to confuse at the outset two classes of issues. There is, on the one part, the need to maintain a healthy and vigorous dialogue between the different economic partners; on the other part, that dialogue can and does take various forms that are not necessarily incompatible with one another. So the remark by the Minister of Labour (Mr. Munro) that we should come to new arrangements with the Canadian Labour Congress meets the first concern by reasserting the openness as well as the attachment of this government to continued discussions among partners who are not without knowledge that it is in the interest of all to cooperate as closely in the solution of our problems.

As to the more particular issue of specific ways of initiating and continuing the dialogue it can be approached in terms of past efforts and an attempt to outline a few perspectives. I can say that to date we have had preliminary discussions with union and business representatives. It is still too early to determine the eventual direction of those discussions and what forms, whether institutionalized or not, they will take in the future. The idea of putting the Canada Labour Relations Board or still the Economic Council of Canada back in motion as a meeting point or a general framework for discussions are all so many available possibilities but on which it would be premature to surmise at this point. As to the Labour Congress we know that its preference goes to a tripartite structure but the government already expressed reservations about that.

All this to indicate in the final analysis that we are still looking for—and in this respect the dialogue with the parties concerned is still going on—an appropriate framework for the discussion of government policies. But whatever the final forum on which the parties will agree this government has no intention whatsoever of abandoning the efforts made so far and which look promising.

[*English*]

The Acting Speaker (Mr. Turner): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m.

Motion agreed to and the House adjourned at 10.14 p.m.

HOUSE OF COMMONS

Tuesday, March 8, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

EXTERNAL AFFAIRS

SUGGESTION CANADIAN COMPANIES IN SOUTH AFRICA AND NAMIBIA ESTABLISH EQUALITY IN TREATMENT OF WORKERS—MOTION UNDER S.O. 43

Mr. David MacDonald (Egmont): Mr. Speaker, I rise under the provisions of Standing Order 43. With respect to assertions at the United Nations this week that seven Canadian companies are collaborating with South Africa to exploit the resources of former Southwest Africa, and in view of Canada's continued rejection of South Africa's illegal occupation of Namibia, as well as our opposition to the practice of apartheid, and with regard to a recent initiative of 11 major American corporations with operations in South Africa to apply a set of guidelines ending desegregation in eating, toilet and working facilities and establishing equal pay for equal work in South Africa, I move, seconded by the hon. member for Fundy-Royal (Mr. Fairweather):

(1) That Canada declare its strong opposition to the support of Canadian business enterprises for South African involvement in Namibia,

(2) That an inquiry be made to ensure that no tax advantages are provided to Canadian companies operating in Namibia,

(3) That Canadian firms operating in South Africa be encouraged to pursue initiatives similar to their American counterparts in establishing clear guidelines and working conditions with the South African government which will establish equality in treatment for workers regardless of race.

Mr. Speaker: Such a motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

* * *

ANTI-INFLATION PROGRAM

PROPOSAL THAT PROGRAM END ON JUNE 30, 1977—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I, too rise under the provisions of Standing Order 43 on an urgent and pressing matter relating to the termination of the controls program. I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House support the recommendation to his caucus by the financial critic of the Official Opposition, the hon. member for York-Simcoe, that the government's controls program be eliminated by June 30, 1977.

Mr. Speaker: Such a motion can be presented for debate only with unanimous consent. Is there unanimous consent?

Some hon. Members: No!

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HEALTH

CARCINOGENIC QUALITIES OF SACCHARIN—MOTION UNDER S.O. 43

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I rise under the provisions of Standing Order 43 on an important matter of urgent necessity. In view of reports that saccharin may have carcinogenic qualities and has been reported to be related to cancer in animals, I move, seconded by the hon. member for Yukon (Mr. Neilsen) as well as the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall):

That the minister state in this House at the earliest opportunity what action he intends to take in this regard.

Mr. Speaker: The presentation of such a motion for debate under Standing Order 43, even with two seconders, requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No!

* * *

HARBOURS

PORT OF MONTREAL NOT USE SURPLUS TO DISCHARGE DEBT CONNECTED WITH EARLY RETIREMENT PROGRAM FOR LONGSHOREMEN—MOTION UNDER S.O. 43

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I rise under the provisions of Standing Order 43. In view of the serious suggestion emanating from Montreal that the surplus funds account of the port of Montreal be used to write off debts incurred by the port in putting into effect an early retirement program for longshoremen some four or five years ago, and because such action would amount to the use of public funds for the purpose of subsidizing labour costs in that port, thereby creating an unfair advantage for one Canadian port over another, I move, seconded by the hon. member for Halifax-East Hants (Mr. McCleave):

That the government direct the Minister of Transport to instruct the National Harbours Board and any other appropriate authority, including the port of

Montreal Authority, that this surplus fund, comprised by and large of paper depreciation on capital holdings and from the transfer of lands to the City of Montreal shall not be used for this purpose.

Mr. Speaker: Such a motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No!

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STATUS OF WOMEN

DENIAL OF PENSIONS TO SPINSTERS AND WIDOWS BETWEEN AGES OF 60 AND 65—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, this being International Women's Day—

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): —I should like to present a motion under the provisions of Standing Order 43 which deals with a very practical issue. First, I would explain for the benefit of readers of *Hansard* that the Minister responsible for the Status of Women is the same person as the Minister of National Health and Welfare. I move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

● (1410)

That this House calls upon the Minister responsible for the Status of Women to inform the Minister of National Health and Welfare that the denial of a pension or allowance to a woman between the ages of 60 and 65 because she does not have a husband is a violation of human rights and of the principle of equality, and this House calls upon the Minister of Justice to join with the Minister responsible for the Status of Women in pressing the Minister of National Health and Welfare to correct this injustice forthwith.

Mr. Speaker: Such a motion pursuant to Standing Order 43 can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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MISS TEEN CANADA

CONGRATULATIONS TO MISS NANCY JANE NEWBURN—MOTION UNDER S.O. 43

Mr. Maurice Foster (Algoma): Mr. Speaker, under the provisions of Standing Order 43 I wish to move a motion congratulating Miss Nancy Jane Newburn who was chosen Miss Teen Canada at a ceremony in Toronto last evening. It should be noted by all members of parliament that Miss Newburn is a native of Sudbury and a representative of northern Ontario in that pageant. Since you, Mr. Speaker, represent that great city in this House, we ask you to personally extend the greetings and good wishes of all members of the House of Commons to Miss Newburn on this happy occasion.

[Mr. Forrestall.]

Some hon. Members: Hear, hear!

Mr. Speaker: I therefore declare the motion carried!

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ADMINISTRATION OF JUSTICE

SUGGESTION GOVERNMENT CEASE ATTEMPTS TO PREVENT CIVIL SERVANTS FROM OBEYING SUBPOENAS—MOTION UNDER S.O. 43

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a motion under Standing Order 43, the pressing and urgent circumstances of which appear from the motion. I therefore move, seconded by the hon. member for Grenville-Carleton (Mr. Baker):

That this House demands the government cease and desist from instructing legal counsel on its behalf to attempt to prevent civil servants from obeying subpoenas or to provide them with immunity from such subpoenas.

Mr. Speaker: The presentation of a motion pursuant to Standing Order 43 can be made only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

CANADIAN BROADCASTING CORPORATION

REQUEST FOR INVESTIGATION OF WAY IN WHICH CORPORATION FULFILLING MANDATE—NATURE OF REPLY

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is for the Prime Minister. On Friday last the Prime Minister wrote to the chairman of the CRTC inviting the CRTC to investigate doubts as to whether the English and French television networks of the Canadian Broadcasting Corporation are fulfilling the mandate of the corporation. I wonder if the Prime Minister can advise the House whether he has received a detailed response from the chairman of the CRTC and, if so, what that response is.

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, I have not received any response as of yet.

SUGGESTION MINISTERS MAKE SPECIFIC CHARGES AGAINST RADIO-CANADA

Mr. Joe Clark (Leader of the Opposition): A supplementary question, Mr. Speaker. Since it has been the consistent practice of the Prime Minister to refuse inquiries on other

important matters either by an agency of the House of Commons or by any other government agency unless specific charges have been made by a member of this House, and since there have been general charges made—and perhaps specific charges; we have not yet seen the list of the Minister of State for Urban Affairs against Radio-Canada by ministers of the Crown, is it the intention of the Prime Minister to instruct his ministers who feel they have charges to make, to make those charges to the CRTC specifically, and to make them public so that this House and the people associated with Radio-Canada will know of what they are accused, and by whom?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot indicate how the CRTC will conduct its inquiry. I can say that if the CRTC wants to hear from ministers or from members on this side as well members on the other side regarding opinions or observations that they may want to make, I am quite certain that opinions will be volunteered from this side. Once again I cannot ascertain how the CRTC will want to conduct its hearings or if it will want to hear specific accusations from this side.

Mr. Clark: Mr. Speaker, I am interested in the double standard the Prime Minister is applying. He refuses to have inquiries into other matters unless specific charges are made in the House, yet proceeds in the case of Radio-Canada to have an inquiry undertaken, without specific charges. My question to him did not relate to what the CRTC is to do; my question to him is whether he is going to instruct ministers who have raised questions about Radio-Canada to make specific charges, and make them public?

Mr. Trudeau: Mr. Speaker, there is, I believe, some confusion in the mind of the Leader of the Opposition.

Mr. Fraser: He is not confused.

Mr. Trudeau: Mr. Speaker, I could insist on my ministers renewing the charges they made a few weeks ago.

Mr. Broadbent: And documenting them.

Mr. Trudeau: And documenting them, Mr. Speaker. But I had thought that by proceeding via the CRTC route we would diffuse the need for those kinds of charges—

An hon. Member: What about smear and innuendo?

Mr. Trudeau: —I and have the investigation made by the CRTC itself. So far as the so-called double standards are concerned, it seems to me that the distinction is rather easy to see and make. I have refused investigations into alleged illegalities, for the simple reason, as I have said in the House, that I feel due process of law is the normal way to investigate crimes or alleged crimes.

Mr. Fraser: What about improprieties?

Mr. Trudeau: I indicated, in so far as the courts were concerned, that if they were frustrated in some way or the police were frustrated in some way from pursuing the verification of the allegation of illegality, I would consider setting up an inquiry. But in this particular case there have been no allegations of crime, or of illegalities. The allegation had to do with content and innuendo. This, I suggest, the Leader of the Opposition would not expect me to ask the police or courts to look into; that is why I asked a quasi-judicial body to look into it.

Mr. Clark: Mr. Speaker, it is well known to this House that there have been complaints about alleged separatism in Radio-Canada for many years. These have been raised in debates in this House as far back as in 1967. But this inquiry which was announced on Friday followed precisely and exactly after the flurry of public attacks by members of the Cabinet of Canada, of the Liberal party of Canada, about separatism in the CBC. It followed those attacks directly. Consequently, since accusations by ministers of the Liberal party were the cause of this particular inquiry, will the Prime Minister accept his responsibility and instruct ministers whose general accusations caused the inquiry to be specific and public about their accusations?

Mr. Trudeau: Mr. Speaker, if the Leader of the Opposition feels that the inquiry was instituted merely because there were complaints by ministers, I can only comment that he is badly misinformed about public feelings in Quebec, the CBC, Radio-Canada, and about content.

Mr. Fraser: Do you mean public feelings caused the inquiry? Whom are you kidding.

Mr. Trudeau: Accusations have been made over a period of several years about alleged separatist leanings of the CBC. They were made long before ministers voiced them a couple of weeks ago. The Leader of the Opposition should be made aware of this, if he is not aware of it already.

REASON FOR INQUIRY INTO TELEVISION ONLY

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I wonder if the Prime Minister can tell us why the CRTC has been asked to investigate only the television side of broadcasting? Is it perhaps that separatists who can be seen are considered as more dangerous than those on radio? What is the rationale?

An hon. Member: Look in the mirror.

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. I must confess that the reason for our singling out television is that I was hoping it could be done within a rather short deadline, by July 1. But I have since learned that it would be almost as easy for CRTC to conduct at the same time an inquiry into the radio side, and I have written Mr. Boyle to ask him if he believed it possible within that time framework to include radio.

● (1420)

POSITION OF EXPERTS ATTACHED TO COMMISSION OF INQUIRY

Mr. R. Gordon L. Fairweather (Fundy-Royal): Perhaps we will have just a series of tabled letters. Could the Prime Minister tell us about the use by CRTC of outside experts? Are they to be attached to the commission? That part of the Prime Minister's letter, with great respect to him, was rather general. Are these to be ad hoc members of the commission, are they just technical experts, or who and what are they and whence do they come?

Right Hon. P. E. Trudeau (Prime Minister): There again, for the same reason when I wrote to the chairman of CRTC. I made the point that since I was asking for a report within a fairly short period of time, I saw no objection to having outsiders join him or CRTC. I did not give him any further instructions and I would not expect him to want any of me. I await his answer, and would expect him to have freedom of choice in that matter.

LACK OF SPECIFIC ACCUSATIONS IN REQUEST FOR INQUIRY

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Prime Minister as well. Quite apart from how CRTC decides to undertake its inquiry, if it should decide to proceed, I would like to ask the Prime Minister whether he does not realize that in writing to CRTC as the Prime Minister of Canada and requesting such an inquiry, it was of fundamental importance, in order to avoid the impression of creating a Nixon-like pressure on the news media of Canada—

Some hon. Members: Oh, oh!

Mr. Broadbent: —that in his letter requesting an investigation he provides very specific instances that he wanted investigated.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think what the Leader of the NDP described as a request was an invitation, and in his question he has hinted that perhaps I would not get a positive response. I do not know what response I will get, but I submit that in the very way he asked the question he indicated his belief that CRTC is free to act or not, and that is also my belief.

Mr. Broadbent: The Prime Minister did not answer the question. I should like to refer back to his own suggestion or at least his reference to the rule of law. Would the Prime Minister not agree that when accusations are raised without specific instances being referred to, what you are doing is casting doubt on all the employees in such an institution and on all their actions, and therefore, quite correctly, such an inquiry, particularly initiated by the head of a government, is seen to lead to a kind of witchhunt in the organization concerned?

[Mr. Trudeau.]

Mr. Trudeau: Mr. Speaker, this seems to revert to the earlier question put by the Leader of the Opposition. I repeat, there is no accusation or suspicion of illegality or wrongdoing here. The suspicion and the allegations are in the area of conveying bias or slanted views of the news or a slanted picture of the unity of Confederation. There is nothing illegal in doing this, but when the taxpayer puts up half a billion dollars a year to have a public broadcasting system, he is justified in ascertaining that that system does not set out to destroy the country.

Some hon. Members: Hear, hear!

Mr. Trudeau: As I said to the Leader of the Opposition, this is not a matter in which we can say, let the law follow its course, or let the police do their work, as I have done when they have asked for commissions in other areas. This is a matter of opinion, innuendo and nuance, and I do not think it is for politicians or partisans to make a judgment on this. I do think that the people—

Mr. Grafftey: You have made your judgment.

Mr. Trudeau: Of course I have made my judgment, and that is that we should refer the question to the CRTC, which is a quasi-judicial body.

Some hon. Members: Hear, hear!

Mr. Broadbent: Mr. Speaker, in asking my final supplementary I would like to refer to the letter by the Prime Minister himself dated March 4. He has just said to the House that no one makes suggestions of wrongdoing. I say to him that he was precise in suggesting wrongdoing in his letter when he called upon the CRTC to investigate whether or not the CBC is carrying out its mandate.

An hon. Member: Whether or not.

Mr. Broadbent: If that is not a suggestion of wrongdoing, I do not know what is.

Some hon. Members: Oh, oh!

Mr. Broadbent: If the babblers would be quiet I would like to get my question asked. In the past the Prime Minister has expressed in this House his concern about the principles of justice, but we are not talking about the Criminal Code here. I would like to ask him if he believes it is consistent with the principles of justice to call into question the reputation of a major news gathering agency in Canada without citing one specific incident in his letter.

Mr. Trudeau: Well, Mr. Speaker, once again the term "wrongdoing" is used by the Leader of the New Democratic Party in an ambiguous fashion. Yes, it is a wrongdoing to spend taxpayers' money for a purpose which is not that for which the money was provided.

Mr. Clark: Otto Lang.

Mr. Trudeau: But there is no illegality in the particular allegations. It is a question of whether the CBC is or is not pursuing its general objectives. The leaders of the opposition parties do this all the time when in the estimates committee they ask ministers or officials whether they are following their mandate. They do not make accusations. They probe and they try to find out. In this particular case there have been accusations of a very general and ongoing nature.

An hon. Member: By you.

Mr. Trudeau: By us, and I would say also by a very large number of Quebecers. Anyone who has had the advantage of living in the province of Quebec and talking to the people would know that there is a loud, continuing and even agonized cry about the CBC destroying the unity of this country, and hon. members of the opposition should know that, if they do not already know.

* * *

[*Translation*]

NATIONAL DEFENCE

LANGUAGE OF COMMUNICATIONS AT MILITARY AIRPORTS

Mr. René Matte (Champlain): Mr. Speaker, my question is directed to the Minister of National Defence.

Could he tell us clearly what is the air-ground or ground-ground language of communication used at the Canadian military air bases in Quebec?

[*English*]

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, it is my understanding that both official languages are used at St. Hubert, which is an MOT station. Actually, the practice at the present time is that English is a common language for military operations.

[*Translation*]

Mr. Matte: I should like to put a supplementary question, Mr. Speaker.

I would like to ask the minister if the policy for air-ground or ground-ground military communications in Quebec is in accordance with the bilingualism policy of the government, that is whether the use of French in those communications is tolerated or encouraged in all Quebec military airports?

[*English*]

Mr. Danson: Mr. Speaker, the use of both official languages is indeed encouraged. I might say that I am in the process of looking into this entire matter. I am not fully informed on it, but I give a very high priority to encouraging the use of both official languages throughout the armed forces as a matter of course.

● (1430)

EXTERNAL AFFAIRS

POSSIBILITY OF AGREEMENT WITH UNITED STATES ON MOVEMENT OF OIL AND GAS FROM ALASKA—GOVERNMENT POSITION

Mr. John C. Crosbie (St. John's West): Mr. Speaker, my question is for the Prime Minister. President Carter has indicated that the United States and Canada are near agreement on plans to ship Alaska natural gas, and possibly oil, across Canada to the lower 48 states, as reported by the Associated Press yesterday. The president apparently indicated that Canada will play a major role in moving gas and possibly oil out of Alaska. My question is, what is the agreement that is near between the United States and Canada on shipping Alaska natural gas and possibly oil across Canada to the lower 48 states? Has the Prime Minister agreed with the president on the Mackenzie Valley pipeline project suggested by Arctic Gas or on one of the other proposals or just what agreement is now near? How is Canada to play a major role in moving gas and possibly oil out of Alaska?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as with so many reports, that is probably an incorrect one. I can say to the hon. member that there is no agreement. There cannot be one near either because I made it very clear to the President that the government would not be in a position to make any decision until we had heard from the National Energy Board and from the commission of Mr. Justice Berger, which I believe is not expected before the end of April.

Mr. Crosbie: The president is also quoted as saying that his chief energy adviser, James Schlesinger, and the Canadian Minister of Energy, Mines and Resources, met last Friday to probe further agreement with Canada on the shipments. Why would these representatives of the United States and Canada meet to probe further agreement on shipments if there has not already been an agreement? If there is no formal agreement between the United States and Canada in this area, has the Prime Minister reached an understanding with the president to the effect that Alaska natural gas and possibly oil will be permitted to be moved across Canada to the United States or has the Prime Minister given the President the impression that Canada will take an affirmative approach on these issues when Mr. Justice Berger and the National Energy Board have reported? Will the Prime Minister comment on that?

Mr. Trudeau: Mr. Speaker, a whole series of comments would be called for here. I would just say that I agree with the hon. member's logic in the first part of his question, and I would be inclined to say, exactly.

Oral Questions

ADMINISTRATION OF JUSTICE

POLICY ON SEEKING IMMUNITY FROM SUBPOENAS FOR CIVIL SERVANTS—POSSIBILITY OF LEGISLATED CHANGE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Justice. Is it the policy of this government to instruct its Counsel to appear before municipal boards or courts and try to obtain blanket immunity for civil servants so that they do not have to appear in response to subpoenas and give evidence?

Hon. Ron Basford (Minister of Justice): Not generally, Mr. Speaker. There may be the particular circumstance where it would be warranted.

Mr. Baldwin: In view of the fact that any such attempt is based on the ancient royal prerogative of Crown privilege which anti-dates the Bill of Rights, a right which is being asserted by the Prime Minister and his friends at the present time, will the Minister of Justice instruct his counsel not to make any such requests and to see about securing some form of legislation by which the right will be specifically spelled out and not left to chance as they are at the present time?

Mr. Basford: Mr. Speaker, these instructions were given to counsel in connection with an Ontario Municipal Board hearing. However, I want to point out that counsel assured the Municipal Board that officials of the National Capital Commission would make available to the board all the information that they could, and provide the board with every assistance that they could. As I take it, only from newspaper clippings, the matter in issue was the subpoenaing of other officials from the National Capital Commission who would possibly be called upon to discuss information, the disclosure of which would place them in contravention of their oath of office. I can assure the hon. member that the Justice counsel assured the board they would provide every possible assistance they could.

Mr. Baldwin: Will the Minister of Justice take into consideration that this attempt to provide selective information would deprive counsel of the right to cross examination which is one of the cherished privileges of the courts of today.

Mr. Basford: That was not the effect of the submission, Mr. Speaker.

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INDUSTRY

LEARSTAR JET PROGRAM—NUMBER OF PLANES FINANCED BY EXPORT DEVELOPMENT CORPORATION

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. It is with regard to the sale of 25 LearStar jets to the Federal Express Company of the United States. The minister informed me last Friday that the Canadian Export Development Corporation would be financing the purchase of 25 of these aircraft. Will the minister inform me the percentage of the sales of these planes the Export Development Corporation will be financing? With regard to the other 75 orders, will the Export Development Corporation be financing the purchase of those planes?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, of the 71 already sold, 25 will be financed through the Export Development Corporation for a total amount of some $115 million. I think that the sale of 46 aircraft has been made without any intervention by the EDC.

[*English*]

LEARSTAR JET PROGRAM—REQUEST FOR INVESTIGATION OF DESIGN AND STRUCTURAL PROBLEMS BY MR. GOLDEN

Mr. Dan McKenzie (Winnipeg South Centre): During the week of January 31 in Reno, Nevada Canadair and Lear Aviation had a meeting with regard to the design and structural problems that Canadair is having with this aircraft. Will the minister have Mr. David Golden investigate these structural problems as he has informed me that contracts may be terminated if Canadair fails to supply these aircraft within 12 months of the scheduled delivery date?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, Mr. Golden was asked to study the structure of Canadair Limited and de Havilland Aircraft of Canada Limited. He will certainly be called upon to examine the development of aircraft built by those two companies and if he has comments to make, he could make them to me. For my part, I feel that the LearStar program is progressing extremely well under the circumstances.

* * *

[*English*]

CANADIAN BROADCASTING CORPORATION

POSSIBILITY OF CANADA-WIDE INQUIRY

Mrs. Simma Holt (Vancouver-Kingsway): Mr. Speaker, I have a question for the Prime Minister. Since a group of 100 leading British Columbia citizens, the list headed by a former NDP member of parliament, Grace MacInnis, has asked western members of parliament to investigate or act on the failure of the CBC to fulfill its mandate both with regard to unity and journalistic quality, will the Prime Minister advise this House if the CRTC chairman will carry out the investigation on a national east to west scale?

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not sure whether all members of this House would agree that that is not too vague an accusation by Mrs. Grace MacInnis and others. However, I think that her concern is certainly one which we share. I would merely remind the hon.

member that when I wrote the president of the CRTC I did mention that aspect of the English and French networks.

Some hon. Members: Hear, hear!

EFFECT ON INQUIRY OF INTRODUCTION OF TELECOMMUNICATIONS LEGISLATION

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Prime Minister. In view of his assumption that this inquiry into the CBC is based on innuendo, insinuation and implication, will the Prime Minister agree that if the CRTC is going to carry out this very difficult inquiry that any suggested influence or interference with its affairs, either direct or implied, should be removed. In that light, has the Prime Minister had a chance to talk to the Minister of Communications about the second phase of the telecommunications legislation which very directly involves the CRTC and changes in its composition so that element can be brought out into the open also?

Right Hon. P. E. Trudeau (Prime Minister): On the first part of the question, Mr. Speaker, I agree that something or somebody should be removed. On the second part of the question, we have had some talks and they are ongoing between the minister and myself.

* * *

● (1440)

COMMUNICATIONS

SUGGESTED INTRODUCTION OF LEGISLATION TO ALLEVIATE EFFECT ON INQUIRY INTO CANADIAN BROADCASTING CORPORATION

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, may I put a supplementary question to the Minister of Communications? In view of the fact that this invitation to have an inquiry into the CBC by the CRTC very directly involves the CRTC, can the minister assure the House that the second phase of the legislation will be introduced so that any questions involving changes in the CRTC would not affect either directly or indirectly the hearing requested by the Prime Minister?

[*Translation*]

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, that inquiry can be made by the CRTC if the latter decides to comply with the invitation of the right hon. Prime Minister. It can also be included in the current mandate of the CRTC.

As for the second phase of the legislation, it will be tabled in the House in due course; the hon. member can then move amendments or come up with suggestions in the House or, in any event, see how the bill defines the relationship between the CRTC and the federal government.

[*English*]

ENERGY

MACKENZIE VALLEY PIPELINE—POSSIBILITY OF AGREEMENT TO SALE OF GAS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources regarding the discussions held last week in Washington with energy officials of the United States government. In a report emanating from a meeting of newspaper editors in the White House, President Carter is quoted as saying that Canada has substantial supplies of natural gas and whether the United States can make use of the surplus along with Alaskan gas is "something I will have to decide." May I inquire of the minister if he has agreed to the sale of Canadian gas in the Mackenzie Delta to the American market and if not, what information has been given to the United States authorities which would lead the president to believe that Canada has substantial surplus supplies of gas which could be made available to the United States from the Mackenzie valley pipeline?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I can assure the House that no offer was made. I can only assume that, as sometimes happens, this is a completely erroneous newspaper report.

NORTHERN PIPELINES—DISCUSSIONS WITH UNITED STATES ON FINANCIAL GUARANTEES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. The minister is quoted in the press as stating that he would discuss with the United States government the matter of financial guarantees for northern pipelines. In view of the minister's statement to the House that no guarantees had been asked for and, so far, none given, I should like to ask whether any understanding has been reached between the two governments with respect to financial guarantees? In particular, I should like to know whether such guarantees will be given jointly and what proportion of the cost would be borne by the Canadian people?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, no understanding has been reached with respect to completion guarantees or any form of guarantee with respect to a possible pipeline going through Canada. When I was in Washington I did discuss the possibility that a request might be made with respect to either CAGPL or Alcan, two applications that I thought would be of most interest to the United States and that we would be doing some contingency planning ourselves on the basis of that possibility. I suggested to the United States that in view of their interest in a pipeline in the north they might want to do their own contingency planning and set up their own group for that purpose. I believe they will because the other option they have, the El Paso option, would also involve some kind of subsidy or completion guarantee or guarantee of financing of the tankers involved.

Oral Questions

OIL—POSSIBLE EXTENSION OF EXPIRY DATE FOR EXPORTS TO UNITED STATES IN VIEW OF IMPORTS FROM INDONESIA

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question. I should like to ask the minister about his statements at the press conference in Washington in which he said it was a distinct possibility that Canada could import Indonesian oil, I presume through the Kitimat pipeline, and if such were the case it might be possible to extend the expiry date of oil exports to the United States which is 1981. Is it the government's intention to extend the expiry date of oil exports to the United States and does the government accept the proposition that we should take Indonesian oil as a swap and continue to sell Canadian oil to American customers?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member has taken two quite separate aspects of that particular press conference and joined them together. Let me deal with the two quite separately. I did discuss with United States officials the question of continuing to supply the northern tier refineries and the importance to Canada of swaps in being able to maintain this particular activity as our own exports would be scaled down in the years to come—swaps of secure oil for secure oil. The hon. member may know that the presidential adviser, Mr. Schlesinger, agreed that this was from his point of view a completely understandable position. I went on to point out that there might be an opportunity to protect Canada and the United States in the event of another oil embargo and that an oil storage facility in Newfoundland, in particular at Wabana, might be used for this purpose.

As to the question of Indonesian oil, I acknowledged when I was asked a question about whether there would be any advantage to Canada in the Kitimat pipeline that there might be and that clearly this decision had not been taken but that one of the possible advantages to Canada would be the opportunity to import oil on our west coast and perhaps Indonesian oil.

OIL—DISCUSSIONS WITH UNITED STATES ON POSSIBLE USE OF BELL ISLAND STORAGE FACILITIES

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. Is the minister able to tell the House if he had any specific discussions with the new administration in Washington with regard to the possibility of crude oil storage in Canada using the Wabana facilities on Bell Island?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, as I indicated in the answer to the last question I did have fairly extensive discussions with the new administration on that point.

Mr. McGrath: A supplementary question, Mr. Speaker. Can the minister tell the House what those discussions were?

Mr. Gillespie: Mr. Speaker, there was interest on the part of the United States officers and officials that I spoke to about this possibility. There was agreement that there should be a committee of officials to examine the details of how such an arrangement might be worked out.

[Mr. Gillespie.]

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NATIONAL DEFENCE

ESTABLISHMENT OF YOUTH CORPS—DISCUSSIONS WITH YOUTH ORGANIZATIONS—PERCENTAGE TAKING MILITARY OPTION

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, my question is for the Minister of National Defence. In view of the fact that in setting up the youth corps, the chairman of the national co-ordinating group of youth organizations had written to the Prime Minister and received a promise that before the youth corps was set up, the volunteer organizations in Canada would be consulted and so far they have not been consulted, is it the minister's intention to discuss this with this body of volunteer organizations?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, as I mentioned to one hon. member opposite just a few days ago, I hope to be able to make an announcement along these lines in the near future and certainly volunteer organizations will be very involved.

Mr. Dick: A supplementary question, Mr. Speaker, as it is anticipated that only six per cent of people entering the youth corps will take the military option may I ask the minister if this is a firm figure or is this only the number that the military could absorb?

Mr. Danson: Mr. Speaker, it is an incorrect figure.

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[*Translation*]

HARBOURS

DEBT OF MARITIME EMPLOYERS ASSOCIATION—GOVERNMENT POSITION

Mr. Claude-André Lachance (Lafontaine-Rosemont): Mr. Speaker, my question is directed to the Minister of Transport.

Yesterday a group of hon. members from the Montreal area met the Montreal port authorities as well as the leaders of Local 375 of the Longshoremen's Association. It was indicated that the Cast Shipping Company might very soon be leaving for the port of Halifax, which would result in increasing the tax on cargo from $2.94 to $4.90 and would have disastrous effects on the future of the port of Montreal. Does the minister intend to intervene by suggesting that the government take over the $17 million debt incurred by the Maritime Employers Association?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, we now have an observer present at meetings which are continuing in relation to the Cast-Maritime Employers Association dispute. It does seem to us that it is in the interests of

both parties to arrive at a settlement because from Cast's point of view it is likely the least expensive place for the business to be handled and, or course, the business and its income is important to MEA. Therefore, I am hopeful that a successful conclusion will be arrived at in the course of discussions which are going on.

SUGGESTED PROHIBITION OF USE OF SURPLUS FUNDS OF PORT OF MONTREAL TO DISCHARGE DEBT OF MARITIME EMPLOYERS ASSOCIATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, as much as the Port of Halifax would like to have this business, the hon. member is absolutely correct about the crippling effect it would have on the port of Montreal. What we on the east coast want is not business at the expense of another part of Canada but an assurance from the government that they will not use the surplus account funds of the port of Montreal to reduce a debt which, after all, is a legal debt contracted between an employer and its employees. To use the money in that manner would constitute, at the very least, an illegal act. What we are asking is that the minister will not even consider such a course but, rather, that he will issue instructions on behalf of the government that this is not to be done.

● (1450)

Hon. Otto E. Lang (Minister of Transport): I pointed out in my earlier answer that I saw the question as one which does not even arise because of the mutual interest of the parties in arriving at a settlement. I should like to assure the hon. member with regard to his broad concern that the government will continue to act in an equitable fashion as between different regions and ports of this country.

Mr. Forrestall: Could the minister give us some assurance that conversations are not taking place, and have not taken place, between the MEA and the National Harbours Board or any other group with respect to the use of that surplus account fund? That is a public fund.

Mr. Lang: We have only been there in an observer capacity in relation to the discussion on rates. The only mention of the fund I know of has arisen either in the press or in the questions asked by the hon. member.

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HEALTH

GERIATRIC RESEARCH—REQUEST FOR SUPPORT

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. In view of the fact that the number of senior citizens relative to the work force is estimated to double in the next few decades leaving a smaller group of workers to meet the economic and social responsibilities, has the minister any plans to finance and fully support geriatric research to keep older people healthy and working longer years to help the economy out and lighten the tax burden on the family man?

Hon. Marc Lalonde (Minister of National Health and Welfare): I can assure the hon. member that I share his concern about this problem. As the hon. member has stated, it is one which has substantial implications for the future economy of our country. There have been and are presently studies undertaken on the strictly medical side of the question by the Medical Research Council and on the socio-economic side through Health and Welfare development grants. Funds are available for researchers who are interested in pursuing this matter. At the present time, there are discussions going on between the MRC and the Canadian Association of Gerontology as to how MRC programs could best be used to meet the needs of senior citizens.

Mr. Rynard: Would the minister take up with his colleagues the establishment of incentives to encourage the urge felt by older citizens to keep on working when they are physically fit?

Mr. Lalonde: I would certainly be happy to discuss this matter. We are at the present time examining the whole question of private and public pension programs and surely this is one aspect which should be looked into.

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THE CONSTITUTION

NUMBER OF REPLIES FROM PREMIERS ON PATRIATION—REQUEST FOR TABLING OF LETTERS

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is directed to the Prime Minister. Would the Prime Minister inform the House from which of the provincial premiers he has received replies to his letter of January 19, 1977 regarding patriation of the constitution, and will he table those replies as he did his original letter to the premiers?

Right Hon. P. E. Trudeau (Prime Minister): I am afraid I cannot answer that question without first making an inquiry. I believe one or two answers have come in but I am not certain if that is the total number. I know that two have come in because I acknowledged their receipt. I am not sure whether there are more. I would have to inquire. As to tabling them, I prefer to follow the usual custom of getting answers from everyone and tabling the answers together.

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BUSINESS OF THE HOUSE

DATE OF COMMENCEMENT OF BUDGET DEBATE

Mr. Baker (Grenville-Carleton): Mr. Speaker, my question is directed to the Postmaster General in his capacity as deputy government House leader. Has a decision yet been made as to when the debate on the budget will commence, bearing in

mind the fact that there might be some difficulty about completing it before a contemplated Easter break? If a decision has not been made, would the hon. gentleman consult with the government House leader and perhaps advise the House as to the results on Thursday?

Mr. Blais: There has been no decision taken on that matter as yet. Representations are noted, and consultations will take place followed by an announcement in the usual course.

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ENVIRONMENTAL AFFAIRS

SPRUCE BUDWORM—GOVERNMENT EFFORTS TO COMBAT

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is directed to the Minister of the Environment. In view of the growing concern in the pulp and paper industry in the Atlantic region because of the infestation of the spruce budworm, while it is recognized that there is provincial responsibility, could the minister advise the House whether any consultations have been held with the pulp and paper industry and whether any action is being taken by his department to deal with this serious problem?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, there was a meeting early in February with the representatives of six of the provinces to deal with this very matter. Some provinces, at that time, indicated their intention to go ahead and carry out spraying. Others did not. These are, of course, management decisions which the provinces have to take. The federal government is spending $3 million annually on research into the budworm problem and now there is co-operation with the United States government which recognizes the threat in the State of Maine and intends to spend sums up to $3 million in response. So there are good combined efforts going on.

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INDIAN AFFAIRS

DATE OF DECISION ON TURRIN-PENN LEASE NEAR SHANNONVILLE

Mr. J. R. Ellis (Hastings): Mr. Speaker, my question to the Minister of Indian Affairs and Northern Development would probably call for too long a preamble. Might I, then, simply ask the minister if he has any idea when we might expect some answer to the problem of the Tyendinaga Mohawks on the Tyendinaga Reserve with regard to the Turrin-Penn lease near Shannonville?

An hon. Member: Would you repeat that in English?

Hon. Warren Allmand (Minister of Indian Affairs and Northern Development): I received a letter from the hon. member on this subject only yesterday and I will try to give him an answer by mail as soon as possible.

[Mr. Baker (Grenville-Carleton).]

HEALTH

GUIDELINES CONCERNING USE OF BOXCARS WHICH HAVE CONTAINED DANGEROUS CHEMICALS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the Minister of National Health and Welfare. It concerns the dioxin poisoning incident which was reported last week. Would the minister tell the House whether he has asked his colleague, the Minister of Transport, why boxcars which have been reported as containing dangerous chemicals were not properly cleaned out? In particular, can he say why the boxcar which brought contaminated grain to Ottawa on February 8 was not cleaned out prior to the loading of grain? Would the minister tell us whether, following this incident, his department has set up any guidelines governing the use of contaminated boxcars hauling grain?

Hon. Marc Lalonde (Minister of National Health and Welfare): Details of this particular incident, Mr. Speaker, are still under investigation. When all the facts are known appropriate action will be taken to ensure that such an incident is not repeated.

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INDUSTRY

LEARSTAR JET PROGRAM—NUMBER OF ORDERS FINANCED BY CANADIAN EXPORT DEVELOPMENT CORPORATION

Mr. Allan B. McKinnon (Victoria): My question is for the Minister of Industry, Trade and Commerce. If I understood his answer to the hon. member for Winnipeg South Centre correctly, it would appear that the Export Development Corporation is putting up something like 95 per cent of the funds needed for the Federal Express Company to fulfil its order. Could the hon. gentleman tell the House if the other 45 or 46 orders that he claims to have received are based on similar financing by an arm of the federal government?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): No, Mr. Speaker, there is only the order of the Federal Express Company which was presented to the Export Development Corporation; the latter studied it according to the usual procedure when dealing with foreign transactions; it came to the conclusion that this was the type of deal it could finance just as it does, every year, finance Canadian exports for hundreds of millions of dollars.

* * *

[*English*]

AGRICULTURE

GOVERNMENT ACTION TO PREVENT USE OF BOXCARS CONTAMINATED BY CHEMICALS TO HAUL GRAIN

Mr. Frank Maine (Wellington): My question is related to the one asked by the hon. member for Athabasca. I would like

to direct it to the Minister of Agriculture. It relates to the unfortunate accident where a container of the toxic insecticide, dioxin, contaminated a CN rail car which was subsequently loaded with feed grain and shipped to a feed dealer in Ottawa on February 8, 1977. Can the minister report what action he has taken to ensure that such accidents do not further jeopardize the health of workers, innocent participants, such as the dealer, the farmer and the food manufacturers and can he tell us whether they will be adequately compensated?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I cannot add very much to what has been said by my colleague, the Minister of National Health and Welfare. We are working very closely together on this. I think it is too early to say what the findings are, but I am assured that action will be taken, indeed has been taken, so as to ensure that this does not happen again. Tests are going on and we should have results later this week which I think will prove to the public that everyone acted in a proper manner.

* * *

● (1500)

TRANSPORT

ACTION TO ENSURE BOXCARS USED FOR CHEMICALS NOT USED TO HAUL FOODSTUFF

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is also supplementary but is directed to the Minister of Transport and has to do with the dioxin incident in the city of Ottawa. The minister is no doubt aware that the dioxin got into the milk in Ottawa because a boxcar which was used to carry chemicals was only cleaned out in a very cursory sense and feed grain was then put into the boxcar. I should like to ask the minister whether or not it is now his intention to bring in regulations to ensure that deadly chemicals like dioxin, which is one of the most deadly known to mankind, will never be shipped in the same car as foodstuffs in order to avoid this very unfortunate kind of incident in the future?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, it is true that the car in question was apparently cleaned in a way not related to the carrying of dangerous materials. The present regulations in relation to dangerous materials, under the supervision of the transport commission, do not include several chemicals of the family in question, and indeed neither do the regulations in the United States. When those regulations do apply, they require very thorough cleaning of cars which ensures against such problems; and of course following this incident, the issue is being reviewed in a desire to see whether these chemicals or others should be added to the list.

AGRICULTURE

POSSIBILITY OF ESTABLISHING ENVIRONMENTAL UNIT TO GUARD AGAINST CHEMICAL CONTAMINATION OF FOOD

Mr. Lorne Nystrom (Yorkton-Melville): A supplementary question, Mr. Speaker, which goes to the Minister of Agriculture. In view of the fact that we had two cases of very severe food contamination last month, first, the PBB's from Michigan and now dioxin, is the minister now giving any consideration to establishing within his department an environmental unit so that the reaction time to these incidents can be a lot shorter? In the case of dioxin it was four weeks before they were able to find the contaminated boxcars.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I do not completely agree with everything that the hon. member said, but we are well aware that some of these things are very hard to control. We are also well aware of the fact that use of the cars, and so on, should be properly defined, that is, the kind of material which may be put in the cars. Action has been taken, and even if there is suspicion that certain grains may be contaminated they have been destroyed. The department has been running tests on milk and dairy products. Milk has been detained and not allowed on to the market. We do not think at this time that there will be any trace elements show up, from the preliminary tests that we have already made. We are optimistic that no damage has been done, but this is not to say that we should not make sure that this does not happen. It should not happen, and I think somewhere along the line there has been human failure which just should not have occurred, that is all.

Mr. Broadbent: Mr. Speaker, I rise on a point of order. My point of order concerns remarks made earlier this afternoon by the hon. member for Vancouver-Kingsway. All members of this House are well aware that the hon. member is known for a scrupulous, scholarly approach to factual matters.

Some hon. Members: Hear, hear!

Mr. Broadbent: Only in rare instances does a lapse of judgment set in, according to which she systematically misinforms the House and leaves an impression that is 100 per cent opposite to that which prevails in reality.

In speaking to this point of order, I should like to say in a most serious way that she has maligned the former member for Vancouver-Kingsway who devoted almost her whole life to the preservation of civil liberties, and at a time when the present member's Liberal colleagues were systematically persecuting Japanese Canadians on the west coast during the second world war.

Some hon. Members: Oh, oh!

Mr. Speaker: Order. The hon. member has risen on a point of order relating to a mistaken reference to the former member for Vancouver-Kingsway. Perhaps he should confine himself to that.

Mr. Broadbent: This is precisely to that point, Mr. Speaker. The suggestion was made by the present member for Vancouver-Kingsway that a petition or a protest has been generated, on which is to be found the name of Grace McInnis, the former member for Vancouver-Kingsway. The suggestion was made that somehow this petition bore directly or indirectly on the question of separatist tendencies in the CBC on the one hand or, on the other hand, was devoid of specific references to the carrying out of the mandate of the CBC.

I want to suggest that the member has misinformed the House. The petition that she refers to did precisely what ought to be done by someone who is concerned about the CBC's mandate. First of all, the petition was presented to the present head of the CBC. It concerned regional programming in British Columbia and had absolutely nothing to do with carrying out, in a different context, the mandate of the CBC. Second, it presented fact after fact for consideration by the CBC. In short, it did not do at all what the Prime Minister has done in taking to the CRTC vague and undefined allegations.

Mrs. Holt: Mr. Speaker, I rise on the same point of order. First, I asked that there be an investigation both west and east, but if I may I would like to read part of a letter. I point out that I am indeed factual because I have before me a letter dated February 4, which is an appeal to every member of parliament. It is from the B.C. committee for CBC reform and I can table it. It says:

Dear Mrs. Holt:

You, as a representative of the Canadian people, have the power—and we are sure also the inclination—to institute a thorough investigation into the CBC. We welcome the initiative of Mr. Mitchell Sharp—

That is in relation to a previous request for an investigation.

—in finally bringing before the House on February 3, 1977 the question that has been bothering hundreds of thousands of Canadians: what has happened to that once great institution which was the CBC?

Some ten months ago a group of prominent citizens in B.C. got together to voice their protest with regard to the steady deterioration of the CBC which had been going on for several years, i.e. the loss of equity in both radio and television, the lack of concern for what the regions wanted, the lack of funding for any locally produced programs—

And so on. At the top of page 2 appears the name of Grace MacInnis, former MP, Vancouver. Another well known name in the list is Sidney B. Simons, barrister, West Vancouver, another prominent NDP-er.

Some hon. Members: More.

Mr. Speaker: Order, please. Regrettably, sometimes points of order are more fun than debates. The point of order is whether or not the hon. member for Vancouver-Kingsway had in any way misled the House in her intervention during the question period. This was contributed to by the hon. member for Oshawa-Whitby and it seems to me that the hon. member for Vancouver-Kingsway has now amply laid to rest any suggestion of misleading the House.

Some hon. Members: Hear, hear!

[Mr. Speaker.]

Mr. Speaker: I did not permit the hon. member for Oshawa-Whitby to go further afield into other allegations. Neither should I now, I think, permit the hon. member for Vancouver-Kingsway to refer to other members who may have signed the petition or to other people whose names appear on it. The fact is that the only question which was at stake in the point of order was whether or not the former member for Vancouver-Kingsway had in fact added her signature to a request for some kind of investigation. I have no intention, under the guise of a point of order, to get into a debate on how widespread that investigation should be. I think the point of order solely concerns whether or not the hon. member for Vancouver-Kingsway was accurate or inaccurate in telling the House that this signature was in fact on that kind of complaint.

Mr. MacKay: Mr. Speaker, I, too, rise on a point of order. I should like again to bring to the attention of the Parliamentary Secretary to the President of the Privy Council the extreme difficulty that I am having in getting answers to a number of questions on the order paper relating to Statistics Canada.

Mr. Speaker: Order, please. I wonder whether the hon. member for Central Nova would raise that under Questions on the Order Paper, which I hope will be reached in a minute.

● (1510)

ROUTINE PROCEEDINGS

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 1,055, 1,056, 1,267, 1,473, 1,475, 1,512, 1,549, 1,622, 1,711, 1,717, 1,729, 1,843 and 1,859.

[*Text*]

REED PAPER LIMITED

Question No. 1,055—**Mr. Symes:**

1. Was a detailed outline of expansion plans for forest industry operations in Northwestern Ontario submitted by Reed Paper Ltd. to the Foreign Investment Review Agency at the time of the proposed takeover of Alpa Industry and, if so (a) what was the proposed acreage of cutting rights Reed included in such an outline (b) what was the total amount of new investment proposed (c) what was the proposal for (i) new plant facilities (ii) plant expansion and what was the dollar value in each case (d) how many new jobs (i) were to result from the expansion (ii) have resulted to date?

2. What is the number of employees presently engaged by Reed as opposed to April 1975?

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as the Foreign Investment Review Agency is concerned: 1. At the time of review of the proposal by Reed Paper Ltd. to acquire control of Alpa Industries Limited, the agency received an indication

from Reed Paper Ltd. of an expansion of their forest industry operations in northwestern Ontario and in this respect negotiations were being carried on with the Ontario Ministry of Natural Resources for additional timber limits. The confidentiality provisions of Section 14(1) of the Foreign Investment Review Act preclude the agency from releasing specific details of the information submitted by the company at the time of review. Reed Paper Ltd. has recently advised the agency that the acreage for timber cutting rights is still being negotiated with the province of Ontario but, in any event, would not likely exceed 19,000 square miles. The agency has also been advised by Reed Paper Ltd. that its investment in the forest industry operations in northwestern Ontario would be in the order of $400 million. Between April, 1975 and October 31, 1976 the company increased its permanent work force in the region by about 100.

2. Reed Paper Ltd. has also recently advised the agency that its total employment in Canada in April, 1975 was around 7,400 and at October 31, 1976 around 8,000.

DREE GRANT TO DRYDEN PAPER CO. LTD.

Question No. 1,056—**Mr. Symes:**

1. Was a DREE grant of $237,745 approved for Dryden Paper Co. Ltd. operations at Red Lake Road, Ontario and, if so, how much had been paid out by the Department to date?

2. Were ten new jobs to be directly created as a result of the DREE grant and, if so, how many have actually been created to date?

3. What (a) is the total number to date (b) was the total number as of August 1974 of employees at Dryden Paper's Red Lake Road operations?

4. Was a DREE grant of $805,273 approved for Dryden Paper Co. Ltd. at their Dryden, Ontario plant and, if so, how much has been paid out to date?

5. Were 77 new jobs to be directly created as a result of the DREE grant and, if so, how many have actually been created to date?

6. What (a) is the total number to date (b) was the total number as of August 1974 of employees at Dryden Paper's Dryden, Ontario plant?

Mr. Ed. Lumley (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Department of Regional Economic Expansion is as follows: 1. Yes. This offer of assistance was, however, withdrawn after the Dryden Paper Company Limited (now Reed Limited) advised the department that it did not intend to proceed with the project at this time. No payment was made against the offer.

2. Not applicable.

3. Not applicable.

4. Yes. Again, however, the department withdrew its offer when the company indicated that it did not intend to proceed with the project at this time. No payment was made.

5. Not applicable.

6. Not applicable.

KIT ENTITLED "SEX EDUCATION"

Question No. 1,267—**Mrs. Appolloni:**

1. What is the cost of the Kit entitled "Sex Education" published by authority of the Minister of National Health and Welfare?

2. Who compiled the list of contributors?

3. Who received contracts for the art work and graphics?

4. By whom is Yon Van Berkon employed?

5. Who requested the compilation of the "Sex Education" teachers' guide and by whom and to whom is it distributed?

6. Under which vote in the estimates has payment of this project been authorized?

7. Were the ministries of education of various provinces consulted with respect to production and distribution?

8. Into how many languages has the Kit been translated?

9. Have the private schools and/or their representatives been consulted with respect to production and distribution?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. Cost of kit entitled "Sex Education"—A Teacher's Guide: Printing costs to date.—$23,500. (i.e., 6,000 units of 6 booklets in English and 3,000 units of 6 booklets in French.)

2. The staff of the Family Planning Division, Social Service Programs Branch.

3. Adimec Inc.

4. Mr. Yon Van Berkon is self-employed. On this particular project he worked under contract to Adimec Inc.

5. Compilation of "Sex Education"—A Teacher's Guide followed discussion initiated by staff of the Department of National Health and Welfare who consulted professionals in the field of family planning. Kits are distributed by the Family Planning Division to those outlined in part 7 and in response to requests.

6. Operating funds of the Family Planning Division under Vote 45.

7. The Family Planning Division has an established contact route with staff involved in family planning in the provincial health and welfare ministries. The kit, in its draft form, was viewed and appraised by various officials and professionals across Canada. The kits in final form were forwarded to these persons and to provincial authorities with a request that they contact the appropriate staff in their ministries of education. Provincial reaction is favourable.

8. The kit has been distributed in both official languages.

9. Yes.

CFB GAGETOWN—PERSONNEL

Question No. 1,473—**Mr. Howie:**

1. Have projections been made as to the future need for (a) military (b) civilian personnel at CFB Gagetown and, if so, what are they?

2. Is consideration being given to locating a tank squadron at CFB Gagetown?

Hon. Barney Danson (Minister of National Defence): 1. (a) and (b). Yes. It is forecast that the following additional personnel will be required at CFB Gagetown by 1978: Military, 100; Civilian, 5.

2. Yes.

Order Paper Questions

CRTC—VIOLENCE AND IMMORAL CONTENT OF PROGRAMS

Question No. 1,475—**Mr. Howie:**

Does CRTC follow any procedures for the investigation and suppression of programming unacceptable because of violent or immoral content and, if so, what are they?

Mr. Ross Milne (Parliamentary Secretary to Minister of Communications): The CRTC does not have authority under the Broadcasting Act to suppress programming. When complaints are received regarding the content of a program which has been broadcast, the commission reviews the program to determine whether a breach of the commission's regulations may have occurred.

FAMILY ALLOWANCES BASED ON EARNINGS

Question No. 1,512—**Mr. Herbert:**

Has the government considered administering a programme of family allowances based on earnings of the previous year similar to the system used for payment of the supplement to the old age security payments and, if so, what is the estimated cost over and above the administrative cost of the existing family allowances programme?

Hon. Marc Lalonde (Minister of National Health and Welfare): When consideration was given to the Family Income Security Program (FISP), the government looked at many options, one of which was to grant family allowances on the basis of earnings of the previous year, a system similar to the one used for payment of the Guaranteed Income Supplement in the Old Age Security program. However, when the government introduced the FISP legislation in the House of Commons in 1972, debate on the legislation was terminated with the close of the fourth session of the twenty-eighth parliament. The legislation was not re-introduced during the twenty-ninth parliament after consideration of arguments presented in the course of this prior debate.

AIB—EMPLOYMENT PRACTICES

Question No. 1,549—**Mr. McKenzie:**

1. Has the Anti-Inflation Board obtained (a) part-time (b) full-time employees from private employment agencies in (i) British Columbia (ii) Alberta (iii) Saskatchewan (iv) Manitoba (v) Ontario (vi) Quebec (vii) New Brunswick (viii) Nova Scotia (ix) Prince Edward Island (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies (b) average hourly rate paid to employees (c) total amount paid by the Board in (i) 1975 (ii) 1976?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): 1. (a) Yes. (b) No. From December 1, 1975 to December 31, 1976.

		Part-time Employees *Man-Months
(i)	British Columbia	2.0
(ii)	Alberta	—
(iii)	Saskatchewan	—
(iv)	Manitoba	0.5
(v)	Ontario	255.7
(vi)	Quebec	3.6
(vii)	New Brunswick	—
(viii)	Nova Scotia	—
(ix)	Prince Edward Island	—
(x)	Newfoundland	—

* The personnel from private employment agencies were employed by the AIB at times when the particular urgent requirements of the Board needed additional administrative assistance. The term of employment varied from a few days to a few months. To determine the actual number of different individuals involved would require a manual review of the very large number of invoices involved from all the agencies. Manpower and financial resources are not available and therefore, the answer is submitted in man-months.

2. Employees were paid from the 1975-76 Supplementary Estimates and the 1976-77 Main Estimates.

3.

	1975		1976	
	(a) Average Hourly rate	(c) Amount Paid	(a) Average Hourly rate	(c) Amount Paid
British Columbia	—	—	$5.32	$ 1,713.41
Alberta	—	—	—	—
Saskatchewan	—	—	—	—
Manitoba	—	—	5.60	439.60
Ontario	$5.88	$17,999.88	6.49	249,810.11
Quebec	—	—	5.03	2,914.27
New Brunswick	—	—	—	—
Prince Edward Island	—	—	—	—
Newfoundland	—	—	—	—

(b) The hourly rate paid to the employees of the agencies is not known to the Anti-Inflation Board.

CBC—EMPLOYEES LOCATED IN QUEBEC

Question No. 1,622—**Mr. Coates:**

1. What is the total number of CBC employees, both French and English operations, radio and television, located in the Province of Quebec and what is the estimated payroll for the fiscal year 1976-77?

2. What is the estimated value of all property and equipment owned by CBC in the Province?

Hon. John Roberts (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. 4,346 as of January 31, 1977. $72,454,029.

2. $133,904,000 as of March 31, 1976.

STUDENT SUMMER EMPLOYMENT PROGRAMMES

Question No. 1,711—**Mr. Howie:**

For the year 1976, did the Department of Fisheries and the Environment have any student summer employment programmes in (a) Canada (b) New Brunswick and, if so, in each case (i) what were they (ii) how many persons were given direct summer employment and what were the wages (iii) what was the cost?

Mr. Jim Fleming (Parliamentary Secretary to Minister of Fisheries and the Environment): (a) Yes; (b) Yes. (a)(i) In Canada the programs were: 1. The Career-Oriented Summer Employment Program (COSEP) administered by the Public Service Commission. 2. The Non-Career Oriented Summer Employment Program (NON-COSEP) administered by the Department of Manpower and Immigration. (ii) The following numbers of persons were employed in DFE: COSEP, 277 students; NON-COSEP, 220 students; Total, 497 students. The average wages were: COSEP $2,600.—NON-COSEP $2,056. (iii) The total cost to the department was $1,172,520. (b)(i) Fifty one COSEP students were hired in New Brunswick. (45 in bio-chemistry, 2 in applied sciences, 1 in administration, 3 in forestry.) 30 NON-COSEP were hired. (ii) As above. (iii) Total cost, New Brunswick, $194,280.

STUDENT SUMMER EMPLOYMENT AND ACTIVITIES PROGRAMME

Question No. 1,717—**Mr. Howie:**

For the year 1976, did the Department of Manpower and Immigration have any student summer employment programmes in (a) Canada (b) New Brunswick and, if so, in each case (i) what were they (ii) how many persons were given direct summer employment and what were the wages (iii) what was the cost?

Hon. Jack Cullen (Minister of Manpower and Immigration): The Department of Manpower and Immigration has the responsibility for co-ordinating the planning, implementation and evaluation of the Student Summer Employment and Activities Program (SSEAP). Two programs, Canada Manpower Centres for Students and Job Exploration by Students are sponsored specifically by the department. The following table describes the number of students employed, their wages and the cost of the program for the seventeen SSEAP components for the year 1976:

	New Brunswick	Canada
Student CMCs		
Employment	42	1127
Wages (000's)	$107.1	$2873.8
Total Cost (000's)	$112.5	$3018.9
Job Exploration by Students		
Employment	101	887
Wages (000's)	$43.5	$311.9
Total Cost (000's)	$48.5	$360.4
Total SSEAP Programs including Public Service Commission		
Employment	951	23357
Wages (000's)	$1193.6	$25989.0
Total Cost (000's)	$1475.2	$30628.5

Order Paper Questions

NATIONAL DEFENCE—SERVICE PERSONNEL

Question No. 1,729—**Mr. Herbert:**

How many service personnel are in each province and territory, excluding the National Capital Region?

Hon. Barney Danson (Minister of National Defence): Newfoundland, 742; Prince Edward Island, 1,004; Nova Scotia, 11,562; New Brunswick, 4,207; Quebec, 10,475; Ontario, 15,865; Manitoba, 3,903; Saskatchewan, 1,618; Alberta, 7,937; British Columbia, 8,211; Yukon, 5; Northwest Territories, 317.

NATIONAL DEFENCE—EXPENDITURES, PRIMROSE LAKE AIR WEAPONS RANGE

Question No. 1,843—**Mr. Yewchuk:**

Has the Department of National Defence paid compensation to any individual, group or association, or to the Government of Alberta, for the lease of land for the Primrose Lake Air Weapons Range and, if so (a) on what date (b) to whom and by what method (c) in what amount?

Hon. Barney Danson (Minister of National Defence): Yes. (a) March 31 annually. (b) To the province of Alberta by Government of Canada cheque. (c) 1954-1974 $66,350 annually; 1975-1976 $307,600 annually.

NATIONAL REVENUE—TAX EXEMPTIONS

Question No. 1.859—**Mr. Huntington:**

1. What is the total amount of exemption claimed against income by taxpayers for dependants (a) other than spouses and children (b) other than spouses and children who are not resident in Canada?

2. In the case of taxpayers claiming support for dependants (other than spouses and children) who are resident off-shore, does the Department of National Revenue check the validity of such claims and, if so, by what means?

Hon. Monique Bégin (Minister of National Revenue): 1. (a) $128,863,000 for the 1974 taxation year, the latest year for which complete statistics are presently available. (b) This amount is not tabulated.

2. The Department does check claims for non-resident dependants. The claim must be supported by a completed declaration form. Evidence of the amount spent in support of the dependant must be provided. In some cases, claimants may be required to provide further information to substantiate the deduction.

[*English*]

Mr. MacKay: Mr. Speaker, I rise on a point of order. I notice that the parliamentary secretary did not enumerate questions which I placed on the order paper between November 1 and December 16 last. Not included on today's list of questions were questions Nos. 886, 975, 1,052, 1,053, 1,164, 1,358 and 1,380. Not one of those was announced. I have risen on this point of order previously. I do not want to delay or inconvenience the House, but I point out that the Minister of Industry, Trade and Commerce and I discussed this matter, as can be seen by reading *Hansard*, on November 1, November 8, November 15 and November 22 last, among other occasions. I ask the minister or the parliamentary secretary to undertake to

answer those questions in ample time for them to be discussed before the Statistics Canada estimates are disposed of by the relevant committee.

Mr. Goodale: Mr. Speaker, the Parliamentary Secretary to the Minister of Industry, Trade and Commerce may well have some information to give the House on the point. The House should be aware that during the present session of parliament 1,999 questions have been placed on the order paper, of which many have been answered, including some relating to the matter to which the hon. member has just referred. I assure the hon. member, as I have previously, that we are endeavouring to provide, as quickly as possible, the rather complicated information he has requested.

Mr. Paproski: Get with it, Ralph.

Mr. Poulin: Mr. Speaker, may I speak on the same point of order. The hon. member for Central Nova asked some questions with great precision and particularity. Statistics Canada has prepared answers, with equal precision and particularity. I have signed, in my capacity as parliamentary secretary, that part of Statistics Canada's answer which relates to the responsibilities of my department; at least, it is in the process of being provided in order to be printed in *Hansard*.

Other parts, or answers, falling under the responsibility of the Minister of State for Urban Affairs, with respect to the National Capital Commission, and under that of the Solicitor General with respect to RCMP investigations, are also to be provided. We are doing all we can to have those answers printed in *Hansard* by the time Statistics Canada appears before the committee. After the hon. member has examined the answer, and noted the particularity with which it has been supplied, perhaps he will see fit to apologize to Statistics Canada.

Mr. MacKay: Mr. Speaker, I thank both parliamentary secretaries for their information. If, and when, any apology is required I shall certainly not hesitate to make it. In the meantime, I hope the parliamentary secretaries will provide the information requested and proceed with more efficiency and dispatch than has been shown so far.

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

[Mr. MacKay.]

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ALLEGED FAILURE OF GOVERNMENT TO PROVIDE ECONOMIC LEADERSHIP

Mr. Edward Broadbent (Oshawa-Whitby) moved:

That this House condemns the failure of the government to provide economic leadership and in particular its failure to introduce measures which will ensure economic growth and provide jobs for the more then 1,000,000 Canadians who need them; and calls upon the government, in its March 31st budget, to correct these failures by:

1. establishing new direct job creating programs in needed social fields such as housing;

2. reducing taxes for middle and low income earners; and

3. assisting urban communities financially to ensure an immediate expansion of municipal capital works projects including rapid transit.

He said: Mr. Speaker, as the motion before the House makes clear, the Canadian economy, putting it briefly and accurately, is in terrible shape. Growth is almost non-existent, and as most in this House have finally realized, more than one million Canadians are without work. The situation is deplorable in terms of its effect on people. First and foremost, in Canada as elsewhere, ordinary people want to work, want jobs, want to contribute directly to the well-being of their families and communities. They prefer jobs to hand-outs: that is the human reality.

Second, the present situation is dangerously bad for the economy. Existing unemployment levels mean that we are paying some $2 billion a year in unemployment insurance and welfare; we are losing between $6 billion and $7 billion a year in production, since goods are not being produced; and we are losing at provincial and federal levels hundred of millions of dollars in taxes which would otherwise be paid by Canadians if they had jobs and were earning money with which to pay taxes. The result is that the rest of us, particularly middle and low income Canadians, have had to pay more taxes than would otherwise have been the case.

Bad though our circumstances are, it is important to know that the present malfunctionning of our economy, with its attendant high unemployment, is very bad for national unity. November 15 was the most important date in recent Canadian history. Its events were a sign of serious discontent in the country. But what they symbolized is not new. Economic grievances in Quebec and elsewhere in Canada have been building up for years: they have been ignored by the Liberals for precisely the same number of years.

Anxiety and conflict about the future of Canada are inescapably related to Canadians' sense of economic well-being, to their sense that our federalism is fair to themselves and their families, to their feeling that Ottawa, to put it bluntly, cares about them as people. How is it possible for young Quebeckers who are experiencing directly in their lives the reality represented in the statistic that more than 50 per cent of the new unemployment in Canada, as a whole, occurred in their prov-

ince alone, to feel an emotional commitment to the central government?

How is it possible for young men and women of Glace Bay, Nova Scotia, that beautiful part of our country, 70 per cent of whom were unemployed according to a survey done last summer, to feel emotions of commitment to their national capital and central government? How is it possible for the more than one million Canadians in the regions in virtually every province, Canadians without prospects of employment, to feel a strong sense of identity with their nation's capital?

● (1520)

In circumstances such as these there is a tendency for Quebeckers to blame English Canada, for Canadians elsewhere to believe that Ottawa does too much for Quebec, and for virtually all other provinces in Canada to resent the province of Ontario. These are the precise consequences that occur in a diverse and large country like Canada when people, wherever they are located, have the accurate perception that they are being unfairly treated by the central government.

The point is that a sense of economic fairness in life's opportunities is inescapably related to feelings of national unity. The point is that the Liberals have persistently ignored this and, in particular, have been responsible for the current disgraceful level of unemployment. We need a real growth rate of at least 5.5 per cent just to maintain current levels of unemployment. Surely that statistic itself should be of concern to all Canadians. Just to stay where we are, with more than one million people out of work, we must have a growth rate of 5.5 per cent and we are not getting it—and the prospects are not better, they are worse. In the last quarter of 1976 we had a negative growth rate of .6 per cent.

With the current policies of the government, real growth for 1977 is estimated to be only about 3.5 per cent. I ask hon. members to keep that in mind and relate it to what I said a minute ago about maintaining existing levels of unemployment, let alone improving the situation. If we have a growth rate of only 3.5 per cent, and we need 5.5 per cent to keep one million or fewer unemployed, the conclusion is inescapable and distasteful: unemployment in Canada will get worse, not better. It means that government policies, if they are going to reflect the concern about the unemployed and concern about national unity, will have to change fundamentally.

The budget that is to be brought down on March 31 should, in the view of the NDP, contain the following set of proposals. I put them forward not in a dogmatic sense, not with the conviction that they are the only approaches that can get us out of our terrible economic mess, but in the sense that the government must adopt measures like these, if not these precise ones, if it is to show the concern that is required about the more than one million unemployed in the country and the concern across the land to bring about some sense of economic justice in order to promote national unity.

We say that the government must move directly in terms of job creation, and I will make some specific suggestions. First, they should immediately reactivate the federal capital works projects set aside during the period of restraint, and simultaneously encourage the provinces and municipalities to follow suit. With more than 145,000 construction workers unemployed across the land—that is the figure for January, 1977, the most recent data—this move would not in itself be inflationary. If people are out there looking for jobs, you will not put more pressure on the job market by providing employment. What you do is to provide the jobs and stimulate the economy.

Second, the government should immediately expand budgets for low income and co-operative housing projects. Third, it should immediately expand to all of Canada the insulation program for houses and apartments now in effect in only Prince Edward Island and Nova Scotia. When the government lifted this particular proposal out of our suggestions made last October, we were delighted that they applied to two of our eastern provinces this sensible and practical proposal. What we say now is that the government should go all the way in adopting a good idea and extend it to the remaining eight provinces in Canada. This program would not only provide jobs but also conserve energy.

Fourth, the government should immediately tell our municipalities that its 1974 election promise to provide $290 million in financial assistance for rapid transit will be implemented. The Minister of Finance (Mr. Macdonald) said one day that it would not happen. The Prime Minister (Mr. Trudeau) said to the House three days later that it might happen. Then we have the Minister of Transport (Mr. Lang), presumably going back to the position of the Minister of Finance, saying no, he does not think it will happen. We say that that promise made sense in 1974. It was a promise to do something to assist our municipalities in rapid transit. It made sense in 1974, and it makes sense in 1977. In addition to providing jobs needed in the economy, it will constitute a conservation measure to reduce our consumption of oil, a measure which is long overdue. It is the kind of concrete step in federal assistance in a serious conservation direction which is long overdue. These are four concrete suggestions for direct federal involvement in job creation.

In addition, we believe that other steps are needed, particularly in the fiscal area. We recommend an immediate tax cut for low and middle income earners. We recommend that a $1.5 billion tax cut be brought into force immediately, to be complemented by the abolition of the indexation system, a proposal of the Official Opposition which the government foolishly and erroneously adopted. The step we are recommending is to have a tax cut of $1.5 billion for medium and low income tax payers and to abolish the indexation system, which will save about $1 billion for the treasury.

The net result would be an infusion of $500 million into the economy for those who most need it. We are saying specifically that the tax cut for medium and low income tax payers should be in the form of tax credits, with more money going to lower income people and less to upper income people. We are recommending, for example, that those with a taxable income of $5,000 should get a $400 tax credit, those with a taxable income of $10,000 should get $300 tax credit, those with

$15,000 should get $200, those with $20,000 should get $100, and those Canadians earning $25,000 or more a year should get no tax credit because they need nothing at this time in terms of a tax cut. Such a tax reduction would provide a badly needed stimulus to the economy and therefore would provide additonal jobs.

Earlier I indicated that I did not believe expanding by means of direct spending in the construction field would lead to further inflation. I said that this was obvious because there were 145,000 construction workers out of work. Let me add that the tax cuts which I am proposing would not be inflationary. I cannot understand the preoccupation of the Minister of Finance with the small "c" conservative economic advice that he is apparently getting which suggests that at this time there should be a trade-off between inflation and unemployment, and that if he stimulates the economy through tax cuts, there will be inflation.

At this time in the performance of our economy I suggest that that is nonsense, and I will tell the House why. At present, the manufacturing sector of the Canadian economy is operating at only 81 per cent capacity. That is an 11 per cent drop in three years. In 1973, stimulating the economy by means of direct tax cuts of the kind we are advocating could well have put inflationary pressure on the manufacturing sector that was operating at 92 per cent capacity, which was the case at that time.

● (1530)

However, now, when it is operating at 81 per cent capacity, stimulating by tax cut is not only the most immediate, direct way of creating jobs but it also does not provide any additional inflationary pressure on the economy. All that would happen as a result of such a tax cut is that existing plant, equipment and office space which is not being put to work now would become active, and idle men and women who are collecting unemployment insurance or welfare—or both—would have the opportunity to contribute some constructive labour to the community. That is precisely what we think ought to be done.

Having made these positive suggestions, I want to take this opportunity to say something about what ought not to be done. Given the past performance of the Liberal party, I am deeply apprehensive that it will move in the direction I am now going to discuss. Tax concessions to corporations are simply too expensive at this time, and more important and related to the argument, they would not be effective. Because of the high rate of unused capacity, tax concessions to stimulate capital investment would be ineffective unless they were so massive as to be a lot more costly to the government than other means of direct stimulation to create jobs in the demand sector of the economy.

Most economists are now agreed that tax concessions are not the best medicine at this time. That is not a view put forward exclusively by the New Democratic Party of Canada. As the C. D. Howe Research Institute said last December:

> The case for additional tax concessions to boost investment in the short run is being considered mainly in the context of the weakness of this sector's contribution to aggregate demand growth. But with the degree of excess productive capacity and the pervasive pessimism about the future that now exists, such concessions are unlikely to have as prompt, or as powerful, an influence on investment spending as some might think. Therefore, if a reasonably quick boost in demand is required, the chances are probably greater of getting it by stimulating private consumption.

In other words, by direct tax cuts to low and medium income earners who will almost automatically spend it. Let me add another comment from that category of economists who are not normally in wholehearted support of the kind of proposals made by the New Democratic Party. Mr. Bob Simon, director of taxation at Brascan, agrees with the argument I just made. Let me quote a succinct sentence which sums up his own argument. With reference to corporations he said: "People won't build until they need to". Unless there is a general, sufficient demand in the economy and a general, sufficient expectation that if businesses expand, their resources will be used, businesses simply will not act. This makes elementary economic sense. One would have hoped that the Liberal government learned this many years ago, and I say to the ministers who are here, for God's sake do not bring forward that kind of tax concession for corporations in the upcoming budget. If that is done, ordinary taxpayers will have to pay more as a result of corporations paying less, and we will not get additional jobs.

In addition to these short-run considerations, there is a great deal of evidence that tax concessions of the kind we now have permanently in place vis-à-vis corporations distort investment decisions by making the cost of capital artificially low compared with labour, and by favouring large, capital-intensive industries over smaller ones they in fact have an opposite effect to what is intended. Instead of producing more jobs in labour-intensive sectors, from an economic point of view we encourage an irrational overinvestment of capital which leads to a reduction of jobs. That kind of long-range argument used to be made within the cabinet by Eric Kierans. I do not know of a present member of the cabinet who has enough economic and social sense to consider it. I hope someone is in there arguing, but I suspect there is not. On behalf of my colleagues, I repeat that argument today.

Beyond these important short-run steps of direct stimulation to the economy by job-creation programs and indirect stimulation by tax cuts which I have called for, we need a major long-run shift in policy. What we need is a commitment by the national government that a job should be available to every man and woman in Canada who wants to work. This goal is not the goal of the government of Canada, nor is it the goal of the government of the United States. It has never been a national objective of any government in North America. It is, however, the serious commitment of a number of social democratic governments in western Europe, and I suggest it is long overdue on this continent.

As far as we in the New Democratic Party are concerned, if a commitment is to be seriously made and seriously implemented, it would have to contain the following elements: first, we should have a full employment act passed in Canada. That act should recognize the right of Canadian men and women to

work. Full employment should be stated as a national and continuing objective. Second, and related to that, on an annual basis and as required by this proposed national full employment act, the government should have to bring before parliament its annual targets for job creation. It should set out in realistic terms the number of jobs it plans to create in a given year and in what sectors it is anticipated they should be created. Then at the end of the year the government should be obligated to review its own record of job creation, and those on the opposition side of the House should be obligated to put the government to the test to see if it has lived up to its mandate.

Finally, as a further element of such a national strategy for full employment, the government should establish long-range targets. These targets should not just be annual; they should be for periods covering four to five years. On behalf of my party last fall I suggested that in realistic terms full employment could be achieved in Canada. I did not suggest it would happen next year or the year after, but perhaps four years down the road. It is as long and as serious a process as that, I am prepared to acknowledge; but we will not achieve it in this country unless the government commits itself to achieving such a goal and begins now to implement short-run strategies to bring it about.

Last fall we suggested that we could bring down the rate of unemployment 1 per cent per year over the next four years, so that in four years we would have an unemployment level not exceeding 3 per cent. That is virtually full employment when we take into account people who are voluntarily out of the labour market at any given time because they are moving, because they want a change, or for whatever rational, human reason. I repeat that what we need is a commitment of long-range proportions from the government of Canada to achieve a full employment policy.

● (1540)

In addition to the specific points that I think are necessary for long-range strategy, I would also assert that to give reality to this objective the government would have to develop the long talked about but totally ignored industrial strategy for Canada. Central to this would be development of a program for regaining Canadian control over Canadian industry. This is particularly important in the resource field where we must ensure that resources existing in Canada now and which are more frequently than not exported to the United States, Germany, Japan or some other industrial country, are kept at home for secondary manufacturing, processing and development. What I am saying is that an employment strategy that has as its objective the possibility of a job for every adult man and woman in Canada ultimately depends upon the restructuring of the economy and upon this government taking seriously the obligation of regaining control over our own economic destiny.

I have made some specific suggestions about what the government should do in the short run and in the long run. I say to the minister who is about to reply that we should have had a budget months ago to deal with our disastrous level of unemployment. I plead with him that when the budget comes down on March 31 it concerns itself with emphasis on job creation, that the proposals brought forward to create jobs will bear equitably on middle and low income people, and that it will be a first step to a long-run national commitment to permanent full employment.

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, first I would apologize for the Minister of Finance (Mr. Macdonald) who is absent today. He already had engagements in Washington and New York. He apologizes to the House for not taking part in this debate.

[*English*]

Mr. Speaker, inflation and job creation are not separate and self-contained problems. Responsible economic leadership has to take account of both problems at the same time. That is what the anti-inflation program is all about. The major goal of the government is to steer the economy on the path of stable and steady growth, not just for the next six months but for the future. We are a major trading nation; we have to sell abroad; we compete against imports in our own markets. We cannot adequately protect jobs or create new jobs for our growing labour force if our prices and costs are out of line.

The Prime Minister of Great Britain, Mr. Callaghan, who leads a socialist government, recently remarked that governments cannot delude themselves into thinking that they can buy their way out of unemployment. Countries have to get their costs right. That is why that socialist government continues to grapple with an incomes policy and is forced to make massive cuts in public spending because the lesson has been learned too late.

This is increasingly understood by the major industrial countries. What we see in the world today is a careful balancing of the inflation and unemployment problems, a careful management of the recovery from the slowdown of 1974-75. Of course, this will require adjustments to be made to keep the balance. I will refer later to steps we have already taken. The Minister of Finance will decide what further steps are necessary in preparing his March 31 budget.

On the inflation front we have made a lot of important progress. We have had the increasing support of the country. We have also had the support of the provinces, including the New Democratic Party governments who have to live with the facts of life and the responsibilities of government. In fact, it is such a successful program that the last few weeks have shown that many Canadians do not want to see an early end to controls.

The government's view is well known. If we can get agreement about responsible behaviour in terms of wages and prices, then we can do without mandatory controls. That is the issue. As the Prime Minister (Mr. Trudeau) has said, controls are a breathing space where we have to sort out, together, what is reasonable and responsible. We are working very hard at that process with business, with labour and with the provinces, and we are making good progress.

During 1976 the anti-inflation program worked well. By December, the year over year increase in the consumer price index was down to 5.8 per cent. The rate of increase of non-food prices is coming down, declining to 8.4 per cent.

Mr. Blackburn: It had nothing to do with the AIB.

Mr. Chrétien: That point has been made many times, and I am glad the hon. member interjected. I would point out that in the food chain, prices at the farm gate are not controlled but from the farm gate to the market more than half the cost is controlled through the processing industry, the marketing industry, and so on. I have to agree that the AIB is not controlling the food industry entirely but it is doing so through the processing industry, the marketing industry and the transportation industry, and these account for more than 50 per cent of the cost of food. To that extent the AIB program does control food prices.

Mr. Blackburn: What about beef prices? They went down without it.

Mr. Chrétien: Food was not controlled, but food processing, transportation and marketing have been controlled.

Mr. Blackburn: And imports?

Mr. Chrétien: There was also a further moderation in wage settlements. Average increases for the first year of large contracts were 9.8 per cent in the fourth quarter of 1976, down from 12.7 per cent in the third quarter.

We still have some way to go. Our costs are still somewhat out of line, and that affects job creation and investment. We have to recognize that the majority of jobs in this country have to come from the private sector and the climate for investment has to be attractive in terms of costs. Curing inflation and creating jobs go together. Real wages increased around 4 per cent in 1976 due to the success of the anti-inflation program; labour's share of the gross national product increased; the share of corporate profits before tax declined from 11.5 per cent in 1975 to around 10 per cent in 1976. As the Minister of Finance has stated, getting investment in Canada moving is a priority and it is a priority because that is how new, permanent jobs are created.

While we made important progress against inflation in 1976, we have already acted to strengthen the pace of the recovery, and the government will be taking what additional measures are necessary to support growth in the forthcoming budget at the end of this month.

In 1976, real growth in the Canadian economy was 4.6 per cent. Growth in other countries has been somewhat sluggish and this has affected us through exports. But the trade account is improving. There was a $1.4 billion surplus in January, 1977. The decline in value of the Canadian dollar will be an important stimulus to exports, and 1977 promises to be a good year for exports.

I should like to talk about some of the points that the opposition made: for instance, that in the United States they have had a program of stimulation of the economy. My colleague, the Minister of Finance, will bring in a new budget, but I should like to point out that since January 1, through indexing of personal income tax, close to $1 billion has been put into the pockets of Canadians because of exemptions being increased by 8.6 per cent. This is an automatic adjustment which is comparable to the measures proposed by President Carter of the United States. Indexing of the old age security will provide another $300 million to Canadian pensioners, many of them in the low income group. Indexing of the family allowance will put an additional $160 million into the hands of the Canadian consumer this year. On January 1, through previous legislation, we cut the contribution to UIC by $250 million, which puts another—

• (1550)

Mr. Alexander: Where is the bill?

Mr. Chrétien: I do not know if it is in the form of a bill or otherwise. I will not argue the legal aspects of it. In any event, it is another $250 million in the pockets of Canadian consumers. What I have enumerated to this moment is a stimulus to the economy of more than $1.5 billion since January through these automatic programs. On a per capita basis it is as good as President Carter has done to stimulate the American economy.

My colleague, the Minister of Finance, is working on a budget. I have had some private discussions with him. Of course, it is his responsibility to finalize the program. I am hopeful that it will be a good budget.

There is another aspect of the economic policies of the government that will help somewhat. There have been three reductions in the bank rate since January, from 9.5 per cent to 8 per cent. This will help the economy because it will be cheaper for Canadians to borrow money.

The leader of the New Democratic Party made a big pitch about housing. I would refer him to the facts for last year. In February the starts increased by 8.1 per cent to an annual rate of more than 287,000 units. Ten years ago the Economic Council of Canada predicted that there should be at least 200,000 starts a year. For most of the time in the past five years we have had above 250,000 starts a year. It is not perfect, but it is quite a good situation.

The hon. member talked about job-creation programs. I know that the hon. member for Hamilton West (Mr. Alexander), the manpower critic for the official opposition, will be speaking. I wish to advise him that in that field we have put forward some new programs since the beginning of the year. For example, we doubled the LIP program to a maximum of $200 million. I could elaborate on those programs but I do not want to take away from the speeches that my colleagues will be making later.

Mr. Blackburn: How many permanent jobs have you created since then?

[*Translation*]

Mr. Chrétien: Mr. Speaker, even if I take the place of my colleague the Minister of Finance (Mr. Macdonald), I would like to use these few minutes to comment on the situation of our economy and on the steps which are taken within the Department of Industry, Trade and Commerce to stimulate the Canadian economy.

Concerning export programs, every day in the House I answer questions showing that Canadian products are making an ever wider breach into export markets. As far as the province of Ontario is concerned, for example, again this week I heard representations from contractors who are going to present very soon to Venezuela an important plan to get the contract for the equipment and the electric controls related to the construction of a subway in Caracas. A few weeks ago Ontarian contractors were awarded two of the three contracts for the construction of the Caracas subway.

You know, Mr. Speaker, I visited Venezuela myself and, in cooperation with a group of Canadians representing industries from Nova Scotia, Quebec, Ontario and Alberta, we made a proposal for the construction of a 700 kilometer railroad from Caracas to a western province in Venezuela, to introduce Canadian technology in that country. We made such considerable progress that we submitted the lowest tender. We expect to be invited soon to negotiate a contract with the government of Venezuela to carry out a part of this project.

I also want to answer the hon. member from Ontario who made representations as to how we stimulate employment in industry. I would like to tell him that only a few weeks ago, in Toronto, I gave supplementary credits to de Havilland Aircraft of Canada Limited to help convert the DASH-7—the STOL aircraft—into a patrol aircraft. I think the future looms great for this aircraft. Why? With the Canadian technology in this area, we are going to hit the market at the right time and this aircraft is going to consume much less fuel over fairly short distances than those jets we are using now. It is a short take-off and landing aircraft which I hope will make it possible to develop downtown to downtown services. We are now working in cooperation with the Department of Transport to implement a DASH-7 service between downtown Montreal and downtown Toronto and perhaps Ottawa. This aircraft is so advanced as regards elimination of noise pollution that it is not more noisy than a bus on a freeway, which means that the level of noise during take-off and landing is not essentially higher than that made by a bus. For instance, if one day we were to use the downtown Toronto airport on the island, the people on shore would not be aware of any take-off or landing. It is not more noisy than a Cessna, maybe even less. This is a Canadian technology which we want to promote and I intend to exhibit the DASH-7 during the Paris air show next summer and to travel in the near future to Iran, Saudi Arabia and Israel. I have asked de Havilland Aircraft of Canada Limited to send the plane over there so that I can use it to show it to the authorities there because I believe Canadian technology can be very useful on markets which are presently developing.

People wonder what I am doing. Someone in the House said earlier: Tell us what you are doing to protect the textile or footwear industry. Everybody knows that we have moved very diligently in this regard. Two months or so after taking over the Department of Industry, Trade and Commerce, we have imposed quotas on all imports because we felt we had allowed too many imports and that we were or would be losing a substantial number of jobs. Now, no later than today, I talked to the president of a large Canadian textile and clothing firm who said that the policy I have put forward about two months ago in this field had already resulted in increased orders.

I could go on like this, Mr. Speaker, in many other fields. However, I might talk for a few seconds, with your permission, about the famous LearStar jet project. I was asked questions in the House this afternoon on that matter. This is becoming one of the greatest success stories in the history of industrial development in Canada. Within three months, we have already sold 71 aircraft at a cost of some $5 million each. The prototype is not even completed but a combination of factors, the fact that it is a long-range plane with a range of over 5,000 miles and a fuel consumption of approximately two thirds that of competitive aircraft, the fact that the demand is greater for that type of plane since many air services have been discontinued throughout the world and executives feel the need to buy planes for their business trips, and also that we now have the expertise in Canada to build that plane, for all these reasons it is a very exciting program.

Today, less than six months after Canadair first became interested in that project, 60 orders with deposits have been placed and contracts signed. The tunnel testing is giving better results than expected.

I am informed that the sales committee set up by Canadair will probably result in the following situation: by the end of 1977, a total of 131 aircraft will have been sold, the minimum required for that project to be completely profitable. I only want to give you one example. By the end of this year, as I have just said:

• (1600)

[*English*]

We shall probably have 131 planes, the minimum number required to make the project viable. Just to show you, Mr. Speaker how these things work, I can tell you that when de Havilland developed the famous Twin Otter they had made 20 before they sold one; and the Twin Otter program has resulted so far in the sale of 540 planes. Compare that with the LearStar program. The success is unbelievable. At this stage, when we do not even have a prototype flying jet, we have already sold 79, and by the end of the year sales may well have reached the 100 mark.

So here in Canada, with the help of Mr. Lear, the engineering genius from the United States, we have been able to develop a concept which is extremely attractive and which puts Canada in the forefront of this high-technology industry around the world. I might add that of the 79 sales made so far, only two or three are for the domestic market. All the others

are for export. So we have a great advantage. This project is creating jobs in Canada and the high-quality finished product is being sold around the world. This is one example of the job of work the government is doing in an effort to maintain our capability in the field of high technology while increasing our exports abroad.

I could speak of many other things. The debate this afternoon is very welcome on the part of those who sit on the government side. My colleague, the Minister of Finance, will be presenting his budget within three weeks and I hope every member who takes part in the debate today will make a concrete proposal. Here is an opportunity for them to express their views. I have been assured by my colleagues that their suggestions will be carefully looked into. Of course, not all the suggestions we make—and here I include my own—are accepted in the decision-making process. But all of them will be considered by my colleague in the preparation of the budget.

In conclusion, may I say that of course we face many problems in Canada. Unemployment exists side by side with inflation. The leader of the New Democratic Party mentioned the situation in West Germany. I would make it clear to him that, like any other country, it is our desire to see full employment and I will never stop working toward that end as long as one man wants a job and is unable to find one. But it is not possible to compare the situation here with the situation in West Germany. In Canada since the war the labour force has increased by 150 per cent, while in West Germany there has been virtually no increase in the labour force. West Germany imports labour from Italy, Spain, Portugal, and so on. When there is a recession, those workers go back to their country of origin. This is not what we do in Canada. When an immigrant comes here he has an opportunity to settle permanently. We have welcomed a lot of immigrants to Canada.

We want to find a proper solution to our difficulties, but I would point out that some of our problems today are due to the success of the economic policies of the government in 1974 and 1975, for example. For 27 months the Americans were in a deep recession. Here in Canada there was not much growth, but there was some growth—.6 per cent in the first year I mentioned and almost 2 per cent in the following year. Last year it was 4.6 per cent. So it is difficult for us to show the same numbers as the Americans because of the catch-up on the American side. We had less to catch-up with than they did.

For the first time in the economic history of this country we find ourselves with less unemployment than the United States, despite the fact that winter conditions south of the border are altogether different from ours—though admittedly the difference has not been so marked in the winter we have just experienced. But in the last three years unemployment in Canada has been less than in the United States. When one realizes how closely the two economies are intertwined, it must be admitted we have done rather well.

Mr. Alexander: Tell that to the one million unemployed.

[Mr. Chrétien.]

Mr. Chrétien: Well, I said a few moments ago that I would not stop working to create employment opportunities while there is one person in Canada who was looking for a job. In Canada we have tried to cope with some of these questions through job-creation programs. We have probably one of the most generous programs to alleviate unemployment that there is. Some critics of the government claim at times that our social and unemployment programs are so generous that a percentage of Canadians refuse to work because they feel happy with the level of support given by the government. I am just telling the House that we have done better than the United States, but we are not satisfied with the situation. We want to keep people working. The budget of the Minister of Finance at the end of the month will be another step in this direction.

• (1610)

May I say in closing that despite all of the problems we have in this country, I would not trade my nation for any other nation in the world.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I say I accept the minister's last statement unreservedly. I want to place some comments on record for the edification of my colleagues on the other side. First of all, I charge this government, notwithstanding what the minister has just said, with foot-dragging, procrastination and with callous disregard for the plight of the one million people who are unemployed, as well as for those who may soon join the same line. A budget is long overdue. It is inexcusable that we must wait until March 31. After all the hollering and screaming and concern which has been registered for months now, the Minister of Finance (Mr. Macdonald) comes kicking and screaming and has now decided to give us a date.

Having said that, I suggest that in framing a budget the following priorities should be considered; a reduction in unemployment, with the emphasis on the private sector; an improvement in terms of return on investment and capital expenditures; a re-emphasis placed on the market system; an improvement in the competitive position of Canadian industry; an improvement in productivity, in business and in labour confidence; and an unwinding of controls—the last of which, in my view, is of extreme importance.

As has been stated by the Department of Industry, Trade and Commerce, the Minister of Finance and the chairman of the AIB controls have, in effect, adversely affected investment, productivity, employment, business confidence, initiative and labour problems. In his statement before the federal-provincial conference on February 1 the Minister of Finance gave five reasons why the green light was on for decontrols. I want to put them on the record. He said in his speech:

> First, the economic situation throughout 1977 and into 1978 looks relatively favourable for exit from the controls program . . . Consequently, the economic situation would appear to give us a green light for decontrol.
>
> The second factor that must be considered is the state of expectations. It gives us a more ambiguous signal . . . The decline in inflationary expectations stems from the better price performance recently experienced, and the commitment of most of our governments to the anti-inflation program . . .

The third factor is business confidence. Corporations are finding the prices and profits regulations administered by the AIB to be burdensome, and there is cause for concern that firms may be holding back on new investment projects . . . But the existence of controls, and in particular, the apprehension that they may remain in effect for a long time, is an added handicap . . .

Fourth, a significant benefit which can be derived from the development of an orderly program for decontrol and the necessary post-control arrangements can be a renewed basis for constructive co-operation with organized labour. One aspect would be renewed participation by labour in the work of important boards and councils.

I suggest that needs no explanation. Then the Minister of Finance said:

Fifth, I should note the problems that will crop up as the expiry date of the legislation nears. As the anti-inflation program moves into its third year and as its expiry date comes closer, the enforcement of controls will become increasingly difficult.

Those statements of the minister need no further elaboration. I need only re-emphasize that we will be moving a motion around March 31 to the effect that controls should end. The date for this remains to be seen.

If I may deal specifically with the budget, I should like to put some points on record. My party would like to see in the budget the following provisions: first, recognition that permanent employment is created not by government programs but, rather, by strong economic expansion in the private sector; second, stimulation of the housing industry in terms of construction of homes which people can afford, and I underscore the words "which people can afford"; third, tax cuts for middle and low income earners, thus encouraging consumer spending. We have long called for such a policy.

Fourth, the introduction of special fiscal contracts with companies wanting to locate or lease new industries in underdeveloped areas; fifth, encouragement in the areas of research and development in order to protect the future; sixth, a definitive statement on decontrol and post-controls, thereby regaining the confidence of both labour and management; seventh, economic forecasts and targets dealing with growth, job creation, inflation, unemployment and government spending both in the short term and in the long term. By long term I mean about two to three years. It is absolutely ridiculous that at no time can we challenge this government's forecasts and targets except on a year to year basis. We want to see what the government is doing and how it is proceeding. Then last, but certainly not least, we want to see the government honour its 1974 election promises regarding urban transit which in effect would have conserved energy and created employment.

On reading the motion I am reminded of my leader's speech of February 10 on a motion that we put forward condemning the government's complacency in the face of economic stagnation. My leader expressed concern about the sense of stagnation that exists, blaming the government, as did others—and rightly so—for the stagnation caused by the government's refusal to give any priority to the need to stimulate economic growth and to generate jobs. He pointed out in no uncertain terms and with great emphasis, as reported at page 2924 of *Hansard:*

We have been stagnant too long. We have a country to build. We have jobs to encourage. We have great promise to achieve. It will not be done by the timid policies of this government. It will only be done if there is determination to realize the potential of this country.

The *Globe and Mail*, as far back as November 4, 1976, in its lead editorial painted a very vivid but very sorry picture as a result of the findings of the university of Toronto's Institute for Policy Analysis. I quote from its lead editorial headed "More jobless unless Ottawa acts":

If the federal government doesn't act quickly to stimulate new business activity and new consumer spending, unemployment will get even worse than it is now. There will be 868,000 Canadians out of work the year after next—nearly 200,000 more added to the existing host of unemployed in this country.

That's the alarming prospect held out in a study released this week by the University of Toronto's Institute for Policy Analysis. It says Canada faces continued sluggish growth and even higher unemployment for the next few years "unless the government acts to revive the flagging private domestic sector".

● (1620)

The last paragraph of this lead editorial reads:

Timing is everything. And the time for a budget to provide the necessary nudge—a hearty shove, even—to the Canadian economy is now.

That was written on November 4, 1976, but could well apply to the budget to be brought in on March 31, 1977.

What does the NDP motion mean? It implies we are spending $4 billion on unemployment insurance, and rightly so. I say that in the sense that no one wants to be without income; yet no one wants to be unemployed or on welfare. But the unemployment rate is the result of this government's attitudes, of its bankrupt policies and programs which were a disincentive to work. As the NDP leader said, we are losing billions of dollars in lost productivity and millions of dollars in taxes, and high unemployment is contributing to national disunity.

I do not have time to deal with these points, but they are a fact. Thinking Canadians agree that large-scale unemployment is an indefensible waste of our most important resource—our human resource. Although the motion has merit, and I pat my NDP friends on the back, it lacks one vital ingredient. It does not say that the budget should reflect faith and support for private enterprise which can create jobs. When you mention private enterprise to my friends on my left they reply with a tirade of abuse, refusing to accept the much desired and effective role of private enterprise.

What is the reality? Mr. Speaker, permanent employment is not created by government programs; it is created by strong economic expansion in the private sector. As we look ahead to the balance of 1977 we must spare at least a moment to look at the year behind us. Most of us would say that it is thankfully behind us. If one stretched one's memory back to last spring one could recall prophecies saying the economy was pulling out of the 1975 recession and increased exports would sustain a Canadian economic boom in 1976 and 1977. The Minister of Finance foretold a growth rate of 5 per cent in 1976 and 250,000 new jobs for the unemployed. Things, however, did not work out.

We now know that the budget forecast missed the mark. I hope any forecasts the minister will make in his budget address on March 31 will not be as wide of the mark as the forecasts

he made on May 25. Facing the mounting evidence provided by private sector economists, the minister conceded that the economy would not achieve its 5 per cent growth target. As for job creation, it appears that less than 85 per cent of the expected new jobs will materialize. Also, the unemployment rate, instead of holding steady, is slowly rising.

Although 1976 was a bad year, it may appear good by comparison with 1977. Even the Minister of Finance has shed some of his Micawber tendencies and admitted economic growth in 1977 is likely to be lower than in 1976. Economic and fiscal physicians, if I may call them that, warned the minister this would happen; unfortunately, he disregarded their advice. How much lower our economic growth will be is open to question. At least two internationally respected forecasting organizations predict that our economy will grow between 3 per cent and 3.5 per cent.

Forecasters indicate that job creation will proceed at an even lower pace in 1977 and the unemployment rate will continue a steady rise to more than 8 per cent by year end. The apparent presence of large amounts of slack in the economy will not create appreciable benefits in terms of price increases. Inflation rates may increase somewhat during 1977, rising to as much as 8 per cent. Both the OECD and the Conference Board suggest that the government's price target of 6 per cent for the second year of the anti-inflation program may not be achieved. This we understand; even the minister admitted as much.

Declines recorded for 1976 in the real value of business investment are likely to be repeated in 1977, and spending on new housing will contract after the 1976 boom. This anticipated decline in business investment in plant and equipment may be traced to a number of facts, including continued overcapacity, weak profits, uncompetitive exports, unhappiness with the government's mishandling of the economy, and uncertainty about the country's political future. The Conference Board forecasts that real business investment spending will decline by 2.5 per cent, or $670 million, in 1977.

Almost certainly this will not be a prosperous year for the one million unemployed, for those in disadvantaged regions where tens of thousands of people are condemned to chronic unemployment. It will not be a prosperous year for those leaving university, community college and high school, for their chance of finding a job is lower today than at any time since the 1930s. For them and many other Canadians 1977 will be a year of disillusionment, a year which may well leave lasting scars across our social landscape.

I resent very much the minister's relating our predicament to that of the United States and saying that things here are not too bad. How can you say that when one million of our people are out of work? They expect action. They expected it long before March 31. Canadians know from their direct experience that between 1967 and 1977 the Canadian economy performed poorly. They know that its performance during the period 1974 to 1977 was disastrous. But the government has taken no action. We hope it will do something meaningful on March 31. The Economic Council of Canada, the Conference Board of Canada, the OECD and the University of Toronto Institute for Policy Analysis—all respected fiscal physicians—have noted the weak and depressed state of our economy and urged the need for stimulus.

I read the editorial printed on November 4, 1976, and noted the financial position at that time. Noted authorities told us that we faced disaster, but the Minister of Finance remained silent, ignoring their advice. They told us about slow growth, higher unemployment, decline in business investment and decreasing export business. In the face of this, I submit the government should have brought down a minibudget to avert the danger of economic chaos. But no, that was beyond the comprehension of the Minister of Finance.

We need a new climate in this country, a climate of positive direction, of confidence in government policies, policies which unfortunately this government will not introduce. At present we are leaderless and rudderless. This condition reflects the government's bankruptcy and reflects our economic chaos. What has been the government's answer to date? Canada Works, Young Canada Works, and amendments to the UIC legislation. The government thinks it will save money by increasing the minimum work period from eight weeks to 12 weeks. Incidentally, where is that bill? First the government introduced it, then when Liberal backbenchers became nervous they did not proceed with it. I understand it is to come forward again. That is the government's "on again, off again" approach to this important legislation.

● (1630)

These programs are extremely unsatisfactory in their approach. It is an ad hoc, piecemeal process which makes mockery of a very serious matter. You are building up hopes and aspirations, but in the long run there is nothing lasting or meaningful in the types of jobs to which I have referred. Canadians need jobs. They demand that meaningful and lasting jobs be created. In my view, this can best be accomplished by the private sector through private enterprise. But what does the private sector say? I have here the pre-budget submission of the Canadian Chamber of Commerce. I have no hang-ups about the Chamber of Commerce. I believe they represent a very significant sector of the economy. This is what they said:

> Business capital spending has been declining since the end of 1975, and the outlook is not encouraging. Business confidence is now at the lowest point in recent memory. The threat of aborted recovery, weak markets, a corporation tax structure that compounds the ravages of inflation, controls over wages and profits, and the stultifying effect of excessive government controls and regulations are all contributing to this serious deterioration in businessmen's confidence about the future environment for growth and development in Canada.

I believe that the health of our investment and capital markets is important for job creation and labour productivity.

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired.

Some hon. Members: Continue.

Mr. Alexander: Thank you, Mr. Speaker, I do not have much more to say, but let me put one more thing on the record. I hope my colleagues will not mind because it may take two or three minutes to read it, but I will do so as quickly as I can. It regards manufacturing. My friend to my left has indicated, as I do now, that manufacturing is in serious trouble. Canada's balance of trade in end products of the major commodity groups is in a serious deficit position, in the billions of dollars, which is affecting about 250,000 jobs. We know that the chemistry industry is operating at 83 per cent of its productive capacity, the electrical products industry at 81 per cent of its productive capacity, and the durable goods industry at 82 per cent of its productive capacity.

Let me put on the record what the president of Westinghouse wrote to me, and I think to many hon. members. It registers his concern about the future of the electrical manufacturing industry in relation to GATT negotiations. He wrote:

> We are the only industrialized country where provincial policies inhibit the national development of a secondary manufacturing industry that can be internationally competitive. Some provinces actively seek imports, others, in the thrust for industrial development, encourage further fragmentation of industry.
>
> These circumstances cause two undesirable results. First, our markets are exposed to easy penetration by foreign manufacturers and, second, the relatively small and fragmented Canadian market cannot provide a sufficient base to make Canadian manufacturers internationally cost competitive.
>
> The Canadian manufacturer pays the highest wages in the world, he pays relatively more for transportation due to the geographic distribution of the population, and despite the abundance of natural resources in this country he now pays world prices for raw materials.
>
> In my view, the federal government has been most reluctant to address these problems, and, in fact, has aggravated them with its emphasis on broad international freer trade policies over the past decade. Pursuit of these policies has resulted in a worsening trade balance in every group of manufactured products and with all our major trading partners. The net result has been fewer jobs. lower investment and reduced output.
>
> While this company supports liberal trade policies, it also believes that trade must be conducted fairly, without discrimination and with reciprocity. The realities of world trade in many electrical products are at variance with these principles. In every country where an electrical industry exists, actions have been taken to ensure its continuing viability as the technological backbone of those countries. Canada has taken no such action and, as a result, inroads have been made by foreign imports. Our trade deficit in electrical products has quadrupled over the last decade, taking an estimated 20,000 new jobs out of the country during that period.
>
> There can be little question that in coming years Canada will have to rely to a 'greater extent on the goods producing sector in order to provide the job opportunities which will be demanded by the well educated new entrants into the labour force. For this to happen, we must recognize the need to preserve appropriate secondary manufacturing capability. It is wishful thinking that this country can accept a tariff cut in the order of 50 per cent on all its manufactured products without destroying much of the job-creating potential of this sector.

I want to thank hon. members for giving me extended time, thus enabling me to register my concern regarding the GATT discussions which will be taking place or are taking place. In conclusion, let me say that I hope, as the Minister of Industry, Trade and Commerce (Mr. Chrétien) said, that the Minister of Finance will read the speeches made here today because I think—as a matter of fact, I know—that we in this opposition party have given him concrete suggestions. We have presented to him the priorities which he should be studying so as to adopt in his budget, if not all the proposals we have made, at least some of them so the we can provide long lasting and meaningful jobs not only for those who are presently unemployed, who now number some one million, but also for those who will join them unless a meaningful budget is brought down.

[*Translation*]

Mr. Marcel Roy (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am very pleased to take part in the debate on this opposition motion which was moved by the leader of the New Democratic Party (Mr. Broadbent). This gives me the opportunity to follow up the excellent speech made by the Minister of Industry, Trade and Commerce (Mr. Chrétien). He has given us some background information on his strategy, but he has mainly dealt with the effects of the industrial strategy of the Department of Industry, Trade and Commerce. I was quite impressed by the success achieved by the Department of Industry, Trade and Commerce in connection with the building of a subway in Caracas as well as a 700 kilometer railway line. If Canada is the lowest tender, this will no doubt mean more jobs for all Canadians.

● (1640)

Mr. Speaker, I was also very proud to be a Canadian when I realized to what extent Canada was in the vanguard in the field of aeronautics and job creation in manufacturing through the contract awarded Canadair for the production of 71 Lear-Star jets. In my opinion, this announcement by the Minister of Industry, Trade and Commerce shows that the government is well aware of the importance of developing an advance technology industry, namely the aeronautics industry, in order to create an increasing number of jobs by manufacturing more of those products in Canada.

Mr. Speaker, I should like to deal especially with paragraph 3 of the motion regarding urban transit. Today, I would have preferred that we proceeded with consideration of Bill C-33, the purpose of which is to define the objective of the transportation policy and to authorize the consequential rearrangement of powers, and so on. I would have preferred to go on with the second reading of Bill C-33 concerning the new objective of the transportation policy for Canada so that it could be referred to the committee for clause by clause consideration; this would allow us to implement as soon as possible this legislation on transportation which all Canadians have long been waiting for. And as the former transport minister said, if the Department of Transport is really a mess, we should at least have the opportunity to define once again the objective of the transportation policy for Canada. However, Mr. Speaker, I am pleased to take part in this debate concerning urban transportation and the role of the federal government within this service.

The growth of urban communities as well as the increasing number and use of cars certainly represent a serious problem for all governments not only in Canada but in the whole world. The mover of this opposition motion condemns the government for its policy concerning urban transportation. In my opinion, he should have been much more specific or else he should have given a clearer definition of the urban transportation problem. He should have tried to better focus the problem, in order to

see, define and understand better so complex a problem as that of urban transport.

Public transport is closely related to the layout of cities. In some of them, up to 40 per cent of the land is set aside for transport. The problem therefore cannot be envisaged only in terms of those considerations and cannot be isolated from the other transportation systems: it should instead be integrated into them. To illustrate the extent to which public transit should be increasingly integrated, one need but study the situation that now exists in Montreal on the south shore and the north shore where it is essential to integrate public transportation.

In the light of that information, Mr. Speaker, one can conclude that rapid transit systems are primarily a provincial problem. Indeed, it is the responsibility of the provincial governments but, unfortunately, for too many years, provincial governments and cities have rather overlooked the problem, stressing private transport or the development of intracity expressways and throughways, or again intercity highways. Public transportation has been so neglected that today we have twice as much to do in order to provide Canadians with public transit that can at least compete with the other means of transportation. Provincial governments, and I insist on that, Mr. Speaker, have tended to show more interest in roads, superhighways for cars at the expense of public transit and other means of transportation, and that goes as well for cities as for the provinces.

Mr. Speaker, I think that the intervention of the federal government is justified because the provinces have given preference to public transport at the expense of public transport. We have not changed our minds and we still want to help the Canadians who must use a mode of transport in the evening or in the morning. All hon. members on this side of the House are aware of the importance of urban transit. Hon. members on this side of the House have certainly made the Minister of Transport (Mr. Lang) aware of this problem of public transport in the cities on many occasions, either at special meetings or at special caucuses.

Mr. Speaker, hon. members on this side also tried to influence the Minister of Finance (Mr. Macdonald) in order to obtain more money for public transport. All of us entirely agree that this is a very important matter and that we must make every possible effort, and even superhuman effort to help upgrade public transport in the budgets, considering the monetary situation and this very important service.

Having said that, Mr. Speaker, we should not believe that nothing has been done in the area of public transportation. I noted the speech that the hon. member for York-Simcoe (Mr. Stevens) delivered during the debate of March 3. If we were to consider every request made for money to be put in public transport, we would never see the end of it. The hon. member for York-Simcoe mentioned a budget of $200 million for the Toronto area alone. If we were to give the same or even more consideration to Montreal, the metropolitan region, we could not even set up a public transit system which we could rightfully expect. Therefore it goes without saying that because of the inflationary situation priorities have to be established.

[Mr. Roy (Laval).]

I repeat, Mr. Speaker, that we have done a great deal of things in that area. In cooperation with provinces and municipalities the government set up a development program, launched research work and granted a fiscal rebate of 12 per cent on bus purchases. For the province of Quebec alone this amounts to $35 million. For the City of Laval which also acquired buses it comes up to about $3 million. Then either through various methods, research, improved city planning or taxation, the federal government intervened to help the provinces and municipalities.

I should like to point out the implementation in Ontario, and more particularly in Toronto, of the GO-transit system which is now operated by the CN and whose costs are paid by the province of Ontario. The system is now working efficiently and I think that if the Montreal area is to benefit from an early solution to public transit difficulties experienced by CP on the south shore and by CN along the Lac des Deux-Montagnes from Montreal via Laval, the government of Quebec should consider the decision made by the Ontario government and apply an identical system which would be operated by the CN. Then I think that it would be an element of solution to the public transit issue and that could be done in the very near future. As of July 1, following an announcement by the CN the province of Quebec has to decide, after presenting its report on transit planning in the metropolitan area, what will be the future of the CN and CP in the Montreal area on the south shore as well as on the north shore. This is another way of helping municipalities and provinces provide local residents with better services.

At the beginning of my speech, I mentioned the growth of urban population. It is expected that, by the year 2000, 55 towns will have a population of 50,000 and that 23 of them are in Ontario and 13 in the province of Quebec. In other words, of the 55 towns which are expected to have 50,000 people in the year 2000, at least 21, representing a total population of 14 million, can be considered as part of a 700 mile long corridor stretching from Quebec city to Windsor. This will be a residential corridor, which brings me to say a few words about a newly established company, called Via Rail Canada. This CN subsidiary, which will be a management firm for passengers' services, will be responsible for the planning, marketing and provision of better passenger train services, within this Quebec-Windsor corridor, which accounted last year for a potential number of 4 million passengers. An improved system will result in more milage per dollar and better accommodations for passengers, and, revised timetables will ensure a much more effective passenger service.

Mr. Speaker, I think I am not telling any member anything new when I say that CN and CP passenger rail services never were a business or an asset for those companies if one considers that passenger service last year represented only 3 per cent of CP's business figure and only 8 per cent of CN's and both CN and CP were piling up deficits year in and year out. In 1974, a deficit of about $25 million was recorded by those two

companies. Last year their combined deficit was about $32 million and following an amendment to the Railway Act in 1967 the federal government has been paying 80 per cent of both CN and CP liabilities from passenger service.

Consider that 80 per cent of liabilities are underwritten by the federal government. That amount last year was near $175 million, and it is estimated that unless changes are brought to the present situation a deficit of about $400 million will be recorded in the 1980's. Mr. Speaker, things should be made clear. The purpose of that CN subsidiary—Via Rail Canada—is not to compete with bus transport but rather provide passengers with a more adequate, much more comfortable service. That does not take anything away at all in terms of legal liability vis-à-vis CN and CP passengers. The formation of Via Rail Canada will bring about changes. We want to assure unions and employees that a program was developed whose main purpose is to provide a permanent job to those affected by the changes made in the railway passenger service system. Now we have assured those railway employees that a structure is now being set up to enable those CN and CP employees to find employment.

I wanted to indicate briefly how much we wish to improve transport conditions in municipalities as well as passenger trains. I want to assure all members in the House and the Canadian people that government members are so much aware of the importance of public transportation that we will have to obtain more funds. We are also aware of the fact that the government must make a choice and this is why we hope that the fight is not yet over, that it will still be possible to obtain additional funds for urban transit.

● (1650)

[*English*]

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I am pleased to participate in the debate on the motion of the leader of the New Democratic Party (Mr. Broadbent) which reads:

—That this House condemns the failure of the government to provide economic leadership and in particular its failure to introduce measures which will ensure economic growth and provide jobs for the more than 1,000,000 Canadians who need them; and calls upon the government, in its March 31st budget, to correct these failures by:

1. establishing new direct job creating programs in needed social fields such as housing;

2. reducing taxes for middle and low income earners; and

3. assisting urban communities financially to ensure an immediate expansion of municipal capital works projects including rapid transit.

I think this is a true statement and that all members of the House view with alarm the staggering number of our citizens who are unemployed. The government figures show somewhere around 900,000; however, the leader of the New Democratic Party is no doubt much closer to the correct figure when he states one million, if we include those no longer registered for employment or eligible to receive benefits. Many people have probably given up all hope of securing a job through the Manpower office.

In my riding of Parry Sound-Muskoka it is taken as a matter of course that a great many men and women find it difficult, indeed almost impossible, to secure year-round employment. A great many used to be engaged in the lumbering business and during those years there was always a two or three-month period in the winter when lumber camps closed before the sawmills opened. This is no longer the main industry but, thank goodness, there are still some sawmills operating in the riding which provide employment in a great many cases for longer periods. There are small and large industries in the riding which provide some employment. The largest employs 200 people. That may not seem very large to giants of industry such as General Motors and Ford. During the winter months especially it is almost impossible for those out of work to get a job. A great many of our citizens are engaged in construction work and tourism, both highly seasonal occupations.

I just talked to the Manpower centre in the riding and was informed that at the end of February, 1977, 2,947 people were registered for employment. This compares to almost the same number in February, 1976, when it was 3,072. The figures cover Muskoka and the east part of the Parry Sound district. The Canada Manpower Centre in North Bay reports that at the end of January, 1977, there were 2,246 male and 1,506 female unemployed, for a total of 3,752. These figures cover North Bay, Sundridge, Nipissing, part of Parry Sound, part of Renfrew North and part of Timiskaming. The Parry Sound Manpower office reports 1,700 registered clients without employment.

The minister recognized the serious unemployment in my area and increased the amount available for LIP grants to $801,000, more than doubling the original amount. A further $192,000 has been approved for Canada Winter Works programs, and $72,000 for the Young Canada Works programs. It was mentioned that a total of $200 million has been allocated for the LIP program. While this is certainly a large figure, it is still providing jobs that are of a temporary nature.The money is certainly acceptable, but it is only a temporary or band-aid approach. When the programs are over, the persons involved are back on the unemployment rolls. I will admit that this usually happens in the spring; those temporarily employed on such programs during the winter months are for the most part able to find other work in the summer season.

To improve the economy of the area and of many other rural ridings across the country the solution is to assist them in attracting industry and to assist small business and industry already located there to expand. This can be done by providing funds for expansion and for working capital at better interest rates and over a longer period of time.

The opposition motion also recommends job-creation programs that include housing. The recent report of the Canadian Council of Social Development stated that one-third of all Canadians cannot afford decent housing because government aid programs are missing their targets. There must be an overhaul of Canada's housing policy at the three levels of government in order to provide more housing for those in the

lower income brackets. When 280,000 families in Canada pay more than 50 per cent of their family income for housing, 500,000 families pay more than 35 per cent, 820,000 pay more than 25 per cent, and when two-thirds of those Canadians in need of housing cannot afford to buy or rent a home without government subsidy, we have a problem of tremendous proportions. We must take decisive action now or face terrible and unparallelled problems later.

● (1700)

The Minister of Industry, Trade and Commerce (Mr. Chrétien) stated that during 1976 there were 287,000 housing starts. The government are to be commended for that. However, the great majority of those housing starts were for people in the middle income bracket. Those in the low income bracket could not qualify. At the present time only public housing is really answering the need of low income earners. This group suggests a better deal for non-profit and co-operative groups through subsidies and tax breaks, and directing government subsidies almost exclusively toward families at the bottom end of the housing scale. The villain of the piece can also be traced to the high cost of land and mortgage rates of interest. In order to further reduce the high cost of home ownership, our party would allow the deductibility from personal income tax of mortage interest payments on the principal residence. I have recommended that the government should permit the write-off of property taxes on the principal residence to a maximum allowable limit of $500 from personal income tax. At the present time this is an unfair tax on tax.

Consideration should be given to a more flexible National Building Code to allow for regional variations. We also feel, and have advocated, that the 5 per cent federal sales tax on building materials should be abolished. This past year the government provided grants for home owners who had insulated their homes. I believe the figure is $300 for those who do the job themselves, and $500 if the job is contracted out. It so happens that those grants apply in only two provinces, Prince Edward Island and Nova Scotia. It may just be a coincidence, but those are the only two provinces in Canada which have Liberal governments. I can assure the government that there are a great many areas in Canada where the economy is just as slow, the home owners are just as hard up, and there is as great a need for that type of assistance respecting insulation. I hope the government, in its wisdom, will see fit to extend this program. In my area of Parry Sound-Muskoka, and throughout northern Ontario, the climate is very extreme and insulation is very necessary. With insulation there would be considerable fuel saving.

It has already been pointed out that it costs 25 per cent more to live in Canada than it does in the United States. This applies to the cost of shelter. I think we can add another 25 per cent to the cost of living in certain northern areas of Canada. In the northern part of my province everything costs more. The people must pay extra costs over those paid in southern Ontario and other southern regions of Canada.

[Mr. Darling.]

The Minister of Finance (Mr. Macdonald) has finally announced his long-awaited budget for March 31. Let us hope that it will provide a reduction in taxes for middle and low income earners as requested in the motion we are debating today. It is absolutely necessary that the minister should come up with solutions and assistance to get people back to work on a continuing basis rather than the present hit and miss methods.

The leader of the New Democratic Party outlined certain credits at various tax levels. That is certainly food for thought and he is to be commended for it. Many urban communities, both large and small, are in dire need of financial assistance in order to proceed with necessary capital works projects. In Ontario alone, over 300 community arenas have been condemned as being unsafe. Federal assistance in this field would mean that many of these projects could be started immediately. The Ontario government has provided substantial and generous grants for these projects. However, many municipalities are finding it impossible to raise the balance through direct municipal taxation and private donations. Many towns and cities have building programs which are held up because of lack of funds.

It was suggested that the capital works program be reinstated. That is an excellent idea. I hope the Minister of Finance gives serious consideration to that suggestion. It was stated that at present there are 145,000 construction workers unemployed and receiving unemployment insurance benefits. I would assume that they are receiving the maximum benefit. If they were taken off the UIC rolls and put to work on these various building projects, it would be an excellent solution.

Our larger cities are very concerned about the lack of public transit. Metropolitan areas are crying out for federal money for rapid transit expansion. The high cost of gasoline and automobiles is making it necessary for the average working man and woman to leave the car at home and use public forms of transit. As hon. members are aware, the government placed an extra ten-cent tax on gasoline, which has been a great hardship to people who must drive to work each day—in many cases a good number of miles. In my own area many people from the small towns and villages commute to large centres such as North Bay, Parry Sound, Huntsville, Bracebridge, and Gravenhurst. Some of them drive as much as 100 miles per day. They are not allowed any deductions from their income tax for this purpose. This is discriminating when we consider that a great many taxpayers can qualify for business expenses. I am thinking of salesmen, doctors and many other people in the business world. These people for the most part have incomes much higher than the ordinary workingman.

I think of the people in northern Ontario, the area with which I am most familiar. Miners in the Sudbury area live considerable distances from the mines, sometimes 20, 30 or 40 miles away. Consideration should certainly be given to them. This applies even more to workers in industries which do not pay the high wages of INCO and Falconbridge. The industries in northern Ontario are resource industries. It would certainly be helpful if the federal government would provide additional

grants through DREE, and possibly other programs, to set up additional industries there to provide permanent, good-paying jobs to those who are now seasonally employed and find it difficult to obtain permanent employment.

I have to repeat what I have been saying in a great many speeches on a subject that is very dear to my heart, small business. Small business provides more than half of all the jobs we have in Canada. If we are to make any meaningful effort to tackle the present level of high unemployment we will have to look to helping this segment of our economy. In our system, whether or not the Prime Minister (Mr. Trudeau) likes it, private enterprise can come up with better solutions to the problem of unemployment than the government. We must recognize this fundamental difference between our system and those of socialist or communist countries. In countries where the government owns and controls the means of production, distribution and merchandising, it stands to reason that the government will be the largest employer in the country. It is this basic difference that makes the present government's make-work programs inefficient and unsatisfactory in the long haul.

● (1710)

The millions of dollars spent on LIP and Canada Works will give temporary relief to a few thousand people, but what is really needed are long-term, career-type jobs which will allow workers to plan their lives just as we plan our own lives. Our people have a right to expect this. The hundreds of millions of dollars spent on ad hoc, make-work programs might better be spent encouraging business and industry to expand. We could use some of the money to encourage new businesses to be established. We now have a minister responsible for small business. While I have great respect for the hon. member appointed to that portfolio, I have to wonder if he is being given the latitude and support he will need if he is to make a meaningful contribution to this important segment of the national economy.

I have waited with a great deal of hope and anticipation to see if we are going to have a small business administration such as that in the United States to assist people in starting up in business, with both financial and informational assistance. A small business administration would enable prospective business men and business women to assess market conditions with respect to their product or service. It would not be possible to assemble all of the information one would need to establish a business, including up to date information in depth on the marketability of a product or service, without going to considerable expense. This information should be available from a central government source. Such an agency should be authorized to make long-term, low interest loans to businesses to purchase equipment and stock, to finance expansion and modernization and to facilitate the amalgamation of similar enterprises to form conglomerates or chains. It would also make capital available to people who want to start up a business or purchase or buy into a business.

This agency that I envisage would have responsibility to study the different types of forms, reports and other kinds of paperwork that is presently imposed on small business people. The cost in time and expense to small businesses today just to keep up with the paperwork demanded by the government is causing businesses to fail every day. We simply cannot allow this pig-headedness and stupidity to threaten such an important segment of our economy. Much of the paperwork demanded of small businesses results from lack of co-ordination between agencies in government concerned with financial and commercial matters. It has grown unchecked through the years, and a large part of it is redundant and uneconomic. In many cases it is totally useless.

The whole body of Canadian business law needs to be overhauled, just as we have recognized the necessity to overhaul our criminal and civil law. It is ridiculous to pile still more laws and regulations on the body of law that is already stifling small businesses in Canada, which is in fact choking many of them to death every week. There are already so many forces in the market today mitigating against the interests of Canadian businessmen and exporters that we should be thinking of ways to help, rather than to hinder, small businessmen. We are no longer competitive in world markets, or even the continental market, with respect to a great many Canadian products. If businesses are forced to restrict their production and marketing to the domestic market, one already saturated with cheap imports, then it is small wonder that more and more small businesses are going under and that fewer and fewer are being established.

The complex tax structure small businesses have to cope with requires that even the smallest of them deal more and more with tax lawyers and accountants, neither of which come cheaply. We must seek ways to ease the tax burden on small businesses. If they thrive, we will more than make it up in increased profit taxes and taxes from the firms' employees. We would get increased production and a better level of services. If, on the other hand, we force businesses to go under, we get more and more unemployment and we reduce our tax base. We have a choice and we have the resources, but we have to make a decision.

There are other forces besides big government which work against the interests of small businesses. Small businesses, by their very nature, are unfavorable. They are vulnerable to pressures from big business and from big unions. They can be placed in an unfavorable or non-competitive position by the actions of big corporations. While we do have anti-combines laws which prevent such things as price-fixing, there are many ways, some of them subtle and some not so subtle, in which small concerns can be placed in an unfair position. They must have some avenue of appeal against unfair competition and business practices.

Small businesses and small industries are vulnerable to pressures from big unions, even more so than the larger corporations. For instance, while a man like Joe Davidson seems able to subject the Canadian people and the postal workers themselves to great losses in services and money, into

the millions of dollars, on the pretext that the Post Office is not bargaining in good faith, we can survive these losses. Not so the small business or industry. Over and over again we have seen that one prolonged strike is all it takes to destroy a small firm, along with all the jobs that it once provided. Here again, employers must be guaranteed the same rights as the big unions and they must be afforded the same protection as the unions. They must have assurance that they can withstand the pressures, threats and actions that often accompany what would be normal and reasonable negotiations.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired. However, he may continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Darling: Thank you, Mr. Speaker. I thank hon. members for allowing me to continue. I shall be as brief as possible. I am making a strong appeal to the government to wake up and look at the options open to us, to make a meaningful attack on unemployment. Let us help the business and industrial communities to solve this problem for us. Short-term, make-work programs are necessary to some extent to ease the plight of those who are chronically unemployed. But we must also recognise that we allowed this situation to develop to its present state. Spending millions, or even billions of dollars of taxpayers' money will not provide a long-term, permanent solution to high unemployment, unless that money is put in the right place. Non-revenue projects cost twice as much as the original grant because once the money is gone, there is no return. We cannot afford to use this approach as the basis of the cure.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of the adjournment are as follows: the hon. member for Halifax-East Hants (Mr. McCleave)—Transport—St. Lawrence Seaway toll increases; the hon. member for York-Simcoe (Mr. Stevens)—Airports—Pickering—Government intentions with regard to construction; the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn)—Administration of Justice—Use of writs of assistance.

[Mr. Darling.]

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ALLEGED FAILURE OF GOVERNMENT TO PROVIDE ECONOMIC LEADERSHIP

The House resumed consideration of the motion of Mr. Broadbent:

That this House condemns the failure of the government to provide economic leadership and in particular its failure to introduce measures which will ensure economic growth and provide jobs for the more than 1,000,000 Canadians who need them; and calls upon the government, in its March 31st budget, to correct these failures by:

1. establishing new direct job creating programs in needed social fields such as housing;

2. reducing taxes for middle and low income earners; and

3. assisting urban communities financially to ensure an immediate expansion of municipal capital works projects including rapid transit.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, it would seem to me this is a most appropriate time to be discussing such a motion as my hon. friend for Oshawa-Whitby (Mr. Broadbent) has put forward. I say this in light of the fact that many agencies around the country are of the opinion that something more precise needs to be done with regard to reducing the level of unemployment. I agree with the previous speaker that a figure of one million unemployed is probably much more realistic than the figure currently provided. Like him, I find there are many in my riding who, although unemployed, are not registered with the Manpower office for employment. In fact, I would estimate that one-third of the unemployed are not registered.

● (1720)

The simple reason is that there is no work in the area; secondly, they have been unemployed for a considerable period. Their only solution is to move, and this they cannot do because of marital commitments. So there is a large body of unemployed who are not registered and are not taken into consideration by Manpower when deciding on winter works projects, LIP grants, youth project and other projects.

One of the things we fail to realize is that the government is the only body which is responsible for creating employment. It is easy for the government to put people out of work, and this government has done its very best to co-operate with the United States to leave the North American pattern unchanged without embarking on projects of its own which might solve unemployment in this country. The government decided, really, that the United States economy would be on the upturn in the last part of 1976, and it waited for this. It jointed in programs with our southern neighbour, but we have found ourselves in a worse position than the United States. Unemployment in this country is at a catastrophic level.

The government did embark upon a program which the Prime Minister (Mr. Trudeau) said in 1974 would not work. He indicated why it would not work and referred to the pitfalls that had befallen others who tried to freeze wages. He now

finds he has been proven corrected and that he is an able prophet. The Conservatives are now saying that the Liberals spoke against controls, that they then implemented controls and now look at the mess we are in. So the Prime Minister really has the worst of both worlds. He predicted that this would happen and he has now been proven right. One effect of controls has been to control only wages and some salaries. They have not been applied uniformly. Controls did not affect prices. It is of interest to note that a worker today can pay up to 50 per cent of his income for housing. Housing has not been controlled.

Interest rates today are the responsibility of the government. I was stupid enough, as were others in the House as well, to agree with officials who told us that if we took off the ceiling on interest rates of 6 per cent, where it had been for years, it would create competition among the banks. It was the old, free enterprise idea that if there was competition interest rates would go down. Well, they sure went down, Mr. Speaker! In fact, they doubled, and in some cases considerably more than doubled so far as housing is concerned.

We have done nothing about interest rates. It is true that Canada is now in a very odd position. We have improved nothing and we find the value of our dollar going down. Our ability to borrow in the markets of the world is less than it was even a year ago. It will be difficult for the federal government and for the provinces to borrow money, all because the Prime Minister said he was the only one in this country who could unite the country. He now has us at the stage where there is some doubt that this can be accomplished by anyone; certainly it cannot be accomplished by him. Other countries are reacting to the situation and this is having an effect on our dollar. The cost to us is going to be very heavy.

What has happened to costs in this country? The AIB did nothing about energy costs or about medical costs. Really, it has done nothing about food costs. In fact, it did not do anything about anything, except to control wages and salaries. In the process it made business, management and labour very dissatisfied and cautious about any type of expansion in this country. The only body that can do anything about this situation today appears to be the federal government.

The federal government must do at least two things which are almost impossible to accomplish. Firstly, it has to establish some stability in our nation. This cannot be done by a referendum, by taking on "the enemy", or by somebody saying, "I am the only one who can be the saviour". This will have to be done with a great deal of co-operation, openness and willingness to negotiate. This certainly has not been the long suit of the present government.

Secondly, the government must do something about unemployment. As the previous speaker said, we have developed a number of ad hoc programs, though the government did not participate in the development of some of these programs. We have provided a sum of money for individuals and organizations if they come up with some kind of scheme. Such a scheme will be financed at almost the minimum wage in order to provide work for those who cannot find any other kind of work. But this has not done anything for the country. It is a stopgap measure, the kind of thing that has not done anything for the people involved.

As a rich country five or six years ago with a fairly high standard of living it was all very well to tell our young people to do their thing and we would finance it. But we can no longer enjoy that luxury. If we are merely supplying money today to provide minimum wages for people who in other instances would be on unemployment insurance or welfare, then we are not getting any great advantage and certainly there is no long-term benefit to the country. I can remember back in the fifties and even in the forties we used to talk about a shelf of works, the kind of work programs which the federal government would design and implement. The provinces would also design and implement such programs. From the federal point of view we even said we would be willing to accept projects which were designed and initiated by the municipalities.

We have come a long way from the day when the federal government was capable of designing make-work projects in this country, or when the provinces were able to design employment programs which were of advantage to the country, which created work that eventually led to full-time employment. All we are doing today is providing hand-outs. If you check, Mr. Speaker, you will find that this year these hand-outs had a lead time of about two weeks, or not even two weeks in most areas, from the time applications were made available to when programs were instituted at the municipal level and winter work was provided. It is a lousy program, the kind that will not provide any permanency of employment in this country.

• (1730)

What can we do? Last week an industry in my area closed because of the fight between Levesque and Trudeau, and the implications of that fight were noted on the money markets of New York.

Mr. MacFarlane: Who started that one?

Mr. Peters: It was started—

The Acting Speaker (Mr. Turner): Order, please! Would the hon. member please speak of the Prime Minister, and not refer to him as "Trudeau".

Some hon. Members: Hear, hear!

Mr. Peters: Mr. Speaker, I apologize and stand corrected. I should have said that the fight was between the Premier of the province of Quebec and the Prime Minister of Canada (Mr. Trudeau).

Mr. Broadbent: Whatever his name happens to be.

Mr. MacFarlane: Isn't that interesting?

Mr. Peters: My hon. friend says that is interesting. That plant had 200 employees, and it closed because its borrowed money was recalled. It operated with long-term loans of

approximately $15 million from the Mercantile Bank, which in its turn is owned by Chase-Manhattan. The plant had borrowed about $15 million from the Japanese, and other amounts from ASARCO Corporation.

The company was operating and developing a fairly large asbestos mine. You may remember that the Premier of Quebec told his New York audience that his government was thinking over the asbestos industry in Quebec. Well, this company of which I am speaking owns a property in Thetford Mines and another in my area. I am told that on instructions of Chase-Manhattan, the Mercantile Bank called their loan. They called it, and the plant closed down that day. The hon. member opposite may laugh, but it still means the loss of 200 jobs.

Mr. MacFarlane: I did not laugh; I did not even smile. Do not use words like that, I did not even smile.

Mr. Broadbent: You are smiling now.

Mr. MacFarlane: No, I am not.

Mr. Knowles (Winnipeg North Centre): Then it's your face.

Mr. Peters: That company was affected by our country's difficulties. Now it is most difficult for that company to continue its operation. If the government wanted to help, it could have instructed Texas Gulf, the company controlled by Canadian Development Corporation, to look into that property to see if it can be operated successfully. The Japanese will buy our asbestos. I am pleased at the development in my area, especially since the company met Ontario's health standards for the industry. I want to see it continue in operation. But it can only stay in business if the federal government asks the Canada Development Corporation to take the company under its wing.

I suggest that CDC should also look into other companies in my area. I am thinking particularly of a large, modern sawmill built not long ago at Kirkland Lake and employing 200 people. The government sank quite a bit of money in this mill in the form of DREE grants. But it was stupid because it did not take an equity position in that company and others like it which had received DREE grants. Some of these companies go bankrupt; and although the government has pumped large sums into them it has no say about their operations because it was not smart enough to take equity positions in them. If it took an equity position, a government representative would sit on the board of directors. In this way the government could provide technical knowledge and access to funds to tide them over serious difficulties.

The previous speaker said that free enterprise can do things more efficiently than can Crown corporations. That is not so. We have helped almost every business which started in this country in the last four or five years; unfortunately we did not take an equity position in them.

Mr. Broadbent: Right on.

Mr. Peters: Even the people involved in these businesses are happy to have the federal government as a partner. Why, Mr. Speaker? They know the government will make available to them management experts, sales experts, and experts at raising money. I am sure the hon. member for Parry Sound-Muskoka (Mr. Darling) agrees that most industries we start in northern Ontario lack capital. Pretty well every one of those businesses is under-capitalized. For example, take the forest products industry.

We have in my area one of the most up-to-date little plants in the country. It produces flakeboard which is plastic covered and made into cases for stereo components for RCA Victor in the United States. It has been able to compete successfully with other companies engaged in the electronics field. I estimate the value of that plant at $9 million; I also estimate the capitalization at less than $2 million, and I am ignoring borrowings. Businessmen know that if you are under-capitalized to that extent, you are operating on bank loans, and banks will not carry loans indefinitely. If there is a drop in the price of the product, or a change in your rate of return, you must put new capital into your business or secure a large increase for your current revolving fund. This is true of businesses in northern Ontario, and equally true of those in northern Quebec. One hears almost constantly of businesses in those areas going bankrupt. What is the reason? They lack capitalization.

As the hon. member for Parry Sound-Muskoka suggests, if we were to take the money we now put into make-work projects and apply it to the establishment of long-term industries in northern Ontario, we could create long-term employment for people now living from day to day, working short intervals, trying hard to work eight weeks in order to qualify for unemployment insurance.

We should enter fields others mentioned. I will not cover them in detail. Housing is a good example. Mr. Speaker, we do not need the kind of housing builders are building today. In Timmins, a mining town, there is a great surplus of housing, expensive housing which people working in the mines cannot afford.

The Acting Speaker (Mr. Turner): Order please. I regret to inform the hon. member that his allotted time has expired. He may continue, with the unanimous consent of the House.

Some hon. Members: Carry on.

The Acting Speaker (Mr. Turner): Has the hon. member unanimous consent to carry on?

Some hon. Members: Agreed.

Mr. Peters: Mr. Speaker, I will end on this note: we need to examine our housing. I was speaking of Timmins. Not long ago I talked to one of the main contractors in that community and one of the leading real estate agents. He said that there is surplus housing in the community, but it is mostly of one kind. It is expensive. It is expensive because he must raise money to put in the sewers, water, roads, and other ancillary services which go into a subdivision. Mr. Speaker, we should provide municipalities with long-term money for picking up real estate

in areas not now under development. We should allow our municipalities to do some of that basic development. The municipalities could buy land with money provided for long periods at low interest. The interest cost on land is reflected in the purchase price of a house. I suggest that high interest on land costs and on the cost of services people must pay are not doing any good to the cause of housing.

● (1740)

Houses built for our underhoused population in this country should be low cost. I am one of those who believes that houses can be built at a reasonable cost and sold to those who want to live in that type of housing, if only the government would give the necessary leadership by enabling the provision of mortgages at a low interest, and giving the kind of assistance that is necessary to allow for a rapid expansion of the housing industry, which would have a spin-off effect on the lumber industry, the plywood industry, and other industries providing furnishings for those houses. In my opinion this will result in a greater rate of employment.

I would like to go on to speak about urban transit which should be improved in the city of Ottawa. I have in my pocket bus tickets that are two years old. They cost me four for $1. Last year they were three for $1, and this year they are five for $2. That is how quickly costs for transit are going up. One waits for a bus for a long time, and then it costs you 50 cents if you have a drop fare. It is just as cheap to drive your own car, but is it cheap for the nation in the energy that is used? Is it cheap for the city which has to build a new lane on the expressway because cars clog it in the morning? Our priorities are not very good. The forthcoming budget will allow the government to redeem some of the mistakes it has made over the last few years, but I hope the government will take full advantage of the budget to increase employment.

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, it is not my intention to make a lengthy speech at this time. I want to be associated with the last part of the motion relating to rapid transit, and in particular I wish to associate myself with the remarks made in the House in the debate on Bill C-33 by my colleagues, the hon. member for Halton (Mr. Philbrook) who spoke on March 2, the hon. member for York East (Mr. Collenette) who spoke on March 2, and the hon. member for Laprairie (Mr. Watson) who, in my opinion, made a particularly good speech on this subject.

Mr. Broadbent: What about all the members in the opposition and their speeches?

An hon. Member: He does not want to be associated with them.

Mr. Francis: The whole question of rapid transit is one about which all of us who represent urban areas must be concerned. In my opinion the Parliamentary Secretary to the Minister of Finance (Mr. Kaplan), in his remarks on March 4 in this place, offered arguments which were very unconvincing. He spoke about the need for conservation, but he did not deal with what is, in my opinion, the very important contribution in the form of energy conservation which is implied in the support of public transit. He spoke about the need for restraint, which I fully support without question.

In the debate in which we are taking part now we are offering some advice to the Minister of Finance (Mr. Macdonald) in the matters that he might consider in his forthcoming budget. I sincerely hope that in considering the problem of energy, which the Minister of Finance must do, he will look at what must be done by way of encouragement of public transit and discouragement of the use of the private automobile and the unnecessary consumption of gasoline.

I do not know what are the costs in the budget of subsidizing gasoline or, shall we say, of maintaining a generally uniform price structure for gasoline from one coast to the other. My colleague, the hon. member for Laprairie, yesterday suggested in the House that they might be in the order of $800 million a year, but these must be very rough estimates. The sums of money are very large indeed, and what I and my colleagues are seeking, those of us who are speaking in support of urban transit, is a long-term view. We ask the government not to be penny wise and pound foolish, not to undertake policies that are for the day only and that, over a long period, will cost a good deal more in funds which could properly be spent on urban transit now.

I said that I did not intend to make a lengthy speech, but if I may, I should like to talk about what is happening in this city. I noted that the hon. member for Timiskaming (Mr. Peters) referred to the bus fare structure in metropolitan Ottawa. I was an alderman on the city council for a number of years and saw the growth of what was probably a typical Ottawa suburb. I represented on city council an area without a single apartment building. In large sections of the city there were almost only three and four bedroom bungalows inhabited by people bringing up their families in the family formation years. This brought a tremendous burden on the school system and led to an overbuilding of elementary schools in my part of the city. It distorted many of the priorities that a logical planning sequence would have indicated. My colleague, the hon. member for Laprairie, documented this very convincingly and eloquently in his speech in the House.

At this stage we have still the opportunity of putting forward some logical priorities in the field of urban transit, knowing that this is the only way, over a longer period, in which we can have a rational energy conservation policy.

Some hon. Members: Hear, hear!

Mr. Francis: I speak not only of the encouragement of urban transit—and I want to speak about the means which, I hope, will shortly be adopted by the government—but also of the discouragement of the private automobile. It is not an easy thing to be a member representing a constituency such as mine and to support a charge for parking by government employees in the central core of this city. This government instituted a charge for parking in the fall of 1974. I have had only one or two complaints about it. I expected a deluge of complaints, but

the people I represent know that there must be a deterrent to the use of private automobiles. They know that the parking spaces they use cost the taxpayers money. They know also that it is infinitely better in every way if we can develop a good transportation system as an alternative.

I ask that the government carry the thinking a little further. The charges for parking should not only be at the central core of the city. I attended a community association meeting in my constituency last week at which the people there asked that charges be imposed at Tunney's Pasture—which is not really a suburb but at one time was considered a suburb—because they know now that the overuse of the existing parking facilities in that area creates a blight, a community nuisance, and is an inefficient use of energy. It pollutes the air, and is wrong in every way. The same can be said about Parliament Hill.

I would hope, Mr. Speaker, that you would convey to others associated with you in that office the need for a policy of charging for the use of parking on Parliament Hill. I am ashamed as a member of parliament to park my car on the Hill free of charge. My constituents pay when they drive their cars to work and park in the central area of the city, and I hope there will be an initiative from Mr. Speaker's office to bring about a re-examination of the policy of free parking on Parliament Hill for a chosen group. The policy is wrong, it cannot be defended in principle, and I will be delighted to pay my share of the charges which, I am sure, would be only right.

Some hon. Members: Hear, hear!

Mr. Francis: I am glad to hear hon. members on the other side support this.

We have to live with the necessity for conserving energy. We have to live with the fact that we cannot go on with the balance of payments problem which energy will create for us to a much more serious extent every year. We have to set individual examples.

● (1750)

I had the privilege of serving as a member of the transit commission of this city for some time. I learned then what a sad state public transit technology was in. I went with other members to San Francisco where a major program involving hundreds of millions of dollars was being undertaken. Before making their decision they set up their own laboratories to test equipment. They were testing four types of direct current motors, and about three types of alternating current motors. The problem in technology was as basic as that.

The metro in metropolitan Montreal was a tremendous thing. It adopted a technology which is now generally considered to be obsolete. Rubber wheels were put on steel rails, and, so that that could be done, the stations had to be designed to use gravity braking. The city of Montreal is not in a position to convert that system to anything else now because it is locked in with it. However, had appropriate technology been used in this cold part of the continent we know so well, had there been leadership from the federal government and from provincial governments, and had there been research and testing projects, the basic decisions could have been made with greater wisdom and knowledge.

On March 2 in this House my colleague, the hon. member for York East, outlined what is available by way of research and demonstration project assistance in Canada. This has been available since 1972-73. My colleague pointed out that over the first four fiscal years the great total of $1.25 million was paid out by way of federal grants for demonstration and research and for urban transit technology. I suggest that that is hardly something in which we can take a great deal of pride.

There are certain provisions under the National Transportation Act, but we are not debating that act at this point. I welcome what is being done, but it is grossly inadequate. There is an opportunity for us in Canada today to put our money where we have an urgent, crying priority, and to solve in a technological sense the problem of how to move people from city to city —commuter transit—and the problems of urban transit, moving people within cities. Canada can make a contribution with the knowledge, the skills and the technical capacity which are available to us. This could be of great assistance to us not only with regard to our domestic problem but also in developing export markets in other parts of the world.

During the course of the 1974 election campaign the party to which I belong made a very explicit promise in terms of the type of assistance which would be available. I believed in that promise. I believed it made a great deal of sense. It was a matter of very deep regret to me to learn recently that there are people in responsible positions who suggest that that promise cannot be honoured. I, for one, will do everything I can to urge the government and others in this place to support a policy of aid for urban transit as soon as it is possible to have such a policy.

[*Translation*]

Mr. Armand Caouette (Villeneuve): First of all, I would like to commend the New Democratic Party because they put forward a motion today which condemns the failure of the government to provide economic leadership and in particular its failure to introduce measures which will ensure economic growth and provide jobs for the more than one million Canadians who need them.

Mr. Speaker, today's motion calls upon the government to correct these failures in its March 31 budget through three specific measures which read as follows:

1. establishing new direct job creating programs in needed social fields such as housing;

2. reducing taxes for middle and how income earners; and

3. assisting urban communities financially to ensure an immediate expansion of municipal capital works projets including rapid transit.

Mr. Speaker, these three specific measures proposed by the NDP are most interesting and we would be hard put to find one member in the House who stands against developing our own resources while providing useful jobs to unemployed citizens who are deprived of any lucrative occupation. It is evident that establishing new direct job creating programs in

needed social fields such as housing represent a very valuable objective for us. But the problem is what kind of response this proposal will get from the government? It will surely answer that it has no money, that it has not the financial means to set up such programs with the limited funds presently available.

The same kind of answer will be given to any proposed reduction of taxes for middle and low income earners. Mr. Speaker, everybody agrees on the principle of the matter. In our opinion, our colleagues of the NDP did not invent the suggestion contained in the motion they put forward today.

Mr. Speaker, the Social Credit members have been asking for the same thing since 1962 and always the government, which at the time was led by the right hon. member for Prince Albert (Mr. Diefenbaker) answered that it could not reduce the income tax of people in the lower income bracket. Mr. Speaker, may I call it six o'clock?

The Acting Speaker (Mr. Turner): Order, It being six o'clock, I do now leave the chair until eight o'clock this evening.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

[*Translation*]

Mr. Caouette: Mr. Speaker, as I said before supper time, the socreds have been demanding since 1962 what is being proposed today by the New Democratic Party. The government at that time which was headed by the right hon. member for Prince Albert (Mr. Diefenbaker) would readily reply that it could not reduce income tax for low income earners for the same reason given by this government today, namely that they did not have any money. The same thing occurred, Mr. Speaker, under the Pearson government and it is still the same now with the Trudeau government which claims it has no money, and is unable to reduce the taxes of low income people.

As for the NDP third proposal, I am pleased to point out that the development of urban communities through federal funding of public works is a matter in which social crediters have been interested for a long time.

When we suggest that public works sponsored by municipalities and provinces be financed through interest-free loans by the Bank of Canada, we bring forward a concrete and efficient way of enabling urban communities to acquire essential services without going into debt for thousands of years. We also know, Mr. Speaker, that the cost of that debt accounts for more than half of the budget of some municipalities. How can a city acquire the necessary services when half or more of its funds go to pay the interest on its public debt? It is obviously impossible. The proposal of our friends of the New Democratic Party to press the federal government into spending considerable sums of money for municipalities is certainly not the ideal solution. As a matter of fact, the only result of that solution would be that the federal government, instead of municipalities, would go into debt.

• (2010)

Mr. Speaker, the Social Crediters propose that municipalities get loans without interest from the Bank of Canada for their development. The Bank of Canada is the financial institution which must be the servant of Canadians. If this bank would lend the necessary sums in the form of new credits guaranteed by all our resources, municipalities could get on with the establishment of the necessary services without having to go into debt and get crushed by the cost of servicing the debt only. For all useful purposes, Mr. Speaker, the three specific measures put forward today by the New Democratic Party will merely be pious wishes as long as the government will not have money enough to realize all those projects. The NDP itself, if it were in power, could not implement the measures it is putting forward today, and we would hear the leader of the NDP complain about the lack of funds.

Of course, Mr. Speaker, there is no shortage of Canadians ready to work. There is no shortage of manpower. There is no shortage of skilled people. As we are all aware, we have the necessary engineers, architects, technicians to carry out all those ambitious projects which could make life easier for us both in our cities and rural areas, nor are we lacking materials, Mr. Speaker. We have steel, concrete, all the metals and raw materials required for the construction of rapid transit systems as advocated by our colleagues of the NDP. How come then, Mr. Speaker, there are so many idle hands in our beautiful and wealthy country? How come it is impossible to realize our main projects in the social sector? We always get the same answer: because there is no money. And our NDP friends do not even talk about this problem which is a basic one, the prime source of our present difficulties.

The measures proposed today tackle the symptoms, the obvious signs of the problem but they do not deal with its deep causes. We all recall the former leader of the Social Credit party of Canada, the late Réal Caouette, who used to say that dealing with the appearances of the problem is like putting a band-aid on a wooden leg. As the former hon. member for Témiscamingue used to say so well, so long as we have not thoroughly revamped the economic and financial system we will continue to hear the governments say: That is a good idea but we don't have any money. What we are asking for, with our Social Credit economic reform, is simply that the monetary system reflect today's realities.

Everyone admits that it is not normal for the government to be paralyzed by a lack of money, while thousands of people would like nothing better than to go to work, creating services and goods of benefits to all Canadian citizens. Nor is it normal, Mr. Speaker, to see that, in spite of the fact that we have within reach the materials required to give the services asked for by municipalities and individuals, we are unable to act simply for lack of money. Yet, subway and railway services, to increase the speed of urban transports, are not built with dollars, but with such materials as steel, concrete, plastics

and metals, and of course, with competent people, engineers, architects and technicians. And do we have all that here in Canada? What are we waiting for to put the financial system in line with reality? As long as we live in a monetary system that does not take into account the physical realities of the modern era, we will face that problem, we will discuss motions that are wishing thinking, and we will hear governments claim we are short of money. If the New Democratic Party is not prepared to propose a thorough reform of the financial and monetary system, it could at least propose some measures that might make it not so easy for the government to give us the same answer: We are short of money.

Mr. Speaker, the Social Credit party of Canada, of which I have the honour to be a member, has always included within its programme a clause recommending lowering the age of voluntary retirement to 60. As a result, not only do we support lowering the retirement age, but we press for old age security pensions and benefits under Canada Pension Plan that are high enough to guarantee the aged a decent living. Is Canada economically and financially able to meet the requirements of the motion now before us? The GNP is maintained at a reasonable level in spite of the increasing number of unemployed. They might contribute to increase the gross national product if they could use their energy to increase our national production, which would enable us to achieve the goal set out in this motion.

Mr. Speaker, one may also wonder whether Canada can financially afford such expenditures. As far as I am concerned, I think that budgetary cuts are certainly necessary, particularly in connection with the servicing of the national debt. During the present fiscal year, the Treasury Board has to pay $4 billion in interests on the national debt, and the Minister of Finance (Mr. Macdonald) refuses to say to whom these interests are being paid. One only has to refer to the answer recorded in *Hansard* for February 1, 1977, in reply to a question No. 1389 put by the hon. member for Bellechasse (Mr. Lambert).

The hon. member for Bellechasse was then seeking information which should be made available to all Canadians with regard to the total of the national debt. Who are our creditors? Is it a long or a short-term debt? It seems that we are always seeking information which apparently is never available. Interest is being paid and we cannot even find out to whom. There is money owing, but to whom?

Therefore, Mr. Speaker, to all such motions which have been moved since 1962, the government had always pleaded the lack of money. How is it possible to lack money when we do not even know to whom we are paying interest and owe money?

One other thing, Mr. Speaker, I feel that the government should develop as many job-creating programs as possible, such as LIP and Canada at work. In this respect, Mr. Speaker, an attempt should be made to keep the administrative costs of these programs as low as possible, so that the largest amounts possible will be appropriated for that purpose.

[Mr. Caouette.]

Obviously many municipalities were able to establish services like recreation centres and arenas through LIP projects and this year's Canada Works. A few weeks ago I had myself the opportunity to participate in the opening of the Barraute arena in my riding, and that was done thanks to the jobs created by local initiative projects. And it is also because of the wonderful work accomplished by the municipal council of that town which achieved something very important for the people of that municipality. So I strongly encourage the minister responsible for those job creation programs to make all possible efforts to increase the funds available so that many more good projects can be implemented.

I wish to underline the fact that municipalities are now in a very difficult situation. Their revenues from land taxes are not enough to cover their financial burden. The interest on their public debts seriously affects their budgets. Again this week, Mr. Speaker, I met members from the Val d'Or municipal council who had to beg the Minister for Urban Affairs (Mr. Ouellet) to get credits to lighten the financial burden of their municipality through the financing of some services. Mr. Speaker, that is only one example of the difficult position of our municipalities throughout the country. It is clear that tailoring job creation programs to the priorities of our municipalities is a positive and efficient means to reduce their terrible burden.

Then I encourage this government to make every possible effort within the present monetary structure to give first priority to job creation programs to develop municipal services. Of course, it would be more interesting to see the government undertake a reform of the financial and monetary system but I think we cannot count too much on the present government to show leadership in that field. In view of the constant administrative blunders of this government, we are not too enthusiastic about seeing it launch into major reforms which would be beyond the competence of its members.

The Acting Speaker (Mr. Ethier): Order, please. I regret having to interrupt the hon. member but the time allotted to him has expired. Nevertheless, he may continue with unanimous consent.

Some hon. Members: Agreed.

Mr. Caouette: Mr. Speaker, I wish to thank my colleagues for giving me these additional few minutes. I will not make ill-use of this time.

In conclusion, I would propose that we study the current situation in the province of Quebec, namely the election of the Parti Québécois. We should be able to ask ourselves now, Mr. Speaker, if the unemployed would really have the possibility of finding work, of being useful to society, if the independence problem really became an issue in our great and beautiful country. I am convinced and so are all my colleagues in this House that if all Quebecers had a chance to benefit from new job creation programs administered by the government, they would not even think about independence and separation.

● (2020)

[*English*]

Mr. Peter Elzinga (Pembina): Mr. Speaker, I too am pleased to participate in this debate brought on by the NDP. I think that at this time it is worth reviewing the motion they have placed on the order paper.

That this House condemns the failure of the government to provide economic leadership and in particular its failure to introduce measures which will ensure economic growth and provide jobs for the more than 1,000,000 Canadians who need them; and calls upon the government, in its March 31st budget, to correct these failures by:

1. establishing new direct job creating programs in needed social fields such as housing;

2. reducing taxes for middle and low income earners; and

3. assisting urban communities financially to ensure an immediate expansion of municipal capital works projects including rapid transit.

One criticism that I should make is that the motion nowhere refers to the private sector. Business capital spending has been declining since the end of 1975 and the outlook is not encouraging. Business confidence is at the lowest point in recent memory. The threat of aborted recovery, weak markets, a tax structure which compounds the ravages of inflation, controls over wages and profits, and the stultifying effect of excessive government regulations are all contributing to this serious deterioration in business confidence about the future environment for growth and development in Canada. Unless capital formation is given every encouragement, workers will lose now through more unemployment and less productivity and they will lose in the future by being paid pensions of lower real value.

We are all aware that the private sector of the economy provides many jobs. Unless this area is stimulated we shall see unemployment levels rise even higher. My hon. friend from Hamilton West (Mr. Alexander) outlined the position of our party. As usual, he did a superb job.

Some hon. Members: Hear, hear!

Mr. Elzinga: In the past little while our party has received a certain amount of criticism for not advocating policy. All one has to do is read the speech by the hon. member for Hamilton West. He has done a superb job of outlining the areas in which we feel the government should act. One thing that puzzles me even more than the criticism we receive for not advocating policies is that the governing party does not receive any criticism for not having any policy itself.

I ask hon. members opposite to tell us their policy with regard to the one million people who are unemployed. All one has to do is look at the immigration bill presently before parliament. What the government wishes parliament to do is pass the legislation so that regulations can be enacted by order in council. It does not wish to tell parliament or the Canadian people what those regulations will be in advance of the passage of the legislation. This can only lead us to believe that the government has but one policy, a policy of doing nothing and of securing its re-election at the expense of the expectation of the Canadian people.

Turning to the motion, I wish to deal first with item number one which speaks of the establishment of new, direct job creation programs in social fields such as housing. Housing is at a critical stage. My first suggestion would be that interest payments on mortgages be tax deductible. I am sure this idea would receive reports from both sides of the House. Members of my own party and members of the opposition parties with whom I have had conversations have told me they would support such a move. The budget which the Minister of Finance (Mr. Macdonald) intends to bring down on March 31 is the means by which to implement the proposal. Let us hope that in the budget we shall see something along these lines.

The motion speaks about establishing new, direct job creation programs. Let us hope any such programs will be more effective than those we have seen in the past. The minister recently announced the Canada Works program. In my opinion this program is nothing but a pork barrel for the Liberal party.

Mr. Hnatyshyn: Shame!

Mr. Elzinga: We see this when we calculate on a Canada-wide basis the amounts received by Liberal constituencies as compared with the amounts received by Progressive Conservative constituencies and others. We find that the Liberal constituencies receive on an average in excess of $50,000 more than Conservative constituencies. If that is not pork barrelling I do not know what is.

An hon. Member: Nonsense!

Mr. Elzinga: All we have to do is look at two constituencies. First, the constituency of the Minister of Justice (Mr. Basford) in Vancouver East. It is to receive $514,000. Now look at the constituency represented by our party whip, the hon. member for Edmonton Centre (Mr. Paproski). It will receive $100,000. I am sure the unemployment rate differential is not so great as to warrant five times the amount of money going to the constituency of the Minister of Justice. If that is not pork barrelling I do not know what is.

Some time ago I asked the minister responsible for this program if he could explain the procedure used—the funding formula. Do you know what the minister said to me, Mr. Speaker? I asked the minister this question well over a month ago and he has not yet seen fit to reply. He has said absolutely nothing.

● (2030)

To deal with the second part of the motion, reducing taxes for middle and low income earners, I believe that taxes must be reduced for these people. A reduction in taxes will increase consumer spending, which at this point is what Canada needs. Canada's economic opportunities are in grave danger of being sacrificed to the apparent political opportunism of the Liberal administration. The economic situation is critical. Only by an immediate tax cut and an end to controls can unacceptable unemployment be avoided and economic growth restored. By delaying the taking of these needed economic initiatives, the

Minister of Finance is depriving Canadians of potential jobs and of more secure prospects for defeating inflation, with the chance of real gain and wealth for all.

In postponing the removal of controls until 1978, when the minister himself admits that they could be removed now, he is adding to uncertainties about the economic future for both labour and business. If economic conditions are favourable to the ending of controls, there is little reason to prolong the dislocations which an extended controls program brings. Is it just a coincidence that the end of controls in 1978 will coincide with the year of a likely federal election?

Most economists agree that our economy urgently needs a tax cut to restore growth and to create jobs. Progressive Conservatives have argued for reduced taxes since May of last year, and the need is now critical. Instead of responding to economic conditions through a display of leadership, the minister was vague about the date of the budget until a few days ago. The fact is that it will take six to nine months before the effect of a tax cut begins to turn the economy around. To avert tragic levels of unemployment this fall, tax cuts should have occured this past fall. But the Minister of Finance did not have the foresight to make those cuts. Even if there is a stimulative budget on March 31, the good effects will not be felt until 1978. Meanwhile, according to the NDP's figures, some one million Canadians remain unemployed and the economy stagnant. Is it a coincidence, Mr. Speaker, that the minister has deliberately delayed the good economic news until an election year?

If I may deal with the third part of the motion, which refers to assisting urban communities financially to ensure an immediate expansion of municipal capital works projects, including rapid transit, during the 1974 election campaign the Liberal administration, when it was on the hustings, promised $290 million to municipalities for rapid transit. It is now reneging on its promise. I think it is imperative that there be this expenditure on rapid transit. Failure to implement this promise is causing disastrous effects on municipal planning in areas like Edmonton. Rapid transit would relieve congestion in large urban areas. It would stimulate jobs for the unemployed, and the long term saving effect in regard to energy consumption would be felt in such areas.

Again I ask, what is the Liberal government doing in this regard? Absolutely nothing. Now is the time to implement measures to ensure the availability of rapid transit. This administration promised aid to rapid transit in 1974 to the tune of some $290 million; to date this promise has not been kept. Had we in the Conservative party promised aid to rapid transit in that amount during the 1974 election campaign I am sure it would have soon been implemented. It appears to me that this administration is inclined to flip flop frequently. All one needs to do is to look at what members opposite said about wage and price controls which we proposed during the 1974 election campaign. They stated that they would not work. We were condemned by our Liberal opponents.

Mr. Alexander: They were less than honest.

[Mr. Elzinga.]

Mr. Broadbent: They were right.

Mr. Elzinga: In 1972 exactly the same thing happened. In that campaign we said we would index personal income taxes. We proposed modest increases for pensioners. Hon. members opposite did not like the idea of a modest increase for pensioners, yet immediately after forming a minority government they implemented what they had been campaigning against. And hon. members opposite wonder why we in the Conservative party are careful about bringing forward our policies. We want to make sure that if our policy is going to be stolen by the present administration it is correctly introduced, so that what the government brings in for the Canadian people is on the right scale.

Another suggestion of mine would be removal of capital gains tax on the farming population. This is one of the few ways in which individuals in rural areas can save for the future. So many of our farming population continue to invest while earning their livelihoods, and when they retire their only source of income is the revenue they receive from the sale of their land.

This capital gains tax also causes difficulties for them in other ways. If a farmer in my area were to sell a piece of property, he would have to pay capital gains tax even in the event that he reinvested in another piece of property. I sincerely hope that the Minister of Finance will take this proposal under serious consideration, as the Minister of Industry, Trade and Commerce (Mr. Chrétien) said he would when he spoke in this debate on behalf of his colleague.

Another area I wish briefly to cover is the mail carrier service in Canada today. I am extremely pleased that within the constituency of Pembina there is the only area in all of Canada where the freeze on mail carriers was broken. For this I have to thank the then postmaster general, Bryce Mackasey, who gave us an additional five mail carriers for the residents of Mill Woods. There are other areas in Edmonton which deserve to have what Treasury Board term an essential service. All residents of Canada pay the same taxes according to their incomes, yet they do not receive the same services if they do not have available to them mail carrier service. As I said earlier, mail carrier service is termed an essential service by Treasury Board, yet this administration has seen fit to discriminate against a certain segment of our society in this regard. Let us hope that in the coming budget the Minister of Finance and the Postmaster General (Mr. Blais) will make funds available to service all areas equally with mail carriers.

It is also interesting to note my good friend from Edmonton Centre recently sent out a questionnaire to his constituents asking them to share with him their various problems. On practically every second questionnaire returned there was a complaint having to do with the post office. It is interesting to note that the United States runs its post office department in co-operation with the private sector, and their budget has shown a surplus. The NDP, which is so socialistic, should investigate this area, because since the United States has involved the private sector in the operation of its post office,

the post office budget of that country has run at a surplus. Previously it had run at a deficit.

● (2040)

I hope the government will give high priority to legislation dealing with budgetary matters. The delay in enacting the May, 1976, budgetary proposals and the 10 per cent surtax announced in December, 1975, caused great uncertainty among taxpayers. Many taxpayers were forced to make decisions before the end of 1976 on the basis of draft legislation which might have been amended before it became law.

Mr. Hnatyshyn: That was an example of government bad management.

Mr. Elzinga: I hope the Minister of Finance will abide by the priorities he spoke of when addressing provincial ministers of finance. According to the *Globe and Mail* of February 2, 1977, the Minister of Finance, speaking to provincial finance ministers during the first day of a two-day federal-provincial meeting, said that the priorities proposed in choosing measures to stimulate the economy are to stimulate investment, to promote further improvement in the balance of payments deficit, to generate downward pressures on prices, and to relieve areas and sectors of high unemployment. I commend the Minister of Finance on those proposals. I only hope that he carries them into effect positively, and will so announce in the budget speech on March 31.

In closing let me again pay tribute to the hon. member for Hamilton West. He began our party's participation in this debate and did an excellent job putting forward our proposals for the forthcoming budget.

Mr. Knowles (Winnipeg North Centre): Is he running for leader?

Mr. Elzinga: I am sure the residents of Hamilton West are proud to have such a capable spokesman representing them.

Mr. Broadbent: You can't make a silk purse from a sow's ear.

Mr. Hnatyshyn: You people are just jealous, that's all.

Mr. Elzinga: As a matter of high priority, we shall devise definite policies to bring about an improvement in business confidence, a reduction in unemployment, a reduction in the rate of inflation, an improvement in the return on investment and capital expenditure, and control of public spending, which this government has not seen fit to do.

The Acting Speaker (Mr. Ethier): Order please. I regret to interrupt the hon. member, to inform him that his allotted time has expired.

Mr. Derek Blackburn (Brant): Mr. Speaker, I hope that the hon. member who just resumed his seat did not want more time to speak. I see him shaking his head.

Economic Policy

I enter the debate this evening willingly, to speak on my party's most important motion. It deals with the economic condition of this country and the suffering of our people, suffering brought about because the government has failed to direct the economy adequately. I do not know if I will live long enough to see either a Conservative or Liberal administration in this country plan the economy. Those administrations seem to operate more or less on an ad hoc, day-to-day crisis basis.

When the Minister of Industry, Trade and Commerce (Mr. Chrétien) spoke this afternoon on my party's motion he went to great lengths pointing out the accomplishments of his government in recent years. The minister is to be congratulated for being able to paint a rosy picture at this time in our economic history when unemployment is higher than it has been at any time since Statistics Canada began compiling unemployment data. If I am not mistaken, more people are unemployed today than were unemployed in the 1930's. All this reminds me of John Steinbeck's "The Grapes of Wrath", only we have no California valleys to which our unemployed can trek in search of work. The government forces them to trek to unemployment insurance offices, to line up, sometimes to complain they are not getting their cheques, although through no fault of their own they are out of work.

The government's record in recent years in providing economic leadership has been totally abysmal. The rate of inflation, as measured by the consumer price index, remains unchanged when the food component over which the AIB has little control is excluded. Today Canadians find themselves basically in the same economic circumstances they were in before the imposition of controls. Really, the only accomplishment of which the government can boast is that, since October, 1975, it has distorted collective bargaining and penalized unfairly some of the organized and most of the unorganized working people of Canada. That is about all it can boast about.

The New Democratic Party suggested as far back as the last budget that the swelling unemployment rate was a major problem to which the government should address itself. The leader of my party stressed in speeches across the country that it is time to quit viewing unemployment as just a statistical problem and to begin dealing with it in human terms. This government simply doesn't understand the misery caused to the one million currently without jobs or under-employed, in the sense that they can only work part-time, perhaps one or two days a week.

The government thinks that by having unemployed workers receive an average of $96 per week from unemployment insurance the problem becomes less serious. The payment is a palliative. If the French monarchy had introduced a program like this in 1789, perhaps it could have averted the revolution. The program is a palliative; it allows people to subsist, and takes away the urge to go to the barricades and tear down our buildings.

The Minister of Manpower and Immigration (Mr. Cullen) is more interested in spending his time figuring whether 889,000 people are out of jobs, or if the figure really is 1,100,000. But he and his colleagues miss the point, that mentioning

various figures will not alleviate the plight of people out of work.

Mr. Broadbent: Right.

Mr. Blackburn: The Minister of Finance (Mr. Macdonald) has now said that he will bring down a budget at the end of this month. Although I do not know what the budget will include, I can say one thing. Certainly no budgetary measures to be introduced on March 31 will have any effect on people now unemployed. As the Minister of Finance well knows, budgetary measures can take between six months and one year to have impact on the economy. That means that we could wait for the spring of 1978 to see a downturn in unemployment rates. Of course what will happen depends on specific measures announced in the March 31 budget, but judging from past experience it is safe to conclude that not much can be expected from this government. It is always a few months late. It starts planning in March to relieve winter unemployment. Really, it just makes no sense. Its actions escape logic. The government has consistently paid lip service to creating jobs for Canadians; as we have seen, its achievements to date have been nil.

I will recall the May budget of last year when the finance minister said that the Canadian economy will generate more than 250,000 new jobs "this year". Previous ministers of finance used that kind of rhetoric. Creating 250,000 new jobs each year sounds noble enough, until you remember that in the past three years the labour force has grown at well over 300,000 people a year.

With respect to employment measures, the Minister of Finance in the last budget did not mention any moves the government would take to reduce the jobless rate. When I spoke in the last budget debate I said, if I may quote myself, that this government is resigned to going through the rest of this year with unemployment at about 7 per cent of the labour force. Obviously, I was mistaken. We now know that the government is resigned to 8 per cent unemployment, and next year the figure could be higher.

The main features of last May's budget were measures to increase the qualifying period for those on unemployment insurance. This is typical of the kind of economic leadership we have been getting from the government. Each time the unemployment rate goes up, the government toughens the Unemployment Insurance Act. The government believes that the number of claimants on unemployment insurance should remain static, regardless of what the actual unemployment rate is. Successive ministers of manpower and immigration have been heavily influenced by those in the country who see the increased costs of unemployment insurance in terms of more people ripping the system off. These people fail to realize that increased jobless figures will naturally inflate the cost of providing benefits to the unemployed. This is something I do not believe I have ever heard the minister say. I do not think he has the courage to say that.

• (2050)

Recent press reports have suggested that certain corporate leaders have asked the Minister of Finance to decrease corporate taxes as a measure to stimulate the economy. I only hope that this approach is rejected by the Minister of Finance. Past budgets should have convinced him once and for all that these types of measures have had a spectacular lack of success.

A former member of the Liberal cabinet, Mr. Eric Kierans, said last September that he doubted any nation in the world has given its corporate one thousand persons or industries a more handsome gift package of subsidies, tax allowances, two-years write-offs, cheap loans and the like than our present government. In view of this, and in view of the fact that past reductions in corporate taxes have done little to increase employment, the Minister of Finance should reject these proposals outright.

As I mentioned, previous actions by the government give little hope that any future actions taken by it will resolve some of our economic difficulties.

The New Democratic Party has laid down certain proposals which would lead to full employment. We know that this would not happen overnight, and we admit that, but at least we know that those proposals would lead to full employment. We know this objective of providing a job for each man and woman who wants one is not an objective of the government. The present economic situation attests to that. At the same time we know that the government does not have as one of its objectives the reduction of the inequality which exists in this country.

Figures on income redistribution released by Statistics Canada and published in the *Globe and Mail* on February 22 show that the poorest fifth of families received 7.1 per cent of after-tax income compared with 37 per cent for those in the top 20 per cent of income earners. The figures show that there has been little improvement in the inequality of income distribution during the past decade, despite all the programs of the government. The lack of economic leadership in Canada has left the poor in exactly the same position they were in ten years ago.

Mr. Broadbent: Marginally worse.

Mr. Blackburn: And as my leader, the hon. member for Oshawa-Whitby (Mr. Broadbent), says, marginally worse. Many people are seriously questioning why, in a country as rich as ours, the unemployment rate is 8 per cent, and why no real efforts have been made to redistribute income. The simplest answer, to my mind, is that the present system confers many benefits upon a small segment of Canadian society.

With respect to unemployment, Robert Lekachman, a professor of economics at the City University of New York, said in a recent article in *Harper's* magazine that, and I quote:

> . . . full employment is the most efficient agent of equitable income redistribution which is at all politically feasible.

It is for this reason that vested interest groups would prefer to have fairly high unemployment levels. Lekachman further stated:

During periods of high unemployment wages tend to stabilize or remain low and people, scared of losing their jobs, gripe less and even work harder.

Professor Lekachman continued:

During high unemployment periods factory and office workers, alert to potential lay-offs and plant shutdowns, are unlikely to nag unions to make work more interesting and less menacing to health and personal safety.

Professor Lekachman went on to say:

. . . the hunger of communities and regions for jobs and tax revenues has allowed large corporations to extort an endless assortment of valuable concessions either as blackmail to keep existing installations or bribes to lure new ones. Full employment, on the other hand would bring into the labour force men and women who now struggle on welfare and unemployment insurance. Full employment would push wages up for those who are now making less than is required to live on.

What Professor Lekachman was saying was that when there are high rates of unemployment it is beneficial to the employer because he can trade one worker off against another. That is a very important aspect of our economic system today with respect to employment and unemployment.

Professor Lekachman said that a long spell of full employment would substantially narrow existing differentials. The article went on to say that this is unlikely to occur, however, because, and I quote:

. . . These repercussions are severe enough to alarm gentlemen in their clubs and boardrooms.

This particular economist also had something to say about the nation—which this government accepts—that societies must choose between inflation and unemployment. Professor Lekachman destroyed the myth that there has to be a trade-off between employment and the price level. The Phillips curve—familiar to all economists—says that when there is high unemployment it is usually accompanied by low inflation, and conversely, when there is high inflation, unemployment is low. As we have seen in recent years, this is simply not the case any more. Our present rates of inflation and unemployment are both high, yet the Minister of Finance still carries on as though the Phillips curve is theoretically sound.

"Stagflation" is created mainly as a result of the concentration of market power in our society. Here again the Prime Minister (Mr. Trudeau) acknowledged the effects of the concentration of power during his celebrated discussion two years ago, but to date he has done nothing to curb this concentration of power.

Full employment can be achieved without inflation provided effective and selective price controls can be administered. As we have seen, the government is committed to neither. That is why my party introduced this motion, and that is why I am speaking tonight.

I want to make just one or two more remarks before my time runs out. I assume that most hon. members, as I do, call back at night constituents who telephone their constituency offices. Tonight I telephoned a constituent whose wife works in a garment factory in my city of Brantford. Believe it or not, if an electric, automatic or mechanical needle goes through a finger or pierces a bone, the injured person cannot leave the factory for doctor's assistance until the end of his or her particular shift.

I was astounded when the person who telephoned me told me that if these employees want to get a glass of water, they have to pay five cents for a styrofoam cup into which to put the water. I wonder how many hon. members would say nothing if every time they went out to the opposition lobby or the government lobby to get a cup of coffee they had to pay five cents. Even on our earnings I wonder what they would say. Hon. members can imagine what these people think when they want a glass of water. I am not going to mention the plant, and I am certainly not going to mention the employee because she would be very conveniently laid off at the end of the week if I did. However, this astounded me.

• (2100)

Why is it then, we ask ourselves, that some people do not want to work in some jobs when they have to pay a lousy five cents just to buy a styrofoam cup so they can get a glass of water? This is the kind of thing we have to clear up.

I support the motion. The government will probably come up with a few goodies on March 31. I understand there is some movement afoot to put on a full scale TV extravaganza so that the minister, with his few little goodies, can go across the nation into everybody's living room, and people will think it is just great, they are televising the debates in the House.

Let me tell you one thing. Budget debates come, budget debates go, and today we have still—in fact I should not say "still"—we have more than one million Canadians out of work.

Mr. Jean-Robert Gauthier (Parliamentary Secretary to Minister of State for Urban Affairs): Mr. Speaker, I know honourable members will agree with me that housing is a social concern, and that the need of all Canadians for affordable housing suited to their needs is a subject which is most appropriate on an opposition day. I want to thank members of the NDP for bringing this subject up because it gives me occasion to bring forth, as parliamentary secretary, some of the things which the department has been doing.

[*Translation*]

I think that one of the important roles of the government in the housing sector is the help they can provide to influence the production and the distribution of housing units according to the needs. This was one of the great priorities of the Ministry of State for Urban Affairs last year. I think we were quite successful in shifting the production of housing from high-cost to moderate- or medium-cost units. We tried in particular to stimulate the construction of moderate-cost housing.

We have been trying to convey this message for over a year at the federal level. We forecast that we would have a demand-oriented market and that purchasers would be interested in moderate-cost housing. We had warned the residential construction people concerned that those who would do business

would be precisely those who would sharpen their pencils and start producing for the market of moderate-cost housing.

We told anyone interested that federal support was concentrated on good housing at moderate prices, and this is where we operated, Mr. Speaker, namely in the area of the Assisted Home Ownership Program.

[*English*]

Although our activities in the housing field have been designed primarily to ensure that Canadians remain among the best-housed people in the world, we cannot overlook the stimulus effect of new construction on the economy of the country, and on employment, as I shall outline in a few moments.

Hon. members will recall that in November of 1975 the minister responsible for housing at that time, the present Minister of National Defence (Mr. Danson), introduced a series of measures designed to meet the demand for more affordable housing and to assure an adequate level of new production. These measures were incorporated in a four-year strategy known as the Federal Housing Action Program. We set a target of one million new homes to be produced by the end of 1979, to fill an estimated need based on known demographic and other factors.

The first year of the program proved to be successful even beyond our expectations. We had set a target for 235,000 starts, and the industry, responding in important measure to the stimulus of the Federal Housing Action Program, produced more than 273,000 starts—a volume that was greater than during any other year in the country's history.

One of the most important features of these initiatives is the revised Assisted Home Ownership Program, better known as AHOP. In effect AHOP assists home buyers by reducing the initial effective interest rate to eight per cent, as long as the new dwelling falls within established maximum price ceilings. These maximums naturally vary from region to region to stay in line with local market conditions for modest housing.

AHOP harnesses private capital in that first mortgage loans are made by approved lenders at market rates. Central Mortgage and Housing Corporation then provides an interest-reducing loan, in the form of a second mortgage, which results in an effective initial mortgage rate of 8 per cent. This rate graduates upward to market rates during a five-year period.

It is important to keep in mind that for the first five years of this mortgage-reducing loan, interest does not accrue. Interest starts in the sixth year, and the repayments on the loan begin the seventh year. This unique procedure allows a Canadian to buy a new home on the basis of future income growth, which is of obvious importance at a time when house prices have escalated so rapidly.

There were many aspects of last year's housing production that provide encouraging signs for the future, and the results of AHOP were among them. The home buyer interest in AHOP confirmed our belief that people want good, moderately priced housing, and will buy it when it is made available.

[Mr. Gauthier (Ottawa-Vanier).]

Starts under AHOP went beyond expectations, with some 37,000 approvals. Most significantly, about 60 per cent of the 64,000 NHA-approved loans for new home ownership were for units below the AHOP price limits and therefore qualified for the interest-reducing loan.

We were most pleased that we were able to announce yesterday that the Ontario Home Ownership Made Easy Plan has been integrated into AHOP to offer increased financial assistance to a wider range of lower income Ontario home buyers.

Now, in Ontario, qualified purchasers who take the maximum AHOP federal assistance—which is the interest-reducing loan plus a subsidy of $750 in the first year of ownership—may now apply for an additional grant of up to $750 from the province. This integrated plan will reduce minimum annual income requirements for qualified Ontario purchasers by as much as $2,500 below existing levels.

Another feature of the federal action program is the Assisted Rental Program, which is also known by its initials—ARP—which was introduced to encourage the production of moderate cost rental accommodation.

As hon. members well know, for some time there has been a serious shortage of affordable rental accommodation in most urban areas of Canada, and rental units produced in recent years have not been sufficient to ease the shortage. At the end of last year, the vacancy rate in Canadian urban areas stood at a very tight 1.3 per cent.

CMHC assistance under ARP is designed to ease the builders' cash flow problems during the early years and provide a reasonable return on equity so they will be encouraged to produce more badly needed apartment accommodation.

The results under the first year of ARP operation was an increase of 15 per cent in rental production over the previous year, to 88,600 apartment units. We expect to see more rental construction this year, now that builders are aware that they can realize a fair return from rental units put up with the assistance of ARP. We anticipate an easing in the rental vacancy rate this year, partly because of an expected increase in apartment construction, and for another reason as well.

Residential building activity was at a high level as we turned into 1977 and, in addition, the volume of approvals for new construction towards the end of the year was at an almost unprecedented level. Inventories of newly completed units will therefore be high during most of 1977, and much of it will be in multiple unit dwellings.

At the end of January, for example, there were about 19,000 newly completed but unoccupied housing units in Canada. More than 11,000 of these were multiple-unit dwellings.

A large number of these multiple-unit dwellings—about 60 per cent—will be for sale as condominiums, and the rest will be for rental, but in either case, the primary market will be people who are now renting accommodation. This is expected to free a significant number of rental units in urban centres, and assist in easing the vacancy rate.

Although we tend to emphasize the need for new housing, which is obviously our first consideration, we cannot overlook the continuing importance of conserving present stock—particularly in the older areas of our towns and cities. A home that is preserved and restored, and given at least an extra 15 years of life, is just as useful as a new home, although it will not show up in the statistics on starts. I can recall a favourite expression of the former minister of urban affairs. When he used to attend our briefings he would come in and say, "A save is a start". I think that is a pretty good cliché.

● (2110)

The Residential Rehabilitation Assistance Program—better known as RRAP—provides financial assistance for the restoration and repair of dwellings in designated areas. Last year the popularity of this program went far beyond our expectations. We had budgeted for $60 million for RRAP—four times the budget amount of the previous year—and even then we began to run out of money in September. More funds were channelled into the program to meet immediate requirements. For this year a total of $107 million is available for RRAP, which should go a long way toward meeting requirements.

I am pleased at the enthusiasm shown for this program, because in cities and towns across Canada there are many fine homes that can readily be preserved. By doing so, we not only retain needed housing stock, but help preserve the character and dignity of older areas in our cities and towns.

RRAP in itself creates excellent employment opportunities, as hon. members can realize when they consider that about 15,700 houses were rehabilitated under this program last year, thereby creating a good demand for local trades and encouraging seasonal employment. This year we expect an additional 22,500 housing units will be restored under RRAP, providing even more employment opportunities.

Federal housing activities administered through CMHC cover an extremely wide territory. I will not take the time of hon. members to go into further detail on individual programs, but I think it is important in the context of employment creation to realize that residential construction creates jobs directly, through manpower needed in the building trades, but indirectly as well, through businesses that cater to homeowners, such as appliances and furnishings. We cannot overlook, either, the manpower needs of firms that provide the infrastructure, building the sewers, the drains, and filling other servicing requirements.

I have spoken today on only a few of the recent initiatives of the federal government in the housing field, but I have deliberately not touched on one of the most important mandates of CMHC, which is to provide suitable housing for people who require the most help in obtaining shelter, the poor, the sick, the elderly, and others who cannot sustain themselves without assistance. All hon. members are so familiar with the programs that provide assisted housing—directly and in co-operation with provinces, municipalities and non-profit organizations—that they do not need to be reminded of our extensive activities in this field.

I should like to mention, though, that the thrust of the federal housing action program was to utilize private capital rather than taxpayers' dollars in the production of residential housing, allowing public resources to be used directly on behalf of Canadians in greatest need, those who are socially and economically deprived.

The federal initiatives in housing have had a significant impact on employment, an impact that cannot be measured in its entirety because it reaches into so many fields. We do know, however, that the federal housing action program meant at least 35,000 additional jobs in Canada last year—jobs that would not otherwise have existed in residential construction and in all of the businesses and industries affected by housing. Further, it is estimated that the four-year program will involve more than one million man-years of employment.

I do not think there can be any doubt, Mr. Speaker, that federal initiatives in the housing field are not only meeting the real needs of Canadians for good, affordable housing, but continue to create a large volume of productive jobs while, in general, adding stimulus to the economy.

Some hon. Members: Hear, hear!

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, I rise to participate in this debate tonight and will centre my remarks around the second section of the motion before us which refers to reducing taxes for middle and low income earners. The people who fall in that category as much as any other class of our society are the farmers of Canada. The hon. member for Hamilton West (Mr. Alexander) has set out the position of this party very clearly and has mentioned our hopes for what will be contained in the budget of March 31. I wish to elaborate on only one point, the capital gains tax as it relates to the farming community.

Time and again I have put forward proposals to the Minister of Finance (Mr. Macdonald) that would help alleviate the crippling effect of the capital gains tax on farmers. This has come into sharp focus in the riding I represent and in the regional municipality of Haldimand-Norfolk. The reason is that there has been a large land assembly program undertaken by the provincial government which has purchased sites for a satellite city in the former township of Townsend and in the former township of South Cayuga.

In addition, farm land has been taken over by three important industries which have placed themselves in the centre of a rural farming community. Stelco is moving its plant from Hamilton to the south shore of Lake Erie; adjacent to that Texaco is building its largest oil refinery in North America, and Ontario Hydro already has the largest thermal station in Canada located in this area. As a result there has been a great demand for land, and thousands upon thousands of acres of farm land have been sold. At this point farmers came to the full realization of the crippling effect of the capital gains tax.

Let me show by actual example how this works. The selling price per acre of farm land in the general area I speak of was $2,000. The V-day value set by the auditors or the land appraisers of the Department of National Revenue was $300

per acre. That means a total capital gain of $1,700 per acre, half of which, $850, is taxable. The average size of a farm is 200 acres so that means a capital gain of $170,000. If we take a farmer who makes about $10,000 a year and add that, we are talking about a taxable income of $180,000. The rate of tax will then be determined by the tax bracket which is appropriate. The result is devastating, and dozens and dozens of farmers have come begging for advice on how to survive.

The problem usually arises with the determination of a fair V-day value. It is determined largely by the appraiser sent by the Department of National Revenue, and unfortunately most of them have learned their jobs from textbooks and have no farming experience or background. They do not know the real cost of operating a farm, or what is the value of the land. If the farmer had foresight he had the land valued before December 1, 1971, so he knows what the V-day value is—providing the land appraiser he hired is acceptable to the Department of National Revenue. If he and the department cannot agree, he can approach the tax appeal court—where he is confronted with the same land appraisers hired by the Department of National Revenue. Finally he can go to the law courts, and of course this costs money. In my area some farmers band together and share the legal costs of a test case on the capital gains tax.

What options are open to the farmer faced with this problem? If he is on the edge of retirement or can retire and sell his farm he looks to the proceeds as his retirement pension. It is traditional in farming circles for the proceeds of the sale of the farm to provide the retirement pension or superannuation for the farmer. Over the years he has not had sufficient income to make an annual contribution to a pension fund. Therefore he follows the course I have just mentioned. Every cent earned by the farmer has gone toward improving his farm for the time when he will sell it.

● (2120)

What other option is open to him? He can sell the farm, as I suggested, and set up a pension fund. He has no opportunity to establish a registered retirement savings plan in addition to the one I mentioned. He has to struggle for efficiency in order to survive in this day of rising input costs for farmers. He takes all his profit, loans and mortgages in order to modernize his farm buildings and buy equipment, trying to keep pace with rising farm costs and the need to be more and more efficient in order to survive. Everything he has is tied up in his farm.

The capital gains tax is enforced in the case I mentioned and the figures I quoted. It leaves the farmer with no pension except the paltry benefits under the Canada Pension Plan. This is especially true if he has used the proceeds of the sale to purchase another house in which to live out his retirement. It is a sad situation.

One option open is to retire. If he is young, middle-aged or less, and wants to buy another farm, what happens with the capital gains tax? He may not really want to retire or sell his farm but is forced into it by the threat of expropriation. He would rather stay where he has farmed all of his life. Being forced to sell, he expects to use the proceeds of the sale to pay for a new farm and relocate there. Again his hopes are dashed for the reasons I have mentioned.

Capital gains goes to our revenue offices across the country. The cost of relocation requires a heavy mortgage again. What really happens is that at middle age or later he has to start again to build up a farm. It is grossly unfair.

So much for the problem, what about the solution? One answer, and I proposed this many times to the Minister of Finance, is that there be a once in a lifetime exemption for the sale of a family farm without attracting capital gains tax.

In 1970 and 1971 when the tax reform legislation was being debated in this House of Commons, we in this party argued forcibly and logically that farms be exempt, period. The government was adamant, saying they must be taxable for capital gains. It continues to hold that position to this day. It did make one small concession. The tax department agreed that a sale of a farm from father to son, where the farm would continue to be operated as a viable farm enterprise, would be exempt.

I personally made the proposal that there be a once in a lifetime exemption on the sale of a family farm. I would include in that an incorporated farm enterprise where the holders of the shares of this company are father, son, mother and other members of the family. This would permit retirement with dignity on a pension the farmer has paid for by the sweat of his brow. It would also permit relocation if that were desired.

The Canadian Federation of Agriculture made a submission to the Minister of Finance in February of this year. On page six, item two, they underline the point I have been making. They say, and I quote:

> The objective of improvement of farm productivity, rationalization of land use, and preservation of the family farm structure of enterprise are very ill-served by the present law which, except in the case of involuntary sale as in expropriation, require that a farmer realize and pay tax on capital gains if he wishes to sell assets such as a portion of his farm to buy another better located parcel, or to intensify his enterprise by making investments in buildings for livestock production on the remaining portion of his land.

This is a very important matter. Cases have been brought to our attention where two farmers are practically unable to make an exchange of land even though both would benefit because the exchange would trigger the capital gains tax which neither should have to pay on such a transaction. Sometimes the exchange does not take place and one or both of the farmers leave the business. This results in the encouragement of large land holdings by those better able to purchase the land.

The second problem I want to draw to the attention of the minister is the inflation factor which should be used in calculating capital gains from V-Day value up to the date of the sale. The real value of the property has not increased to the amount that I mentioned in my example, $170,000. The increase is largely due to inflated land costs, particularly in the area I represent, and I believe this holds true all across this

country. Some consideration should be given to the inflation factor so that a percentage could be deducted for that reason.

The increase in capital gains is largely illusory. I again refer to the submission which I quoted a few moments ago. I quote from page seven, item three:

> It is of course as clear as crystal that in an inflationary economy some or all of capital gains represent illusory gains in real terms because of the declining real value of money. It continues to be the policy of the federation that the taxation of such illusory gains is confiscatory and should not be permitted. This position we would note is being increasingly supported by the business community, and recently by the Joint Taxation Committee of the Canadian Bar Association and the Canadian Institute of Chartered Accountants.

That is a very reasonable suggestion. The Minister of Finance would do well to take heed.

The third proposal would be an assignment of land value each year into a registered retirement savings plan. Rather than make a parallel explanation, I will simply quote again the brief by the CFA, pages seven and eight, item four. This would give the farmer an opportunity to build up a registered retirement savings plan which, as I said a few moments ago, is most difficult for him to do under present conditions. I quote:

> In general of course when a taxpayer invests in a retirement savings plan he has to save out of his income sufficient money to make that investment. This is very advantageous from an income tax point of view, and most taxpayers are not too severely restricted in the sort of investment that they may choose to make. A farmer, however, is typically under constant pressure to make additional investment in his farm to maintain its technological efficiency and economic viability. This severely limits the ability of farmers to take advantage of the tax deferral benefits of investment in registered retirement savings plans, and also reduces the amount he may make available from his income for investment, because it must be an after-tax amount.
>
> We would propose that to correct this situation a special provision be made that would permit the farmer to obtain tax deferral, if he wished to do so, by assigning part of the value of his land each year (up to $5,500) to a registered retirement savings plan account. The existence of the deferred tax obligation involved could be registered as a lien on the land so that it could not be sold or transferred without automatic notice to the tax authorities.

● (2130)

> We would propose that the value of the RRSP account would at any time be simply the aggregate of the amounts of money assigned to that account, up to $5,500 per year, so that for example if $5,500 were assigned for 10 years the value of the farmer's retirement plan would be $55,000 and would be taxable as income if realized unless invested in an annuity or the amount invested in another plan. Under such an arrangement we would see no need for a procedure to determine if the amounts credited to the plan were actually invested in the farm enterprise. It should be provided that the farmer could at any time, if funds became available to him to do so, reduce or dissolve the special RRSP account by investing part of the amounts in that account into another RRSP. In the event of the death of the farmer, the RRSP could be inherited by the spouse, or if by others would become payable.
>
> It would be our expectation that such a provision would be used sparingly by farmers, in fact, but that it would be exceedingly useful to some—especially young farmers with heavy investment requirements.

This outlines a proposal to give the farmer the benefit of an RRSP which he does not presently enjoy.

One other item I should like to draw to the minister's attention has to do with the capital gains tax especially as it affects farmers who sell their quotas or, in my area, where they grow tobacco, their marketing board rights on tobacco land. In the Income Tax Act this is discussed in what is referred to as the "nothing section". But when the rights are sold they become really "something" in the way they attract capital gains tax.

I am suggesting to the minister that consideration be given to permitting a farmer to use the income received from the sale of these quotas or rights to purchase equipment to serve him in a new enterprise on his farm. For example, instead of growing tobacco or shipping milk, he might grow corn. The proceeds from the sale of the quota could be used, in that case, to buy storage equipment, drying equipment, combines and so on. Thus he would be able to make use of the roll-over provisions of the act. At present he cannot do so, and I suggest to the minister that the hon. gentleman find ways of making this possible.

In conclusion I would point out that the budget coming up on March 31 offers the Minister of Finance an excellent opportunity to give effect to some of the proposals I have made from time to time in the House, and which I am making again tonight.

I might add that what I have said about the family farm applies equally to small businesses operated by a family. The small businessman plows back his earnings into his business in the form of new equipment, the remodelling of his shop or store, and when the time comes for him to retire or sell his business, he too hopes to use the proceeds by way of a retirement pension. The capital gains tax deprives him in the same manner of the support in his retirement he might otherwise have enjoyed. I respectfully suggest that both for the farm community and the small businessman the minister should provide some relief in his upcoming budget.

Mr. D. M. Collenette (York East): Mr. Speaker, it is indeed a pleasure to take part in this debate. I have studied the motion a number of times in the past hour. It is a perfect example of the pious, self-righteous, self-serving motions we have come to expect over the years from the New Democratic Party, a party which is long on ideas, long on ideals, but which closes it eyes to political practibility, the difficulty of implementing good ideas within economic constraints.

Much has been said this evening about the performance of the Canadian government in managing the Canadian economy. I think I can say to those assembled here tonight that the government has done an incredible job in managing the economy over the difficult period we have been through in the last few years. Throughout industrialized nations we have seen in the last few years an absolute stagnation if not a decline in their gross national products. Our own has been nothing to crow about, but when we look at the figure in narrow terms we are bound to consider the growth, or lack of growth, of the Canadian economy in relation to the performance in other countries around the world. I say the government has done a first rate job and it puzzles me why the opposition cannot admit that it has done an incredible job in managing the economy.

Mr. Hnatyshyn: Tell us about urban transit.

Mr. Collenette: The hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) wants to hear more about urban transit.

Obviously he did not get enough out of the speeches made by myself, my hon. friend, the member for Halton (Mr. Philbrook), the hon. member for Laprairie (Mr. Watson), and the hon. member for Ottawa West (Mr. Francis), who spoke firmly in support of some form of assistance, some way of discharging our obligations undertaken in the 1974 election campaign.

Mr. Leggatt: Would the hon. member permit a question?

Mr. Collenette: The other day the hon. member for New Westminster (Mr. Leggatt) asked me to permit a question. I said in view of the hour we could discuss the matter privately. We met in the elevator in the Confederation Building and had a nice chat. I am sure this could be the avenue for our discussion after the debate closes tonight.

Mr. Hnatyshyn: I know where he stands. I want to know where you stand.

The Acting Speaker (Mr. Turner): Order. The hon. member for York East (Mr. Collenette) has the floor.

Mr. Collenette: Perhaps I should not pay so much attention to the ribald comments from the other side. At any rate, if I have time I will return to the subject of transit aid, though I hardly think it bears repetition in view of the statements made by my hon. friends and myself in the past week.

One of the means the government has employed to cushion the blows of inflation, to restrict the harm done by the recession of the last few years, is that of indexing. The hon. member for Pembina (Mr. Elzinga), who is over there by the curtains, takes a somewhat resentful attitude to this on the ground that it was the Conservative party who put forward this idea. That is fine. There is nothing wrong in a good idea being implemented if it finds support among Canadians and contributes to the well-being of the country. Are members on the other side so petty that they would take so selfish a position?

The Leader of the Opposition (Mr. Clark) is bereft of any kind of policy statement. Now we can see how this attitude on the other side has developed. They are sore because a good idea was implemented. Canadians will ask themselves: is this the kind of party to which we ought to entrust the government of the country? I would say not. The hon. member for Winnipeg North Centre (Mr. Knowles) has been around for many years and has been associated with efforts to promote the cause of old age pensioners, medicare, good unemployment insurance legislation, a non-discriminatory immigration bill, and so on. I do not hear him bemoaning the fact that the Liberal government which has instituted so many of these progressive policies got its ideas originally after some prompting from members of his party. They are grateful, I am sure, that they were put into legislative form by the Liberal government for the benefit of all Canadians.

Ideals are fine. Ideas are fine. But they constitute only part of the political process. It is not good enough to have ideals and ideas without a vehicle for their practical application. In this respect I suggest that the Liberal party is a model, not only for this country but a model for parties in other democratic countries, on the basis of its performance over the past year or so. We have ideas and ideals. We have been flexible. We listen to public opinion. We put these into legislative form for the benefit of all Canadians, so there must be something right about that approach because we have been returned many times to give leadership to the nation.

• (2140)

To demonstrate my very impartial and gentle nature, I want to give the hon. member for New Westminster a chance to get on the record tonight. After all, this motion was put forward by his party. But before I sit down I want to talk about the unemployment statistics which have been bandied about in this House.

In the last month the hon. member for Oshawa-Whitby (Mr. Broadbent), the leader of the NDP, has been talking about the scandalously high unemployment which is verging on 10 per cent—the hidden unemployment. I am not debunking the fact that we do have a serious unemployment problem in this country, but we should analyse statistics properly. Statistics can be manipulated for one's own ends. The Minister of Manpower and Immigration (Mr. Cullen) has been very effective, I think, in criticizing the approach of the hon. member for Oshawa-Whitby. The hon. member for Hamilton West (Mr. Alexander) has left the Chamber now; I guess he did not want to stay for the rest of the debate.

Mr. Paproski: He is behind the curtains.

Mr. Collenette: He is behind the curtains. He has charged that there is hanky-panky with unemployment statistics. The only hanky-panky that I have seen any evidence of is the tactics which have been used by the Official Opposition in this Chamber, day after day, and month after month, since my election here in 1974.

Mr. Alkenbrack: One million unemployed.

Mr. Collenette: Someone says there are one million unemployed. There are different kinds of unemployment. For example, there is selective unemployment. There are people who do not particularly want to move to western Canada, for one reason or another, where there are plenty of jobs.

Mr. Andre: We call them Liberals.

Mr. Collenette: I am glad to see the hon. member for Calgary Centre (Mr. Andre) in such fine form this evening. It is nice to have him back and to have the benefit of his articulate comments. As I was saying, there are different kinds of unemployment. Take, for example, someone who leaves school, who lives in Thunder Bay or Sault Ste. Marie, who gets a job 50 miles away in a less popular part of the country, and who does not want to move. He is counted as unemployed.

Then there are many women in our work force who work not simply for economic reasons, though the economic benefit is appreciated, but also for self-fulfilment. The families of these women do not need a second income, but if they are laid off or they choose to leave their job they are designated as looking for work and become part of the unemployment statistics.

I should like to pay particular tribute to a very incisive analysis of this particular problem—the absolute manipulation and distortion of unemployment statistics by the hon. member for Oshawa-Whitby—by Mr. Jack MacArthur, the business editor of the Toronto *Star*. Those of us who represent Toronto ridings have not been too kindly dealt with during the past few years by the Toronto *Star*, and sometimes I shudder when I open the editorial pages. Mr. MacArthur is not a person who is a defender of the government in the absolute sense, but he is a very discriminating and perceptive analyst and journalist who criticizes where necessary and gives credit where necessary. I would advise members on the other side, especially those in the NDP, to read his article which appeared in the Toronto *Star* for February 10 last in which he talks about high unemployment and low unemployment being the same thing.

Paragraph three of the motion before us asks the federal government to assist urban communities financially to ensure an immediate expansion of municipal capital works projects, including rapid transit. My views on rapid transit are pretty well known. This kind of clause is very similar to one introduced in the House by the hon. member for Vegreville (Mr. Mazankowski), I think before Christmas. It is the old chestnut that keeps coming up, namely, that the federal government should forgo the federal sales tax on municipal purchases, the basic argument being that this is a tax upon a tax. That may well be so, and in participating in debate on the hon. member's motion I gave him credit for bringing this point to our attention.

There are a number of anomalies and problems with municipal financing. In the province of Ontario the provincial government has appointed a commission, under Mr. Willis Blair, a former mayor in part of my constituency, to look into the property tax base. Mr. Blair is suggesting, among other things, that federal and provincial buildings—I am not sure whether he mentioned the churches, but buildings that do not pay taxes—should be taxed to increase municipal revenue. Like the motion of the hon. member for Vegreville, this is again a half-hearted, piecemeal approach.

Any fundamental discussion of federal assistance for municipalities has to be organized within the context of the constitution of this country. We have to redraw provincial and federal responsibilities. We have to rethink our financing. Until we are prepared to do that, and until the provinces are prepared to sit down with the federal government and talk about overlapping jurisdictions and more equitable sharing of revenues, I do not think we should be jumping in with one foot. We should think out the whole problem very seriously.

I did promise that I would sit down and give the hon. member for New Westminster an opportunity to say his piece. I see there are ten minutes left and I should just like to reiterate some of the comments I made on urban transit. It may be argued, and it is argued by my colleague for York Centre (Mr. Kaplan), that the federal government has no constitutional jurisdiction to fund urban transit systems. This is a particular point of view. I do not believe that this is a fiat which is written in tablet form or inscribed in stone for all time. This is a matter that should be discussed within the confines of a federal-provincial conference on the new constitution.

In 1974 we did make certain promises. If the government is going to have any credibility with people in the urban areas, especially in metropolitan Toronto, which includes an area which I happen to represent, we must at least have some attention paid to partially discharging these promises. We should not have a kind of open-ended program which will drag on for years and years, a cost sharing program like medicare where the federal government writes a blank cheque and the provinces go on spending money ad infinitum. But perhaps we should have a three or five year commitment by the federal government to have money available to encourage municipalities to develop public transit systems.

I am not going into all the arguments in favour of public transit and why it should be encouraged. However, I would agree with the motion in that the government must, in its budget, give some financial commitment and must put in practical form some of the promises that were made in 1974. I realize the problem of financial restraint which the government has. As I said last week, the government has done a very effective job in putting a clamp on the growth of government expenditure, and should be applauded for that.

The second paragraph of the motion speaks of reducing taxes for middle and low income earners. I agree this is a very laudable suggestion and I hope that the Minister of Finance includes it in his remarks on March 31.

The first paragraph of the motion was dealt with very effectively by my colleague, the hon. member for Ottawa-Vanier (Mr. Gauthier), and I do not propose to comment further.

As the House can see from my remarks, the three parts of the motion do not seem to be too unrealistic. However, it is the preamble to this whole discussion which upsets me. As I have said, it gives further evidence of the self-righteous or pious approach which is so typical of the NDP, and is the principal reason that I cannot support the motion in this form.

I have much more to say, but with true parliamentary courtesy I will yield the floor to the hon. member whose party proposed the motion originally.

• (2150)

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I thank the hon. member for York East (Mr. Collenette) for relinquishing the floor, particularly since I may say some things about which he may not be happy.

Piety is not a quality one should criticize. There is nothing the matter with being pious in this world. Why criticize an

NDP motion for being pious, when it is right? That's what counts. Perhaps it is pious; perhaps it is self-righteous. But it is right. There is righteousness in the motion, and piety. What is the matter with either quality? Why did the hon. member criticize the motion and trot out those tired clichés about piety and self-righteousness, without considering that ours has been the only constructive motion for dealing with the economy brought forward in this House? And I am not talking about generalities. Our motion deals specifically with the problems facing the nation.

Mr. MacFarlane: You could say it was bombastic, too.

Mr. Leggatt: The hon. member suggests it is bombastic, too.

Mr. Hnatyshyn: Stop talking about Stanley in that way.

Mr. Leggatt: I want to deal with one point with which the hon. member for York East dealt, rapid transit. When we were drafting the motion we thought of the hon. member for York East and of that other hon. member whose riding escapes me.

Mr. Paproski: Halton. "The hon. member for Philbrook."

Mr. Leggatt: We were thinking about the backbench revolt of hon. members opposite. We wanted to help those hon. members to revolt. We were anxious to see independence on the backbenches of the Liberal party, and we said we would give them another opportunity to fight for rapid transit.

Mr. Paproski: They can vote against Bill C-33.

Mr. Leggatt: I will relinquish the floor immediately if the hon. member for York East wants to rise in the House now to say that he will vote against Bill C-33 on second reading. I want to hear that commitment in public, because that commitment counts, not all the other rhetoric one hears in debate. I want to know how the hon. member will vote on Bill C-33. Second, I want to know if, when the government refuses to live up to the promise it made in 1974, he will relinquish his seat and run either for the NDP or the Conservative party in his own riding. If he says that, he will make some impact—

Mr. Collenette: Mr. Speaker, I rise on a point of order. I cannot leave that assertion unchallenged. In no circumstances ever in my lifetime would I consider running for either of those two parties.

Some hon. Members: Hear, hear!

Mr. Paproski: We wouldn't accept you.

Mr. Hnatyshyn: Just for a moment you made us nervous.

Mr. Leggatt: Mr. Speaker, I consider that as a promise, although it sounded pious and self-righteous. Let me return to the substance of the motion, which deals not only with rapid transit but with housing as well.

As a nation we are short of energy. We are spewing energy into the air every day, wasting it. Surely, considering that one million of our people are unemployed, and six million of our housing units not properly insulated, we could put people to work across the country insulating houses. That program would (a) cut down the waste of energy, and (b) put people to work. The government has made a slight move in that direction, for which we give it credit. It has started an insulating program in Prince Edward Island and Nova Scotia. That program must be extended across the country. Many members of this House, no matter where they sit, would support that program. Therefore we urge the government to come forward in the forthcoming budget with a meaningful employment program directly related to problems of energy waste.

Let me now touch on municipal works projects. Frankly, all in this House are sick and tired of make work projects not doing the job. Let me give you an example. We have 145,000 unemployed tradesmen in Canada, or one out of seven, according to latest Statistics Canada figures. Yet through LIP, Canada Works, and Young Canada Works we are creating jobs which those unemployed tradesmen could do. For example, they could rebuild the dock in white Rock. All kinds of projects are going on, and skilled tradesmen are anxiously awaiting for their chance to work on them. But instead of working, many of them are drawing unemployment insurance. That is putting our priorities in the wrong order.

The answer is capital works projects at the municipal level, municipally administered. Both labour and capital ought to be administered municipally, in municipal projects right across Canada. We do not need the involvement of the federal bureaucracy. We could do thousands of things in our communities; the free enterprise sector of our economy has not done them, obviously because there is no profit in them. I do not blame free enterprise; I understand the system. But, as a nation, we could undertake some of these projects.

We could undertake a project in my own riding, for instance, to clean up the fishing bars on the Fraser River. We could pull all of the stumps. We could build tremendous parks all along the Fraser River. That make work project could last for five years. But we do not do this because of ideological shortsightedness, because it is not profitable and because, as I say, free enterprise will not tackle it. Surely the government ought to be active in this area. Its involvement would create enough employment to put a significant dent in our unemployment statistics.

My party is often accused of being anti-business. I tell you that our proposal to reduce taxes for the middle and low income earners would be the best break business in this country could ever get. If accepted, it would increase purchasing power. The little guy would get a break and use his purchasing power to buy what he needs. I hope these appeals are not falling on deaf ears. I am delighted to see the minister present; I know he listens carefully. I understand that we are to see a gun bill very shortly; I hope he is not going to give in to the snipers' lobby. We are not sure. We hope there will be some teeth in the bill.

I want to emphasize how beneficial would be a reduction of taxes at the low end of the income scale. We often wonder how to put purchasing power in the hands of low income people.

The answer is obvious. We have allowed people to deduct their political donations from tax payable. That is great for people interested in politics. Why cannot we do the same for low income families, and allow them to take day care expenses off their tax?

The Acting Speaker (Mr. Turner): Order, please. It being ten o'clock p.m., it is my duty to inform the House that, pursuant to Section 11 of Standing Order 58, the proceedings on the motion have expired.

* * *

BUSINESS OF THE HOUSE

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. May I inquire of the acting government House leader what business it is planned to call tomorrow?

Mr. Knowles (Winnipeg North Centre): Old age security.

Mr. MacFarlane: Mr. Speaker, I understand that hon. members opposite who have discussed this matter with the House leaders know that tomorrow we shall consider the Old Age Security Act.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

TRANSPORT—ST. LAWRENCE SEAWAY TOLL INCREASES—POSSIBILITY OF COMMITMENT FROM UNITED STATES

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, last Wednesday the Minister of Transport (Mr. Lang) made a significant statement outside the House concerning the debt attached to the St. Lawrence Seaway. This problem has been before us for some time. With his usual political dexterity the minister landed himself in great difficulty in this House because of his decision to make the gist of his statement outside the House. Be that as it may, hon. members learned the details of the statement, and those details have been the cause of considerable discussion. His statement presented to me at least three major questions which I hope can be answered by the parliamentary secretary tonight.

● (2200)

First, the question that brings us here tonight was asked by me on Thursday, March 3. I asked:

How firm a commitment is there from the United States on the proposed St. Lawrence Seaway toll increases, and where did that commitment come from?

I asked that because the minister in his statement outside the House indicated that the St. Lawrence Seaway tolls would be doubled. The Minister of Transport replied:

Mr. Speaker, as the announcement yesterday indicated, the question of arranging these increases by agreement is a matter of negotiation, so it is not a matter at this point of talking about a commitment.

Apparently the matter had not been raised during the visit of the Prime Minister (Mr. Trudeau) to Washington to call upon the President of the U.S.A.

We are dealing with a substantial sum, the debt of the Seaway, that is, its capital cost, which is generally considered to be around, $642 million. The interest on that debt alone is considered to be at least $200 million, and some members of the House have alluded to the whole problem as being more than a $1 billion problem. But even taking the figures that have been presented on the more conservative side—if I may use that statement of my colleague, the hon. member for Dartmouth-Halifax East (Mr. Forrestall)—it would seem to be at least an $800 million problem.

The Minister of Transport in replying to the hon. member for Dartmouth-Halifax East said:

Mr. Speaker, as far as the debt is concerned, there are two parts to the debt, the accrued interest which it is not intended to treat as a current liability and in due course to remove,

I took from that use of language that he meant that this $200 million, or whatever the accrued interest is deemed to be, is wiped out.

The minister went on to say, as reported at page 3571 of *Hansard*:

and the balance of the debt, the initial construction cost, which it is intended to convert into equity.

He noted later that it was hoped to realize a modest return on this equity, something in the order of one per cent, which would mean that on the $800 million now owing and not retrieved by the tolls that have been imposed on the operations of the Seaway so far, one could hope to get about $6.4 million a year back. It seems to be a very small return on a substantial amount of money, and of course as somebody said it does not begin to represent a proper return on the amount of money that has been invested by the taxpayers of this country and the taxpayers of the U.S.A. Even doubling the tolls, which seems to be a hefty increase, will not bring about anything that will approach fiscal probity in this particular matter.

The questions I would like to direct to the parliamentary secretary and which will be raised when the department's estimates are before the Standing Committee on Transport and Communications are the following: is this going to be a precedent for all transportation in Canada, that the taxpayers put up all the capital and that the return upon that capital turns out to be a laughable figure? Is this the brave new future for transportation in Canada, when we are faced with some rather large transportation problems?

Since the minister told us that it would be a matter of negotiation and not a matter of commitment from the United States, will the Americans agree to this increase? Will they

think it is adequate and just? Will they think it should be more? What will their position be? This seems to me to be a very strange way to carry on a partnership. Admittedly this is a very contentious problem, but it is strange that one side should announce what the solution is going to be, apparently without really having discussed the matter with the other side. As I noted earlier, the minister seemed very firm in his statement to me about the fact that there were going to be negotiations and that there had not been a commitment.

The figures presented to us by the minister on that day after his press conference indicated the nature of the increase on the tolls through the Seaway. I represent a port which has had some fights with the minister over the "at and east" rates on flour and grain shipments. It seems to me, with the St. Lawrence Seaway tolls going up to the level the minister proposes, that what the minister has often called his unit train concept of moving grain from western Canada to Halifax and Saint John for shipment abroad will still not be competitive, all other things being equal.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member but his allotted time has expired.

Mr. Marcel Roy (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I would first like to refer hon. members to the statement made by the minister on March 2 concerning the situation on the St. Lawrence Seaway. Attached to his press release was a memorandum addressed to all members of parliament and senators concerning a lot of documentation. The minister reminded us of the economic impact of toll increases. I would like to refer to that documentation which was distributed to all members of parliament and senators at that time concerning this important sector.

I wish to refer to the statement made by the Minister of Transport (Mr. Lang) and Mr. Paul Normandeau, President of the St. Lawrence Seaway Authority, concerning the steps which will be taken to restore the Seaway to financial health. They said that parliament is being asked to convert to equity, to be held by the federal government as an investment, the $625 million debt for loans acquired to construct the Montreal-Lake Ontario section and to upgrade the Welland Canal.

I would like to mention that 13 of the 15 locks along the Montreal-Lake Ontario section and Welland Canal are owned and operated by Canada, and any operating deficit picked up by the federal government is equivalent to subsidizing the United States, and I think hon. members agreed that we had to revise this situation.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the parliamentary secretary, but his time has expired.

AIRPORTS—PICKERING—GOVERNMENT INTENTIONS WITH REGARD TO CONSTRUCTION—POSSIBILITY OF DIVERTING FUNDS TO AID COMMUTERS

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, the question raised tonight in the adjournment debate by myself follows at least 90 oral questions which have been directed to the government concerning the proposed Pickering airport. We have pressed for an answer many times. I myself have put more than 20 questions on this matter. The government has consistently evaded any attempt to take a clear stand or view with respect to this ill-conceived project. The latest round of questions I had with the Minister of Transport (Mr. Lang) is no exception.

[Mr. McCleave.]

● (2210)

On February 14 I asked the minister whether, in light of the fact that there has been little or no growth in air traffic at Toronto's Malton airport, the government might reconsider its stubborn, but senseless commitment to saddle the country with a white elephant similar to the one it built at Mirabel. Despite the fact that the minister himself admitted that "air traffic had failed to reach projected levels", not just in Toronto but throughout North America, and despite the fact that it had just recently been revealed that Mirabel had lost $47 million in its first year of operation, the minister hedged once again saying only that air traffic had not been reduced significantly.

I asked my question because current statistics show that air traffic in Canada and in many other parts of the world has, so to speak, "plateau-ed out". The government's repeated statements that somehow Malton will become overcrowded do not appear to be backed up by existing statistics; in fact I often suspect that the government, for bizarre reasons known only to itself, based the entire project at Pickering on rather questionable projections in the first place.

The point is this: it is always reprehensible for the government to spend great sums of money on frivolous or dubious projects, but it is especially callous for it to do so when it is openly dickering with the possibility of breaking its election promise to provide $290 million to aid urban transit across Canada.

There is a wide discrepancy among projections for the estimated cost of Pickering. Certainly we know that to date they have spent $110 million; but the lowest estimate, $200 million, is an amount sufficient to finance all the urban transit projects which are currently being jeopardized in Metro Toronto due to the government's reneging on its 1974 promises.

It is inconceivable to me that the government can be oblivious to the fact that there is severe commuter congestion in Toronto while it stubbornly refuses to give up its dream of building a second airport that is not required. It is inconceivable to me that the government can turn its back on 75 per cent of our population who live in our urban centres in order to accommodate the marginal 10 per cent who use airports on a regular basis.

It is time the present administration gave us a candid answer. Will it scrap Pickering and divert the remaining funds to more productive enterprises such as the Toronto terminal improvement project, which is needed to relieve congestion at Union Station? Will it repudiate the remarkable statement made Friday by the Parliamentary Secretary to the Minister

of Finance (Mr. Kaplan) that the people of Toronto should be grateful the government broke its promise? The parliamentary secretary in effect said in that statement that the promises made by the Prime Minister (Mr. Trudeau) in 1974 had a double advantage; first of all they got the Prime Minister re-elected and, second, now that the Prime Minister chooses to break those promises, somehow he will end up saving people of the Toronto area some money. That is the Alice in Wonderland reasoning put to this House by the parliamentary secretary only last Friday.

I hope the government will come to its senses and say it has agreed to abandon the Pickering project, that it was an unfortunate concept in the beginning, a civil servant's dream and that it now realizes the airport is not needed.

I hope the government will take this opportunity to commit the money earmarked for Pickering for more worth-while developments in the Toronto area, namely, the urban transit which is needed to facilitate people who wish to go to work and who pay taxes in that greatly congested area of Canada.

The time has come when the government must get its priorities straight. For years we have urged it not to plunge money into the development of airports but to put it into more meaningful development that would aid people in getting to and from work. This is the question that I say we have put to the government 90 times: will it reconsider the Pickering development, come to its senses and divert the funds that were to be put into that needless development to a more worth-while project such as urban transit in the Toronto area?

Mr. Marcel Roy (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. member is very difficult to follow in his goal, his financial philosophy, and his administrative approach. As I said in my speech this afternoon, the hon. member in a speech on March 3 asked for more funds in the urban transportation budget. According to his own figure, and it was mentioned tonight, he is asking for his own area a sum of $200 million. If we consider the Montreal area, the Vancouver area and other municipalities, it would take not only millions but a billion dollars. How can the member reconcile those demands, be conscious of the inflation situation, and also be opposed to an increase in the expenses of the federal government, while protesting Treasury Board policy?

First, I would like to clarify the hon. member's mistaken impression that there still exists certain moneys, formerly earmarked for Pickering, which can now be made available for such programs as urban transit.

The 1975-76 estimates included $51,109,000 for expenditures at Pickering. During the preparation of the 1976-77 Main Estimates CATA recognized that only $39,964,000 would be required for 1975-76. Therefore the anticipated unused funds were applied against the revolving fund loan authority, thereby reducing the requirement for new loan authority. The decision to set the Pickering proposal aside in the fall of 1975 resulted in still lower levels of expenditures for 1975-76. This was taken into consideration in the 1977-78 estimates and again served to reduce new loan authority requirements. Therefore, there are no funds remaining within the fiscal framework.

ADMINISTRATION OF JUSTICE—USE OF WRITS OF ASSISTANCE—POSSIBILITY OF AMENDMENTS TO PROVIDE FOR ISSUANCE AT DISCRETION OF JUDGE

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, my participation tonight arises from questions which I raised in the House of Commons on February 21 of this year in connection with writs of assistance which are available in the enforcement of the Customs Act, Excise Act and others passed by this parliament. I also raised the matter of writs of assistance on previous occasions.

I was pleased to hear the minister indicate on February 16 that he shared my concern about some of the powers provided under the Criminal Code and through investigative agencies. I was pleased to have his assurance that he was giving the matter some consideration and in fact had directed the Law Reform Commission to make a study with regard to this whole general area.

I wanted to pursue this matter in the course of the question period on February 21. I asked the minister whether, having had an opportunity to study the judgment of Mr. Justice Collier, he was in a position to give some tangible evidence of his concern by undertaking to recommend changes in the legislation which would have the effect of allowing some discretion by the judiciary in the issuance of writs of assistance in the future.

At that time the minister indicated that he was looking at the matter. However, from his reply I got the impression he was only looking at internal arrangements of his own department and other departments respecting applications for writs of assistance, and determining by internal arrangements what could be done to avoid any abuses.

I am pleased to see the minister here. His presence in the House indicates that this is a matter of some importance. It is certainly regarded as important by the Canadian Bar Association.

● (2220)

The civil liberties section of the Canadian Bar Association has characterized the availability of writs of assistance under the legislation to which I have referred as repugnant. Eminent jurists have commented adversely on this provision, as have lawyers across the country and people generally who are interested in the proper administration of justice and in the preservation of civil liberties. I believe the fact that the minister has stayed up so late this evening to deal with the matter is a reflection of the importance he attaches to it.

My own point of view, and I want to put it on record, is that writs of assistance are a glaring exception to the general rule of Canadian law that judicial authority must be obtained before warrants are issued. This also covers wire tapping. It seems to me the police should not have the authority to obtain writs of assistance which are unlimited as to time and which

are unspecific in nature. Another facet of this subject is that the statute has been so interpreted as to make it unnecessary for the minister or officials in his department when making applications to the courts to give any particular reasons in support of their requests.

Looking over the assessment of Mr. Justice Collier I recall that the material before the judge actually consisted of two paragraphs in an affidavit, one showing that the applicant was the director of the enforcement branch of the Customs and Excise branch, and the second stating that he required writs of assistance for the persons specified on an attached list for the purpose of enforcing the provisions of the Customs Act.

When we put the judiciary in the position of being glorified notaries public, I wonder why we waste the time of the courts by asking them to give approval to that kind of application. It might be simpler in all these circumstances to have the minister himself grant these writs. To carry the process to a logical conclusion, there is really no reason why the courts should be involved. I should like to know whether the minister is giving serious consideration to amending this statute so as at least to give the courts the ability to exercise discretion with respect to these applications—whether he will recommend that applicants for these writs should provide some reasonable explanation as to why they are required, and that, in future, the writs be subject to a limitation in time. This is not unreasonable and would in no way impede the administration of justice.

In conclusion, I simply request the minister not to allow this issue to be put on a back shelf, but to give it immediate attention because I do think that having regard to the principles governing our laws—

The Acting Speaker (Mr. Turner): Order. I regret to interrupt the hon. member but his allotted time has expired.

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I am grateful to the hon. member for raising this issue tonight and for his questions in the House on this subject of writs of assistance which, as he says, are an extraordinary legal remedy and a procedure it is incumbent upon us to examine from time to time. I am also grateful to the hon. member for Kenora-Rainy River (Mr. Reid) who raised this matter with me and with the Minister of National Revenue (Miss Bégin) many months ago in correspondence with us.

The immediate issue comes to light as a result of a decision of Mr. Justice Collier in Federal Court very recently, in which he was asked, on the application of myself or my officials, for a number of writs of assistance. I am pleased with the line of argumentation that the hon. member has made which pointed out that these are extraordinary legal remedies, but which called for some requirements as a minimum. I think we want to be careful in a country such as ours, faced with the law enforcement problems that we have, and faced with law enforcement officers often operating in extremely remote areas, that we do not outlaw writs of assistance without careful examination.

While complaining of the total lack of information provided to him as a judge having to issue the writs, a footnote to the judgment of Mr. Justice Collier states:

> I am not suggesting writs of this kind should never be asked for or granted. There may be moral, political or social grounds. The material in support of this application, for example, is completely devoid of any facts which might indicate there is some political, moral, social, economic, or administrative ground for granting this particular individual the powers sought.

So even the learned judge, while complaining, I think rightly, about the lack of information before him, conceded that there may well be valid reasons for the exercise of the writs.

In examining the matter one finds that the administrative procedures within departments are such as to endeavour administratively to eliminate abuse. In fact, the administrative procedures are such that a writ is not supposed to be used unless there were circumstances where, if a justice of the peace were available to issue a search warrant, one would in fact be granted.

It is not enough solely to rely upon administrative procedures, and that is the reason that I have said, in the light of Mr. Justice Collier's decision, that no further writs of assistance will be applied for until the whole procedure is reviewed. In saying that I meant not only administrative procedures but legal procedures.

The hon. member has asked for three things at least, and I have no hesitation in agreeing—

The Acting Speaker (Mr. Turner): Order. I regret to interrupt the minister but his allotted time has expired.

Motion agreed to and the House adjourned at 10.29 p.m.

HOUSE OF COMMONS

Wednesday, March 9, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

FINANCE

REQUEST FOR STATEMENT BY MINISTER ON DISCUSSIONS WITH UNITED STATES IN RELATION TO BUDGET—MOTION UNDER S.O. 43

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I ask leave to move a motion on a matter of urgent and pressing necessity under the provisions of Standing Order 43. As the Minister of Finance flits from Washington, the capital of the United States of America, to New York, the financial capital of that country, picking up instructions, suggestions and possible options for his forthcoming budget, I move, seconded by the hon. member for Northumberland-Durham (Mr. Lawrence):

That this House request the minister upon his return to make a statement on motions setting out what economic alternatives he has been given with respect to his forthcoming budget so that the House may be fully informed of our background position with particular reference to our relationship to the U.S.A.

Mr. Speaker: Standing Order 43 requires the unanimous consent of the House for the presentation of such a motion. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

FEDERAL-PROVINCIAL RELATIONS

REQUEST THAT ROLE OF COMMITTEE FOR CANADIAN UNITY BE SPECIFIED—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to introduce an important motion of pressing necessity.

In view of the existing ambiguity concerning the national unity committee within federal-provincial relations office, since that special section could merely become a political organization to promote the Liberal party and since we have no specific definition of national unity and therefore the role of the organization could be distorted, I move, seconded by the hon. member for Bellechasse (Mr. Lambert):

That the Prime Minister (Mr. Trudeau) be asked to table in the House the essential papers providing clear and specific information on the role of that section for Canadian unity whose direction has been entrusted with Mr. Paul Tellier.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

[*English*]

HER MAJESTY THE QUEEN

SUGGESTED ARRANGEMENTS FOR OPENING OR CLOSING OF PARLIAMENT—MOTION UNDER S.O. 43

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. I move, seconded by the hon. member for Cape Breton-The Sydneys (Mr. Muir):

That this House desires that arrangements be made for Her Gracious Majesty Queen Elizabeth II of Canada either to prorogue the present session or to give the Speech from the Throne for a new session later in 1977 when she will be attending events in celebration of her twenty-fifth anniversary on the Throne.

Mr. Speaker: Pursuant to Standing Order 43 the presentation of such a motion for debate in the Chamber requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Diefenbaker: It was Liberal members who said no.

* * *

[*Translation*]

FOREIGN INVESTMENT REVIEW AGENCY

SUGGESTED MEETING WITH QUEBEC OFFICIALS CONCERNED WITH MAGNÉSIUM QUÉBÉCOIS—MOTION UNDER S.O. 43

Mr. Roch La Salle (Joliette): Mr. Speaker, pursuant to Standing Order 43, I seek the unanimous consent of the House to move a motion on a matter of urgent and pressing necessity.

Considering that everything must be done to lower the unemployment rate in Quebec, that some $80 million in capital expenditures earmarked for the creation of some 400 new jobs in the Trois-Rivières-Shawinigan area are frozen both in Ottawa and Quebec City, that the Magnésium Québécois project would compensate the loss of 400 jobs in the area resulting from the likely closing down in 1977 of the Gulf plant in Shawinigan, and that the people backing this project are still hopeful to get the green light from the Foreign Investment Review Agency, I move, seconded by the hon. member for Regina East (Mr. Balfour):

That the House immediately direct the Minister responsible to call a meeting as soon as possible of all interested parties within both the federal and provincial governments, so that this important project may become a reality in Quebec.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Pursuant to Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

● (1410)

[*English*]

VETERANS AFFAIRS

RESTORATION OF DISABILITY PENSION TO BASIS ESTABLISHED IN 1972—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, because this is an urgent matter I ask leave to present it under Standing Order 43. I therefore move, seconded by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall):

That this House calls attention to the fact that the rate of a 100 per cent war disability pension under the Pension Act, which was established in 1972 in relation to the composite rate of five public service groups, all of them very low, has now fallen behind that composite rate by more than $500 a year, and this House therefore calls on the government to close that gap by restoring the rate of a 100 per cent war disability pension to the basis established in 1972, and to take this action without delay, in fairness to Canada's disabled veterans.

Mr. Speaker: The presentation of such a motion pursuant to the Standing Order can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

[Mr. La Salle.]

AGRICULTURE

REQUEST FOR ADMISSION OF PESTICIDES FROM UNITED STATES ORDERED PRIOR TO BORDER CLOSING—MOTION UNDER S.O. 43

Mr. John Wise (Elgin): Mr. Speaker, I rise under the provisions of Standing Order 43 on an urgent and pressing matter relating to the Minister of Agriculture's announcement that all pesticides sold and used in Canada must now be registered. Since this will close the border to any Canadian farmer buying pesticides in the United States, thereby threatening with economic loss those farmers who ordered U.S. pesticides earlier but have not yet taken delivery, I move, seconded by the hon. member for Oxford (Mr. Halliday):

That the Minister of Agriculture suspend any restrictive or punitive actions against those farmers who have not yet taken delivery on their pesticides ordered before the minister's announcement and that those pesticides, ordered earlier, be allowed to enter Canada subject only to the conditions and regulations which existed before the minister's announcement.

Mr. Speaker: The presentation of such a motion for debate can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

SPORT

PROPOSED SURCHARGE ON ICE SHOWS TO PROVIDE FUNDS TO AID DEVELOPMENT OF FIGURE SKATERS—MOTION UNDER S.O. 43

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, pursuant to Standing Order 43, I rise on a matter of urgent and pressing necessity. In view of the fact that the showing by Canadian figure skaters at last week's world championships was the most disastrous in recent history, and because foreign professional ice shows continue to reap the benefits of Canadian skating talent without contributing to the development of that sport which is partially subsidized by the federal government; I move, seconded by the hon. member for Joliette (Mr. La Salle):

That the Minister of State responsible for amateur sport be instructed to initiate and put into effect forthwith a reasonable surcharge on foreign professional ice shows signing amateur skaters from this country which proceeds would be directed to the obviously necessary financial aid of our skaters, as well as for the development of that sport at the grass roots level.

Mr. Speaker: Standing Order 43 requires the unanimous consent of the House for the presentation of such a motion for debate. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

AGRICULTURE

POTENTIAL DROUGHT IN WESTERN CANADA—CONSULTATION WITH PROVINCES—GOVERNMENT ACTION

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is to the Minister of Agriculture. It concerns the potential drought crisis in western Canada. As the minister knows, if there is not a very wet spring there could be a major crop and grass disaster—

Some hon. Members: Oh, oh!

Mr. Clark: —I trust, Mr. Speaker, that the minister will take this question more seriously than do some of his colleagues.

Some hon. Members: Hear, hear!

Mr. Clark: That kind of disaster, if it comes, could sharply increase food prices in Canada and perhaps trigger inflation again. Since the five western states of the United States have already started rationing water and nine governors of U.S. states have agreed to attend an emergency summit meeting on the drought question in that country, can the minister tell the House if he is prepared to take the lead and gather together ministers of agriculture from the affected provinces in Canada to assess the situation, to develop preliminary plans, and then to report to the House of Commons?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, we are already holding scheduled symposiums with farmers to remind them and show them how to farm under dry conditions. Most of them are aware of it, but some want to be brought up to date on this type of farming. We are having discussions also with meteorologists, and we are even having discussions with people who maintain that they can make rain.

Some hon. Members: Oh, oh!

Mr. Whelan: My colleague here tells me we have in-house experts. We realize this is a very serious condition, but through the legislation provided by this government there is crop insurance and there is a grain stabilization program which was not available during previous dry years. So, they have that kind of protection. We are as concerned as the Leader of the Opposition says we should be, and as he is, about this very serious condition. We will be doing everything humanly and physically possible to make sure that we use the water carefully and do everything possible. I just want to say one more thing. I ask even the good members of the House of Commons to pray for rain—

Some hon. Members: Hear, hear!

Mr. Hees: That is the limit of this government's policy.

Mr. Clark: I am sure it would be of scant comfort to the farmers of western Canada to know that in the face of the lowest rainfall in that region in nearly a century, the Minister of Agriculture is acknowledging that the policy of the government of Canada is to pray for rain.

Some hon. Members: Oh, oh!

An hon. Member: It worked for Moses.

Mr. Clark: I am advised by someone on the other side that it worked for Moses. There are some differences which this government has seldom realized between Moses and themselves.

My question is whether the government, instead of proceeding as though it were simply a problem as usual, recognizing the potential emergency nature of this situation, will call together other ministers of agriculture and other departments of agriculture to try to work out some common approach in which governments of all levels can take advantage of the new technologies that have been developed to ensure as best we can that some extraordinary protection is given to farmers against the very unusual and special crisis that is developing now in western Canada?

Mr. Whelan: I just want to say that we are exploring every avenue that is possible and we will be discussing it in a more formal manner than the manner in which our officials have been discussing proposals concerning what we should be doing together with the provincial authorities. I want to remind, through you, Mr. Speaker, members of the House and the Canadian people that if He is on our side, the one to whom we pray, he can do us a lot of good.

Some hon. Members: Hear, hear!

• (1420)

Mr. Clark: Short of that kind of reliance has the minister's department started any special studies on long-range weather forecasts or soil conditions, and is his department prepared to use the new forms of modern technology, such as land satellites and remote sensing techniques, which can develop an accurate picture of the drought situation and the potential moisture situation in Canada?

Mr. Whelan: Yes, Mr. Speaker. As I said, we are using every bit of scientific knowledge available to us. We have a very good system of making these forecasts. I have discussed this with the colleagues of the Leader of the Opposition who are from western Canada and who live in the dry area. We are trying to get every bit of information we can, and we are going to do everything humanly possible to make sure we use every bit of scientific and technical knowledge which is available to us. We are putting all that data together. I have made a personal survey of the mountains, the hills, etc.

Some hon. Members: Oh, oh!

Mr. Whelan: We are using the advice of the Americans. I am sure the Leader of the Opposition knows as well as I do that snow in the mountains not only affects weather and

moisture conditions in western Canada but also in the United States of America. Our conditions are bad, but theirs are worse. They are already rationing water, mainly because they depend a great deal more on irrigation than we do. We have not become as dependent on irrigation as they have. We know the Americans are curtailing their production, and that is going to have an effect on our importation of some foods from that country. I am ready and willing to listen to any advice which anyone has.

Some hon. Members: Hear, hear!

Mr. Clark: The difference between Canada and the United States is not in the conditions; the difference is in the response of governments.

Some hon. Members: Hear, hear!

Mr. Clark: Will the minister, either in this House or outside, tell us specifically what he and his officials are doing, and will he tell us whether he intends to convene a conference of ministers of agriculture from the affected provinces so that there can be public discussion of this serious problem?

Mr. Whelan: Mr. Speaker, I think one of the worst things we could do would be to try to say that we have a system which would guarantee moisture. We do have one of the most efficient systems in the world. We have research people in the field of agriculture who know how to farm under dry land conditions. They have proved that they can produce crops under the kind of conditions which prevailed during the dirty thirties. They can grow practically normal crops in southern Alberta, and the Leader of the Opposition should know about that. I said that we are holding symposiums and advising farmers in order to bring them up to date. Provincial people are well aware of this. They are using our research people. All departments are using every bit of information there is, and we are doing everything humanly possible.

POTENTIAL DROUGHT IN WESTERN CANADA—SUGGESTED DISCUSSIONS WITH UNITED STATES ON JOINT ACTION

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, I have a follow-up question for the Minister of Agriculture with regard to this very serious western and North American drought situation. In my personal opinion the current situation is at least as serious, and possibly more so, as the two worst years of the thirties, and I refer to 1932 and 1937. Would the minister consider some kind of joint discussion with authorities from the United States, where the situation is even more serious, with a view to assessing more accurately the total continental drought and considering the possibility of some joint contingency planning?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I think that first and foremost any discussions we have should be with provincial ministers and provincial governments concerning any program we should develop, what action we should take. For instance, moving livestock from an area which is dry to an area which has ample forage is one thing which is being considered at the present time. We will be meeting with the Secretary of Agriculture of the United States of America in a few days, I hope, and this will be one of the things which we will be discussing.

[Mr. Whelan.]

POTENTIAL DROUGHT IN WESTERN CANADA—EFFECT ON CATTLE INDUSTRY

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, in view of the fact that there is less than the normal snowpack to provide water for irrigation and less than half the normal downstream flow along the entire eastern slopes of the mountains and that today, approaching mid-March, there is no snow at all over much of the prairies, is the minister fully aware of the possible consequences of this situation on our total Canadian cattle industry in that significant increases in marketings of cows and yearling feeder cattle could suddenly disrupt present indications of a modest upturn later on in the fall causing a set-back of at least another year in the upturn of the cattle industry?

Hon. E. F. Whelan (Minister of Agriculture): I am certainly aware of that, Mr. Speaker. The hon. member was present when I said that very same thing at the annual meeting of the Canadian Cattlemen's Association. He is one of the members with whom I discussed this very serious question. I know he is very familiar with dry land farming in that part of Canada, in southern Alberta. As I said to the Leader of the Opposition, I have viewed the mountains, I have viewed the foothills, I have viewed the prairies; I have seen that there is no snow. I have gone over the reports from our officials. The hon. member from Grenville-Carleton is used to giving people "snow jobs" but this is a different kind of "snow job".

Some hon. Members: Hear, hear!

* * *

FEDERAL-PROVINCIAL RELATIONS

PROPOSED MEETING BETWEEN PRIME MINISTER AND PREMIER OF QUEBEC TO DISCUSS UNEMPLOYMENT

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the Prime Minister. In yesterday's throne speech in Quebec City Premier Lévesque announced his government's intention to deal immediately with what he described as the brutal unemployment crisis in his province. He specifically indicated his desire to co-operate with the federal government in this area. Will the Prime Minister respond immediately to this suggestion by requesting a joint meeting between himself and the premier in order to come to grips with this very serious human question, keeping in mind that more than half the new unemployment in the country as a whole in the past two years has occurred in Quebec?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have not been apprised yet of Premier Lévesque's speech but I

can assure the hon. member and the House that if Premier Lévesque is disposed to co-operate with us in this matter or any other matter which is for the welfare of the inhabitants of Quebec we would be very happy to co-operate.

Mr. Broadbent: A supplementary question. Mr. Speaker. I repeat, my reading of the meaning of the throne speech was that there was a very specific suggestion made by the government of the province of Quebec to co-operate with the existing federal government and within the existing federal institutions. I should therefore like to ask the Prime Minister if he does not think it appropriate that with all seriousness he should respond by instructing his ministers responsible for example, for housing, public works and transportation, to name three areas that the province of Quebec said they wanted to act in, to meet with their counterparts either in Ottawa or Quebec City to start to deal with the very serious problem of unemployment in the province of Quebec?

Mr. Trudeau: Mr. Speaker, I answered that question.

* * *

TRANSPORT

ALLEGED COMMITMENT TO PROVIDE ASSISTANCE FOR RAPID TRANSIT SYSTEMS—REQUEST FOR ACTION

Mr. Edward Broadbent (Oshawa-Whitby): A final supplementary question, Mr. Speaker. As I understand the Prime Minister, he responded by saying he would be willing to do something. All I am asking him to do is take some initiative in this. I would move to the Minister of Transport and ask him, considering that one of the areas the province of Quebec said they want to act in is transportation, will the minister now indicate to the House that the Liberal party intends to live up to its commitment made in 1974 to provide some $290 million for assistance to municipalities for rapid transit systems which would help the people of Montreal and other cities in that province as well as elsewhere in Canada?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I have nothing to add today to answers previously given on this subject. We have cited very clearly the financial difficulty which led us to conclude that in this area of prime provincial responsibility we ought not to intrude as far as we had originally intended. We have not made a final decision as to the financial arrangements into which we might enter.

* * *

● (1430)

[*Translation*]

ABORTION

ABORTION AS A METHOD OF FAMILY PLANNING—MINISTER'S POSITION

Mr. André Fortin (Lotbinière): Mr. Speaker, my question is for the Minister of National Health and Welfare.

In a statement made by the minister before an assembly of representatives of national women associations, he said that abortion could be a family planning method, which is quite a new interpretation of the law passed by this House in 1969. Would the minister tell the House whether he was talking on behalf of the government and taking advantage of his ministerial privilege to make the law on abortion less stringent, without previously submitting this point to the House of Commons, as he should have done?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, if the hon. member would read the statement I made on that occasion, a copy of which has been sent to every hon. member, he would see that it says clearly and explicitly that abortion cannot be considered by the government as an acceptable family planning method, and that it is in accordance with what I have repeatedly said in this House since 1973.

Mr. Fortin: Mr. Speaker, in announcing this broadening of the abortion policy, did the minister take into account the petition tabled in the House on May 29, 1975, which I have here and which was signed by over a million Canadians who are opposed to any easing of the abortion legislation?

Mr. Lalonde: Mr. Speaker, I refer the hon. member to my statement. He will see that it does not broaden either the act or the policy on abortion. That act and that policy were passed by the House a few years ago, and the stipulations of the act are clear. The hon. member will note that in my statement I indicated very clearly that any steps in that direction will have to be taken within the provisions of the law as it now stands.

Mr. Fortin: Mr. Speaker, on page 1 of the statement of the minister to which I am now referring, one reads, and I quote:

Counselling services on abortion should be given by institutions dispensing family planning services . . .

Mr. Speaker, in other words, when a child is not wanted, as the minister says in closing, and I quote:

In pursuing the fundamental objective that every child should be wanted . . .

—the minister suggests abortion in the case of a child that is not wanted. Is the minister willing to commit himself, and the government, to respecting the will of a million Canadians who are opposed to what the minister said?

Mr. Lalonde: Mr. Speaker, the very question of the hon. member shows the twisted mind with which he approaches the subject.

* * *

[*English*]

ROYAL CANADIAN MOUNTED POLICE

APPOINTMENT OF COMMISSION TO SELECT NEW COMMISSIONER—REQUEST FOR RECONSIDERATION

Mr. Erik Nielsen (Yukon): Mr. Speaker, my question, addressed to the Prime Minister, is based on the announce-

ment of the establishment of a committee consisting of Mr. Gordon Robertson, Mr. D. S. Thorson, Mr. Roger Tasse, and belatedly, Commissioner Nadon of the RCMP, to recommend to the Prime Minister the next Commissioner of the RCMP. Will the Prime Minister reconsider this extremely ill-advised action which will result in the complete subversion of the force to the political control of the Prime Minister, and reassure us that the traditional method of selecting the next commissioner from within the ranks of the force which has existed for some 104 years will continue, thereby assuring the continued integrity of that force?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am somewhat surprised that a single question can contain so much misinformation.

An hon. Member: How about the answer?

Mr. Trudeau: The suggestion concerning the late addition of Commissioner Nadon is a sheer fabrication. I discussed this with Commissioner Nadon quite some time ago, and it was always clear that he would be a member of the selection committee. Second, the appointment is not made by the Prime Minister; it is made by order in council, this is the way it has been, Mr. Speaker, and the hon. member really ought to know that. Third, the selection has not always proceeded in the way the hon. member mentioned. At least two other selection committees of which I know have been set up. One was set up in 1969, another in 1931. In 1969 the commissioner was chosen from within the force, and in 1931 the commissioner was chosen from outside the force. I think hon. members of the opposition would agree that we should have the best possible person heading the force.

An hon. Member: But not under political control.

Mr. Trudeau: And the way to get such a person is to ask for advice, in the way being done.

Mr. Paproski: Ask Marc Lalonde.

Mr. Nielsen: A supplementary question, Mr. Speaker. I accept the Prime Minister's explanation with respect to Commissioner Nadon. Perhaps there was an omission on the part of the media in failing to include his name—

Some hon. Members: Oh, oh!

Mr. Nielsen: —with Messrs. Robertson, Thorson and Tasse, whose Liberal sympathies are well known. The fact that the two other appointments were in 1866 and 1936 does not justify this action at this time and the danger of the political tainting of the force. I wonder if the Prime Minister will tell the House what part incidents like those involving Senator Giguère and the initiative properly taken by the RCMP in that prosecution played in the setting up of this committee.

[Mr. Nielsen.]

GRAIN

WHEAT—DISCUSSIONS ON PRICE WITH UNITED STATES—EFFECT ON OTHER COUNTRIES IN ATTEMPT TO REACH INTERNATIONAL AGREEMENT

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, my question is directed to the minister responsible for the Canadian Wheat Board. It has to do with his trip to the United States, where he discussed pricing arrangements with the United States secretary of agriculture. Apparently other exporting countries were deliberately ignored in those discussions, which may have been a tactical error if an agreement is to be reached. Can the minister say what steps are now being taken to correct that obvious omission, and to correct the impression that this was a price-fixing arrangement between Canada and the United States, and other countries will have to follow suit?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, in this preliminary meeting designed to elicit the views of our respective countries we immediately noted the desire on the part of both countries to look toward a new international arrangement. Our total objective will be to work together, to include other countries in the discussions. Indeed, I have personally been in touch with ministers from Australia. Progressively, working parties will be set up to enlarge the scope of the discussions, and I am sure that we may well reach the conclusion that the International Wheat Council continues to be a good forum for further discussion.

WHEAT—EFFORTS OF WHEAT BOARD TO FIND MARKETS

Mr. S. J. Korchinski (Mackenzie): A supplementary question, Mr. Speaker. May I ask the minister whether, while these discussions are continuing, the Wheat Board is actively seeking markets for our wheat and seeking to enter into bilateral agreements with other countries, pending a new agreement on the international scene?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, of course, the Canadian Wheat Board is vigorously pursuing markets for Canadian grain in the usual way.

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EXTERNAL AFFAIRS

EFFORTS TO PERSUADE SOVIET UNION TO PERMIT PEOPLE IN BALTIC STATES TO VISIT FAMILIES IN CANADA

Hon. Robert Stanbury (York-Scarborough): Mr. Speaker, my question is for the Secretary of State for External Affairs. Knowing the anxiety of many Canadians to have members of their families in the Baltic states, whom they have not seen for many years, come to visit them in this country, and in view of the apparent Soviet policy to refuse exit visas for any such visits, will the minister appeal to the Soviet Union in the spirit of Helsinki to make these family visits possible? I ask this question because it is particularly timely on this day of the annual Baltic evening on Parliament Hill and because today,

for the first time, the honorary consuls of Estonia, Latvia and Lithuania are present together in our diplomatic gallery.

Some hon. Members: Hear, hear!

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, I, too, am delighted in paying particular attention to this special day. I assure the hon. member and the House, as I have said on many previous occasions, that we regret in this country that there has not been as much success as we should like with regard to family reunification. Periodic representations are made to the representatives of the appropriate countries and, of course, it is my intention and that of the government to continue making such representations until these highly desirable family reunifications are achieved.

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CENTRAL MORTGAGE AND HOUSING CORPORATION

AUTHORITY FOR LOAN TO OWNERS OF QUAI D'ORSAY HOTEL, OTTAWA

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question is directed to the Minister of State for Urban Affairs who is responsible for housing. It is prompted by court action taken against a company known as 210 Somerset Street West, the owners of the Quai d'Orsay Hotel. Since the company received in July, 1973, an assured loan from Central Mortgage and Housing Corporation of almost $2 million, may I ask under what authority the money was lent to the owners of the Quai d'Orsay Hotel? I ask this since there is no provision for such loans under the National Housing Act.

[*Translation*]

Hon. André Ouellet (Minister of State for Urban Affairs): Mr. Speaker, I regret that I became aware of the fact that the question was directed to me only after it was asked. Perhaps the hon. member could ask it again, otherwise I shall take it as notice and answer tomorrow.

[*English*]

Mr. McGrath: I will repeat my question. My question has to do with a court action which was taken recently against a company known as 210 Somerset Street Limited, the owners of the Quai d'Orsay Hotel. It is prompted by the fact that in July, 1973 a CMHC/NHA insured loan amounting to almost $2 million was made to this hotel. Such a loan is not covered under the provisions of the National Housing Act and I ask the minister under what authority this loan guarantee was made.

[*Translation*]

Mr. Ouellet: I shall take the question as notice, Mr. Speaker, and give the answer tomorrow.

[*English*]

FINANCE

POSSIBILITY MINISTER'S VISIT TO WASHINGTON DISCUSSED WITH PRESIDENT CARTER BY PRIME MINISTER

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Prime Minister. As the Minister of Finance has flown to Washington and to New York, apparently to receive last minute instructions before bringing in a Canadian budget—

Some hon. Members: Oh, oh!

Mr. Stevens: —would the Prime Minister tell us whether his trip was arranged, or at least discussed, during the right hon. gentleman's visit with President Carter?

Right Hon. P. E. Trudeau (Prime Minister): It is interesting to see how the shadow minister of finance would construct his budget if ever he gets to this side of the House.

Some hon. Members: Oh, oh!

Mr. Paproski: We will show you!

Mr. Trudeau: That is precisely my point. They will go to Washington and ask how to write a budget!

Some hon. Members: Oh, oh!

POSSIBILITY OF DISCUSSIONS BETWEEN PRIME MINISTER AND PRESIDENT CARTER ON UNITED STATES METHOD OF ACHIEVING ECONOMIC RECOVERY

Mr. Sinclair Stevens (York-Simcoe): As the economic recovery of the United States has been dramatically more successful than that in Canada—

Some hon. Members: Oh, oh!

Mr. Stevens: —would the Prime Minister inform us whether during his discussions with President Carter any clue was given by the President as to why the Americans, without controls, are experiencing a rate of inflation which, in the aggregate is now 8 per cent less than in Canada, and a real growth one-fifth better than in this country, yet they have less unemployment? If any suggestions were made, may we assume the Minister of Finance is now being briefed in detail as to how the Americans did it?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, we know how the Americans did it. We do not want to follow the same route of having a 6 per cent recession. We know that would be the Tory way of dealing with inflation.

Some hon. Members: Hear, hear!

ALLEGED AGREEMENT CANADA WOULD BORROW LESS IN UNITED STATES

Mr. Sinclair Stevens (York-Simcoe): A final question to the Prime Minister dealing with how the Grits are actually doing it. Will the Prime Minister confirm or deny reports that before and during his visit to Washington the Americans made it clear they would like us to stop sopping up so much debt money from their domestic market and that accordingly we have adjusted our Canadian interest rate downward to discourage the aggressive Canadian borrowing which has taken place in the United States over the last 30 months? Have we agreed that the government should take less in debt financing from the U.S. market?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

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NORTHERN AFFAIRS

PROPOSED INQUIRY INTO ALCAN PIPELINE—DATE OF REPORT

Mr. Doug Neil (Moose Jaw): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. Late last year the minister stated he proposed to set up a series of mini-Berger inquiries late in 1977 with respect to the Alcan pipeline proposal. Has he yet made a decision with regard to setting up these inquiries?

Hon. Warren Allmand (Minister of Indian Affairs and Northern Development): Yes, Mr. Speaker, an inquiry will be set up in the Yukon to examine the social and economic impact of the proposed Alcan pipeline and I am presently reviewing a number of names to determine who shall conduct that inquiry.

Mr. Neil: Can the minister tell us what he expects the time frame to be—when the results of the inquiry will be reported back to the department?

Mr. Allmand: Obviously, this process will not take as long as the Berger inquiry. We hope that the community hearings will be completed in the early summer but no exact timetable has yet been set up.

* * *

[*Translation*]

ABORTION

ABORTION AS A METHOD OF FAMILY PLANNING—MINISTER'S POSITION

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, I want to put a question to the Minister of National Health and Welfare.

To follow up on what the hon. member for Lotbinière said about abortion and considering the minister's statement before the representatives of the National Women's Organization, which was publicly condemned by the Front commun pour le respect de la vie during a discussion on a matter of national interest held outside the House, does the minister intend to make a statement in the House or to introduce an amendment to the present legislation on abortion, thus allowing members of the House to discuss that subject?

Hon. Marc Lalonde (Minister of National Health and Welfare): No, Mr. Speaker.

* * *

[*English*]

COMMUNICATIONS

THREAT BY BELL TO STOP INSTALLATIONS IF RATE INCREASE NOT APPROVED—GOVERNMENT ACTION

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I have a question for the Minister of Communications. In view of the threat by Bell Canada to stop the installation of new telephone service if the CRTC does not allow Bell the full rate increase it wants, will the minister assure the House that after the CRTC has examined the evidence regarding Bell's finances and made its decision, the company will be obliged to conform to that decision without any reduction in services to telephone subscribers?

[*Translation*]

• (1440)

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, I may reply to the hon. member, in answer to his question, that the CRTC does not act under threats.

[*English*]

EFFECT OF PROFITABILITY OF BELL SUBSIDIARIES ON JUSTIFICATION FOR RATE INCREASE

Mr. Cyril Symes (Sault Ste. Marie): Would the minister ask the CRTC to examine the profits of Bell Canada's unregulated subsidiaries with a view to ascertaining how their profitability would affect Bell's justification of rate increases ranging between 9.5 per cent and 12 per cent, and increases in service charges between 30 per cent and 50 per cent?

[*Translation*]

Mrs. Jeanne Sauvé (Minister of Communications): Mr. Speaker, the hon. member is confusing two matters, but I can assure him that in its regulating function, the CRTC examines all activities relevant to the setting of the rate which it intends to ask for the telephone service.

[*English*]

AIR TRANSPORT

EFFECT OF CHANGE IN AIR SPACE CONTROLLED FROM MONCTON

Mr. Leonard C. Jones (Moncton): Mr. Speaker, my question is directed to the Minister of Transport. Has the air space area covered and controlled by or through the Moncton air traffic control centre been reduced by 350,000 square miles to appease some Quebec air traffic controllers? If this is true, why is it being done and what will the potential job loss be in the Moncton area? Further, what effect will it have on the continuation of the present traffic control centre which is being built or rebuilt in Riverview, New Brunswick?

Hon. Otto E. Lang (Minister of Transport): The change in the control of air space is not being done to appease anyone but follows long study and planning of the best traffic management patterns from a technical point of view, planning which began in 1973-74. The controllers in the Moncton area have been assured that it will not involve the loss of any jobs.

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TRANSPORT

NEW BRUNSWICK—REQUEST FOR ASSURANCE HIGHWAYS IN NORTHERN PART OF PROVINCE NOT NEGLECTED

Mr. Herb Breau (Gloucester): Mr. Speaker, I wish to direct a question to the Minister of Transport. In view of news reports published in New Brunswick to the effect that the Ministry of Transport is considering sharing in an important highway development program with that province, would the minister assure the House that any agreement with New Brunswick will ensure that highways 17, 11 and 8 are upgraded to a better standard before any federal funds are used to help to build super four-lane highways elsewhere in the province while the development of the northern part of the province is being stifled by an inadequate highway network?

Hon. Otto E. Lang (Minister of Transport): No agreement by the Department of Transport has been entered into with the Province of New Brunswick although we have held discussions, as the hon. member knows, concerning the possibility of making use of certain transportation money which might otherwise be applied in other ways. There are discussions as well between the Department of Regional Economic Expansion and the Atlantic provinces concerning highway construction. In regard to the question of specific highway projects, I can only assure the hon. member that I for one, and my officials, will be very conscious of the strong feelings which he expresses about the need for highway development in the northern part of New Brunswick.

● (1450)

DATE OF DECISION ON PROGRAM FOR HIGHWAY CONSTRUCTION IN ATLANTIC REGION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): A supplementary question, Mr. Speaker. In view of the fact that the minister has indicated he is going to divert funds to strengthen the highway program for all of the maritime provinces, and since it is so vital to the Atlantic region to construct a proper highway and that it is necessary to start very soon, can the minister say how close he is to a decision?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, we are closer to the day when that decision will be made.

* * *

AGRICULTURE

PESTICIDES—REQUEST FOR ADMISSION OF SUPPLIES ORDERED PRIOR TO BORDER CLOSING AND RESTRICTION OF FRUIT AND VEGETABLE IMPORTS

Mr. John Wise (Elgin): Mr. Speaker, my question is directed to the Minister of Agriculture and relates to his recent announcement last Friday to close the border to pesticides. In view of the fact that many producers have not only ordered but paid for chemicals and are simply awaiting delivery of U.S. pesticides, would the minister suspend any restrictive actions against these earlier ordered pesticides?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, we are considering all requests which have been submitted to us by members of parliament and also by the growers themselves. No decision has been made at this time.

Mr. Wise: Mr. Speaker, my supplementary question is for the same minister. Since the minister has been so keen to respond quickly to pleas for aid from the pesticides industry, will he also exhibit such quickness in aiding the Canadian fruit and vegetable industry, the industry most affected by the closure of the border; and will he stem the flow the low priced imports which have ruined the incomes of many fruit and vegetable producers?

Mr. Whelan: Mr. Speaker, I think the hon. member should also tell us that many pesticides in Canada are cheaper than those available to United States farmers. American farmers have never had the opportunity to come to Canada to buy pesticides because the American government does not allow them to do so. No other country in the world allows their farmers to do what our farmers in Canada have been doing. The hon. member says that I acted quickly on behalf of the chemical industry. They have been making representations to me about this matter for over six months. In fact, if I check the records, I think I could go back almost as far as a year. We have had discussions with farm organizations, so to say that this was imposed quickly without discussions with the people concerned is just not the fact.

SUGGESTED EMBARGO ON IMPORTATION OF PROCESSED PRODUCTS TO SUPPORT PROCESSING INDUSTRY

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, my supplementary question is also for the Minister of Agriculture. In view of the fact that many segments of farm production need a strong processing industry in Canada, and in view of the minister's statement that he put an embargo on pesticides to create a strong pesticides industry in Canada, is the minister making representations to the cabinet that they place a similar embargo on imports of processed products which are produced in Canada in order to have a strong processing industry in support of the farmers?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I just want to point out before answering the last part of the hon. member's question that the programs this government has put in to help the farmers to whom he has referred are superior to the programs the American government has provided for their farmers. For instance, the apple producers got nothing from their government last year; the average apple producer in Canada received over $17,000 in payments this year. Certainly, I am making that kind of representation because I want to help the total agricultural industry, as the hon. member knows very well.

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CUSTOMS

SUGGESTED EMBARGO ON FOOD BROUGHT IN FROM UNITED STATES BY RESIDENTS OF BRITISH COLUMBIA

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, my supplementary question is for the Minister of Revenue. In view of the ease with which the Minister of Agriculture and the cabinet have effectively ruled against the farmers of Canada on the importation of pesticides, and in view of the statement by the Minister of Agriculture that only a few farmers along the border benefited, is the Minister of Revenue prepared to find some similar way to put an embargo on food products being brought into Canada from the United States by Canadian consumers along the border of British Columbia?

[*Translation*]

Hon. Monique Bégin (Minister of National Revenue): Mr. Speaker, I do not know whether I understood the meaning of the hon. member's question. Customs and Excise of Revenue Canada administer the customs and excise legislation. Last week, I was put a question by one of his colleagues from Manitoba on the tariff classification or on the embargo on pesticides. I said I would inquire but I did not get any information yet. At the end of his question he referred, I think, to another problem, but I did not understand. If he would repeat that part of the question, I will try to answer.

[Mr. Whelan.]

[*English*]

PUBLIC SERVICE

INQUIRY INTO ACTUARIAL VIABILITY OF PENSION PLAN— REQUEST FOR TERMS OF REFERENCE

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is to the President of Treasury Board. The minister undertook to make an announcement in this House on the commission that he is setting up to examine the actuarial viability of public service pension plans. Will he, when doing so, announce the criteria or assumptions which the actuaries will be required to use when making their inquiry?

Hon. Robert K. Andras (President of the Treasury Board): My commitment, Mr. Speaker, was to make the terms of reference public on the first possible occasion. They have not been finalized, and when completed I will seek the occasion to make them public.

* * *

CONSUMER AFFAIRS

REQUEST THAT OFFSHORE BEEF BE LABELLED

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. In view of the hundreds of thousands of pounds of offshore imported beef, not equal to domestic quality yet not identified as to source, now on the market, is the minister going to take steps to require all offshore beef to be labelled as such, thereby giving protection to Canadian consumers which they do not have at the present time?

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Mr. Speaker, I would have to consult with the Minister of Agriculture about this; I will take notice of the question.

* * *

PUBLIC SERVICE

PROPOSAL THAT TRIBUNAL BE ESTABLISHED TO HEAR THOSE ON BLACKLIST

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question is directed to the Prime Minister and relates to an answer he gave to a question yesterday regarding the difficulties experienced by Radio-Canada with their editorial staff. In light of the Prime Minister's reluctance yesterday to commit himself to naming the people within Radio-Canada who are subversives, in the sense of the question of separatism, for the reason that no criminal acts were alleged, would the Prime Minister now tell the House whether upon reflection he would be prepared to take some action in connection with those people who are named on the extra parliamentary opposition list, since those people were, of course, named as being subversives and were accused of being criminals within our society?

Right Hon. P. E. Trudeau (Prime Minister): Well, Mr. Speaker, I am not quite clear what action the hon. member is suggesting I take. Perhaps he could ask a supplementary question.

Mr. Oberle: A supplementary question, Mr. Speaker. I should like to ask the Prime Minister whether he is going to respond to correspondence that he has from individuals on the extra parliamentary list requesting that a tribunal be set up and that they be given an opportunity to clear their names of the charges which were laid against them?

Mr. Trudeau: Mr. Speaker, there were no charges laid against them. As far as I know, they do not have anything to clear. The only way in which names might have been made public is through the good offices of the opposition, and they should do what they can to rectify the harm they have done.

* * *

ENVIRONMENTAL AFFAIRS

GOVERNMENT ACTION TO PREVENT SPILLAGE OF OIL BY TANKERS—DISCUSSIONS WITH UNITED STATES AND OTHER CONCERNED PARTIES

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, my question is for the Minister of Fisheries and the Environment. In view of the fact that on a world-wide basis 19 tankers went aground or blew up in 1976, double the 1975 toll in tonnage and spilling more than a quarter of a million tons of oil into the sea, and in view of the minister's statement at Dalhousie University on February 25 that a good way to stop this is to make cargo owners liable not only for the clean-up but also the damage they cause if their oil is spilled, I would ask the minister what plans he is going to take to protect our environment from this type of sea-borne demolition?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, it is obvious, as I said before, that the way to solve this problem is to set international standards for all tankers, those that do enter our waters and those that do not, because once spilled the oil tends to move in the direction the waves push it. Obviously, if there is no international agreement, coastal states will have to protect themselves. The suggestion that I made at Dalhousie was that it might be an idea to have the companies owning the cargo also made responsible for any damage that that cargo causes if it is sent in leaky ships.

Mr. Crouse: A supplementary question, Mr. Speaker. I am not certain whether I should direct it to the Minister of Fisheries and the Environment or to the Secretary of State for External Affairs. Perhaps the Secretary of State for External Affairs could tell us whether he discussed this proposition with the Americans when he was in Washington? Is he giving any thought to establishing a satellite monitoring system that would keep track of tankers and other ships when they enter our 200-mile limit? Also, will he or his officials consult with the London based intergovernmental maritime consultative organization in the hope of establishing tighter international conventions governing oil spills and the design and operation of tankers when they are in our waters?

● (1500)

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, there are various parts to that question. I could probably answer yes to each one, that action is being taken on all of those fronts. On the specific question of whether the matter of Canada-U.S. co-operation has been discussed, very definitely so. One of the reference points for the conclusion of a permanent settlement on the boundary question is that pollution control will be one of the elements in that solution. In other words, that is one of the matters the negotiators will be discussing this year. As the hon. member knows from the experience of last December, the American spill of yesterday could be a Canadian spill as of tomorrow. Therefore, that is the kind of arrangement we are trying to work out which will deal with that kind of situation. All of the other elements at one time or another in recent months have been discussed.

In so far as the surveillance of the 200 miles is concerned on an electronic basis, the hon. member will know it is a very expensive system, particularly if it is going to be all embracing. Of course, certain new parts of it have been put into place in terms of coastal authorities both on the west coast and east coast and very likely more will be done as time goes by.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, I rise on a point of order.

Mr. Speaker: The hon. member for Bellechasse on a point of order.

Mr. Lambert (Bellechasse): Mr. Speaker, in view of the fact that, during the question period, there was no reference or nearly none to the ideas expressed the day before yesterday during the inauguration speech of the second session of the 31st legislature in Quebec City, that there was some mention of the question of the recognition of the French language in the province of Quebec, and that this morning the information media reported certain statements allegedly made by the Solicitor General of Canada. I would have like to ask him a question about this during the question period.

Mr. Speaker, he is reported to have said that if the rights of the English-speaking minority in Quebec were not respected following passage of legislation that will be submitted to the Quebec National Assembly, the federal government would intervene to protect the rights of English-speaking minorities in Quebec, while avoiding any use of force.

Mr. Speaker, I believe that this question is of national interest and this is why I would have liked the Chair to recognize me so that I may ask the minister about this to allow him to clarify the statement he made on this issue and to make all of Canada aware of the intentions of the federal government concerning the rights of minorities in a given province.

Canada Shipping Act

Mr. Speaker: Order, please. The hon. member for Bellechasse (Mr. Lambert) wanted to put a question to the Solicitor General (Mr. Fox) during the question period this afternoon, but unfortunately this was impossible because of the pressures which are typical on a Wednesday, especially because several members seek the floor each Wednesday to ask their questions. This afternoon it was possible to give the floor to only one Social Crediter, to two New Democrats, and then 12 or 13 Progressive Conservatives. I am convinced of the importance and of the quality of the question prepared by the hon. member for Bellechasse, but unfortunately it was impossible to recognize him this afternoon. He may perhaps ask his question tomorrow. This subject can be the matter of a question, but not of a question of privilege or a point of order.

ROUTINE PROCEEDINGS

[*English*]

CANADIAN BROADCASTING CORPORATION

TABLING OF CORRESPONDENCE FROM CRTC CHAIRMAN RESPECTING INQUIRY

Right Hon. P. E. Trudeau (Prime Minister): Just to keep the record complete, Mr. Speaker, I should like to table, under Standing Order 41(2), copies in both official languages of the correspondence I received today from Mr. Harry Boyle, Chairman of the CRTC, in which he indicates the Commission's agreement to undertake an inquiry into the CBC.

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AERONAUTICS ACT

AMENDMENTS RESPECTING CHARGES FOR USE OF AIRPORTS, ETC.

Hon. Otto E. Lang (Minister of Transport) moved for leave to introduce Bill C-40, to amend the Aeronautics Act.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

MARITIME CODE

MEASURE TO ESTABLISH CANADIAN MARITIME CODE

Hon. Otto E. Lang (Minister of Transport) moved for leave to introduce Bill C-41, to provide a maritime code for Canada and to amend the Canada Shipping Act and other acts in consequence thereof.

Motion agreed to, bill read the first time and ordered to be printed.

[Mr. Lambert (Bellechasse).]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 349, 350, 353, 355, 947, 1,012, 1,082, 1,306, 1,471, 1,518, 1,547, 1,548, 1,693, 1,720 and 1,978.

[*Text*]

AGRICULTURAL IMPLEMENT SALES

Question No. 349—**Mr. Nystrom:**

1. What proportion of total sales were the sales of the four largest firms in the agricultural implement industry in (a) 1960, (b) 1965, (c) 1970, (d) 1975 (or the most recent year statistics are available)?

2. What proportion of total sales did the eight largest firms in the industry earn in (a) 1960, (b) 1965, (c) 1970, (d) 1975 (or the most recent year statistics are available)?

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Statistics Canada replies: 1. The proportion of total sales earned by the four largest firms in the agricultural implement industry was 71.6 percent in 1965, 70.5 percent in 1970 and 65.2 percent in 1972 (Data for 1960 are confidential).

2. The proportion of total sales earned by the eight largest firms in the agricultural implement industry was 90.9 percent in 1958*, 84.8 percent in 1965, 79.9 percent in 1970 and 77.8 percent in 1972.

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* Data are not available for 1960. Data are available for 1958 as the result of a recent historical study of selected industries.

NOTE: Data are given confidential status when there is considered to be a reasonable chance of particulars being deduced.

BEVERAGE INDUSTRY—SALES BY FIRMS

Question No. 350—**Mr. Nystrom:**

1. What proportion of total sales were the sales of the four largest firms in the beverage industry in (a) 1960, (b) 1965, (c) 1970, (d) 1975 (or the most recent year statistics are available)?

2. What proportion of total sales did the eight largest firms in the industry earn in (a) 1960, (b) 1965, (c) 1970, (d) 1975 (or the most recent year statistics are available)?

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Statistics Canada reports: Soft Drinks Manufacturers: 1. The proportion of total sales earned by the four largest soft drink manufacturers was 45.1 percent in 1958*, 40.8 percent in 1965, 45.9 percent in 1970 and 46.2 percent in 1972.

2. The proportion of total sales earned by the eight largest soft drink manufacturers was 52.9 percent in 1958*, 48.0 percent in 1965, 54.5 percent in 1970 and 55.8 percent in 1972.

Distilleries: 1. The proportion of total sales earned by the four largest distilleries was 81.1 percent in 1958*, 84.2 percent in 1965, 86.4 percent in 1970, 80.9 percent in 1972.

2. The proportion of total sales earned by the eight largest distilleries was 91.7 percent in 1958*, 96.3 percent in 1965, 97.9 percent in 1970, and 94.5 percent in 1972.

Breweries: 1. The proportion of total sales earned by the four largest breweries was 92.5 percent in 1958*, 94.5 percent in 1965, 94.0 percent in 1970 and 96.5 percent in 1972.

2. The proportion of total sales earned by the eight largest breweries was 96.9 percent in 1958*, 99.6 percent in 1965 and 100 percent (only 7 enterprises) in 1972. The data for 1970 is confidential.

Wineries: 1. The proportion of total sales earned by the four largest wineries was 78.2 percent in 1958*, 71.1 percent in 1965, 64.1 percent in 1970 and 63.9 percent in 1972.

2. The proportion of total sales earned by the eight largest wineries was 95.4 percent in 1958*, 94.9 percent in 1965, 94.4 percent in 1970 and 89.4 percent in 1972.

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* Data are not available for 1960. Data are available for 1958 as the result of recent historical study of selected industries.

NOTE: Data are given confidential status when there is considered to be a reasonable chance of particulars being deduced.

SALES OF FLOUR AND BREAKFAST CEREAL

Question No. 353—**Mr. Nystrom:**

1. What proportion of total sales were the sales of the four largest firms in the flour and breakfast cereal products industry in (a) 1960, (b) 1965, (c) 1970, (d) 1975 (or the most recent year statistics are available)?

2. What proportion of total sales did the eight largest firms in the industry earn in (a) 1960, (b) 1965, (c) 1970, (d) 1975 (or the most recent year statistics are available)?

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Statistics Canada reports that: The flour and breakfast cereal products industry were treated as two industries by Statistics Canada beginning in 1970. 1. The proportion of total sales earned by the four largest firms in the following industries was: (i) Flour Mills industry: (a) 80.0 per cent in 1958*, (b) 79.6 per cent in 1965; (ii) Breakfast cereal manufacturers industry: (a) confidential, (b) confidential; (iii) Flour mills and breakfast cereal manufacturers: (c) 70.0 per cent in 1970, (d) 66.8 per cent in 1972.

2. The proportion of sales earned by the eight largest firms in the industry was: (i) Flour mills: (a) 90.2 per cent in 1958*, (b) 90.1 per cent in 1965; (ii) Breakfast cereal manufacturers: (a) confidential; (b) confidential; (iii) Flour mills and breakfast cereal manufacturers: (c) 87.7 per cent in 1970, (d) 85.3 per cent in 1972.

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* Data are not available for 1960. However, for certain industries data are available for 1958 as the result of a recent historical study of selected industries.

NOTE: Data are given confidential status when there is considered to be a reasonable chance of particulars being deduced.

SALES FRUIT AND VEGETABLE PROCESSING INDUSTRY

Question No. 355—**Mr. Nystrom:**

1. What proportion of total sales were the sales of the four largest firms in the fruit and vegetable processing industry in (a) 1960, (b) 1965, (c) 1970, (d) 1975 (or the most recent year statistics are available)?

2. What proportion of total sales did the eight largest firms in the industry earn in (a) 1960, (b) 1965, (c) 1970, (d) 1975 (or the most recent year statistics are available)?

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Statistics Canada reports that: the fruit and vegetable processing industry was treated as two industries by Statistics Canada beginning in 1970. 1. The proportion of total sales earned by the four largest firms in the following industries was as follows: (i) The fruit and vegetable processing industry: (a) 44.1 per cent in 1958*, (b) 39.2 per cent in 1965; (ii) The fruit and vegetable canners and preservers: (c) 41.6 per cent in 1970, (d) 39.7 per cent in 1972; (iii) The frozen fruit and vegetable processors: (c) The data for 1970 is confidential, (d) 60.5 per cent in 1972.

2. The proportion of total sales earned by the eight largest firms in the industry was: (i) The fruit and vegetable processing industry: (a) 52.6 per cent in 1958*, (b) 52.0 per cent in 1965; (ii) Fruit and vegetable canners and preservers: (c) 57.5 per cent in 1970, (d) 55.9 per cent in 1972. (iii) Frozen fruit and vegetable processors: (c) 78.0 per cent in 1970, (d) 78.2 per cent in 1972.

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* Data not available for 1960. However, for certain industries, data are available for 1958, as the result of a recent historical study of selected industries.

NOTE: Data are given confidential status when there is considered to be a reasonable chance of particulars being deduced.

ANTI-INFLATION BOARD—PERSONNEL

Question No. 947—**Mr. Howie:**

1. (a) As of November 1, 1976, how many persons were employed by the Anti-Inflation Board, (b) what is the total annual wage of those employed?

2. How many persons were employed by the Anti-Inflation Board for a nominal, on a volunteer basis or fee for service?

3. Have outside consultants been employed by the Anti-Inflation Board since its inception and, if so (a) how many, (b) who were these firms or persons, (c) what amount was paid to each, (d) for what purpose were they employed, (e) in each case, is the report available to the public?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): 1. As of November 1, 1976 (a) 674 permanent and term employees. (b) Annual salary for permanent and term employees—$10,644,009.20.

2. One hundred ninety-one secondments, executive interchange, contract and personnel agencies.

3. (a) Nineteen; (b), (c) and (d) See the table below. (e) It will be noted that the purposes of the studies as shown in the

table below were mainly to assist in the internal operations of the AIB. The reports are for internal administration and will not be made public.

	3(b) Firms or Persons	3(c) Amount Paid	3(d) Purpose of Study
1.	Bureau of Management Consultants, Department of Supply and Services	$221,871.00	Internal operation and administration of the department
2.	Project Management Centre, Department of Supply and Services	21,150.00	Central Planning and scheduling
3.	University of Toronto	5,000.00	a) wage determination in Public Sector b) analysis of changes in relative earnings c) analysis of wage controls in U.S.A.
4.	University of Guelph	1,737.92	Analysis of microwage adjustments and income policies
5.	Mr. D. Auld	133.95	Analysis of microwage adjustments and income policies
6.	Mr. L. Christofides	*—	Analysis of microwage adjustments and income policies
7.	Mr. R. Swindinsky	*—	Analysis of microwage adjustments and income policies
8.	Mr. Y. Kotowitz	4,265.81	Analysis of microwage adjustments and income policies
9.	Mr. J. C. Gragg, University of British Columbia	1,000.00	Role of expectations in the process of inflation
10.	Canadian Economic Services Ltd.	4,930.20	To design systems for assessing AIB's impact on consumer prices
11.	Corporate Economics Ltd.	12,250.00	Compensation evaluation
12.	Systemshouse Limited	94,232.52	Computer programming services
13.	Data Logic Ltd.	153,395.88	Computer programming services
14.	Systems Dimension Ltd.	80,692.62	Computer programming services
15.	Data Cap Ltd.	39,527.20	Computer programming services
16.	C D Howe Research Institute	4,016.53	Advice on Communications Policy
17.	N. A. Gemmel	8,000.00	Advice on development of reporting systems
18.	Herman Smith Resources	32,595.15	Advice on establishment of Compensation Branch
19.	Pierre Fontaine et Associé	60,890.24	Assistance and advice in the development of AIB communications

* No payments had been made up to November 1, 1975.

HOSPITALITY EXPENSES

Question No. 1,012—**Mr. Howie:**

1. What amount was paid for entertainment by the Canadian foreign service including trade commissions, embassies, consulates, delegations and all offices in and outside of Canada in the fiscal year ending March 31 (a) 1976, (b) 1975, (c) 1974?

2. Is a separate account available for alcoholic beverages and (a) if so, in what amount, (b) if not, what is available and in what manner is it ascertained?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): 1.

	(a)	(b)	(c)
Department of External Affairs	$1,672,017.00	$1,701,316.00	$1,478,085.00
Canadian International Development Agency	$ 108,148.27	$ 125,553.04	$ 117,788.14
Department of Industry, Trade and Commerce	$1,204,340.00	$1,189,661.00	$1,476,287.00
Department of Manpower and Immigration	$ 164,000.00	$ 157,000.00	$ 118,000.00

2. No. (a) Not applicable. (b) No separate account is maintained and it would be impossible to calculate these expenditures with any meaningful accuracy. Other departments involved have submitted a nil reply or cannot separate the entertainment costs of foreign officials and delegations from the general hospitality account.

[Mr. Kaplan.]

CBC—PLAYING OF ROYAL ANTHEM

Question No. 1,082—**Mr. Schumacher:**

1. Has the playing of the Royal Anthem "God Save the Queen" been dropped by CBC TV when they sign off each evening and, if so, by whose authority?

2. (a) For what reason was the decision taken, (b) on what date was the Royal Anthem dropped?

3. Has the Royal Anthem been dropped by all CBC TV stations and, if not, which CBC TV stations are no longer playing the Royal Anthem at sign off and what is the reason in each case?

Hon. John Roberts (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. The CBC television network as such does not sign off at night. Sign-off is carried out by individual stations. The CBC has placed the responsibility on these stations to decide whether "God Save the Queen" will be played.

2. Not applicable.

3. No. CBC stations which do not carry "God Save the Queen" are as follows: CBGAT Matane, CBVT Quebec City, CBOT and CBOFT Ottawa, CBLFT Toronto, CBET Windsor, CBWT and CBWFT Winnipeg, CBXFT Edmonton, CBRT Calgary, CBUFT Vancouver, (11 out of a total of 27 stations). The reasons given by these stations is that "O Canada" has general public acceptance as the national anthem and is therefore considered to be the appropriate anthem to be played at sign-off.

WESTERN GRAIN STABILIZATION PLAN

Question No. 1,306—**Mr. Neil:**

As of November 30, 1976, how many (a) producers have opted out of the Western Grain Stabilization Plan, (b) employees are on staff under the Western Grain Stabilization Plan?

Hon. Otto E. Lang (Minister of Transport): In so far as Canadian Wheat Board is concerned: As of December 31, 1976. (a) 39,663; (b) Nine full-time; six casuals.

EXTENSION OF LETTER CARRIER DELIVERY SERVICE

Question No. 1,471—**Mr. Howie:**

1. Is mail delivery being extended to new urban concentrations of population which lie outside existing door-to-door letter carrier routes and, if so, by what methods?

2. Are steps being taken to bring this service into line with the door-to-door service available in other areas and, if so, what are they?

Hon. J.-J. Blais (Postmaster General): 1. Delivery beyond existing letter carrier route boundaries is made through group boxes located in or near new areas.

2. No. Extensions of letter carrier service have been deferred until further notice. This policy became effective November 18, 1975, and is part of the federal policy on restraint in spending.

CPP DISABILITY BENEFITS

Question No. 1,518—**Mr. Malone:**

1. (a) In each of the past three years, how many persons received CPP disability allowances, (b) how many were eligible for a disability tax exemption, (c) what was the (i) average, (ii) median income of the recipients?

2. (a) In each of the past three years, how many persons qualified for a disabled persons tax exemption, (b) what was the (i) average, (ii) median income of the recipients, (c) how many were recipients of CPP disability benefits?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): In so far as Health and Welfare Canada is concerned: 1. (a) The number of persons in receipt of CPP disability pensions at the end of the past three years was: December, 1974 38,444; December, 1975 48,901; December, 1976 61,305. (b) and (c).

2.(a), (b) and (c) The Department of National Health and Welfare has no information relating to personal incomes or tax exemptions.

In so far as the Department of National Revenue is concerned: 1. (b) and (c) This information is not available.

2. (a) and (b) The information requested is not readily available from existing statistical tabulations. (c) This information is not available.

PRIVATE EMPLOYMENT AGENCIES

Question No. 1,547—**Mr. McKenzie:**

1. Has the Department of Consumer and Corporate Affairs obtained (a) part-time, (b) full-time employees from private employment agencies in (i) British Columbia, (ii) Alberta, (iii) Saskatchewan, (iv) Manitoba, (v) Ontario, (vi) Quebec, (vii) New Brunswick, (viii) Nova Scotia, (ix) Prince Edward Island, (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies, (b) average hourly rate paid to employees, (c) total amount paid by the Department in (i) 1975, (ii) 1976?

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): 1. (a) Yes.

2. Main Estimates.

3. (c) (i) $392,045. (ii) $291,569.11 to January 25, 1977. Other information is not readily available.

DEPARTMENT OF COMMUNICATIONS—HIRING OF EMPLOYEES THROUGH PRIVATE EMPLOYMENT AGENCIES

Question No. 1,548—**Mr. McKenzie:**

1. Has the Department of Communications obtained (a) part-time, (b) full-time employees from private employment agencies in (i) British Columbia, (ii) Alberta, (iii) Saskatchewan, (iv) Manitoba, (v) Ontario, (vi) Quebec, (vii) New Brunswick, (viii) Nova Scotia, (ix) Prince Edward Island, (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies, (b) average hourly rate paid to employees, (c) total amount paid by the Department in (i) 1975, (ii) 1976?

Mr. Ross Milne (Parliamentary Secretary to Minister of Communications): 1. See following statement.

		1975-76	1976-77
(a)			
	British Columbia	4	19
	Alberta	8	7
	Saskatchewan	1	1
	Manitoba	2	1
	Ontario (including National Capital Region)	139	142
	Quebec	5	5
	New Brunswick	0	0
	Nova Scotia	0	0
	Prince Edward Island	0	0
	Newfoundland	0	0
(b)			
	British Columbia	0	0
	Alberta	0	0
	Saskatchewan	0	0
	Manitoba	0	0
	Ontario (including National Capital Region)	0	0
	Quebec	0	0
	New Brunswick	0	0
	Nova Scotia	0	0
	Prince Edward Island	0	0
	Newfoundland	0	0

Order Paper Questions

2. From the Department's main estimates.

Province	(a) (i) Hourly Rate/Agencies 1975-76	(ii) Hourly Rate/Agencies 1976-77
British Columbia	$2.34	$2.28
Alberta	2.20	2.48
Saskatchewan	2.08	2.10
Manitoba	2.12	2.38
Ontario	2.53	3.00
Quebec	1.83	1.88
New Brunswick	0	0
Nova Scotia	0	0
Prince Edward Island	0	0
Newfoundland	0	0

3. See following statement.

(b) (i)	(ii)	(c) (i) Total Paid by Dept. 1975-76	(ii) Total Paid by Dept. 1976-77
The average hourly rate paid to employees by agencies is not known to the Department of Communications		$ 2,472.00	$26,270.00
		1,950.44	9,388.50
		175.50	275.61
		2,564.02	624.76
		59,087.00	86,214.92
		2,448.98	2,866.88
		0	0
		0	0
		0	0
		0	0

(see Beauchesne's Parliamentary Rules and Form, Fourth Edition, citation No. 171(Y).

DEVALUATION OF THE CANADIAN DOLLAR

Question No. 1,693—**Mr. Howie:**

Does the government have any contingency plans to protect the Canadian public from the increased inflation resulting from the devaluation of the Canadian dollar in relation to foreign currencies and, if so, what are they?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): The government's existing policy concerning the indexation of the Old Age Pension, the Guaranteed Income Supplement, the Family Allowance, Veterans Benefits, etc. automatically provides a degree of protection against increases in the price level from any source.

INDUSTRIAL PARK AT NACKAWIC, NEW BRUNSWICK

Question No. 1,720—**Mr. Howie:**

Since January 1, 1975, has DREE made any effort to find or assist in the finding of industries willing to locate in the Industrial Park at Nackawic, New Brunswick and, if so, what are they?

Mr. Ed. Lumley (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Department of Regional Economic Expansion is as follows: Please see the reply to question 1063, House of Commons Debates, January 24, 1977, page 2290.

OLYMPIC TRACK AND FIELD EQUIPMENT IN MONTREAL

Question No. 1,978—**Mr. Halliday:**

1. Has any of the Olympic track and field equipment in Montreal been sold to persons outside of Canada and, if so (a) what equipment, (b) to whom, (c) was it sold by auction, (d) what was the price in each case?

2. Was the sale advertised in Canada and, if so, in what manner and in what locations?

3. Was any consideration given to distributing such equipment free to Canadian track and field clubs and, if so, what was the conclusion and the reason for such conclusion?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): This matter does not fall within the administrative responsibility of the Government of Canada

[Mr. Milne.]

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if questions Nos. 1,052 and 1,164 could be made orders for returns, these returns would be tabled immediately.

I should perhaps point out to the House that this is largely the material requested yesterday which the Parliamentary Secretary to the Minister of Industry, Trade and Commerce (Mr. Poulin) and I undertook to present to the House as quickly as possible in response to the question of the hon. member for Central Nova (Mr. MacKay).

[*Text*]

STATISTICS CANADA—DR. IVAN FELLEGI AND MR. A. SUNTER

Question No. 1,052—**Mr. MacKay:**

1. Since April 1, 1970, did Dr. Ivan Fellegi, Assistant Chief Statistician, receive any remuneration for services rendered outside of his official duties at Statistics Canada and, if so, in each case, what was the (a) name of the organization or individual which paid him, (b) date of payment, (c) amount involved, (d) nature of the service rendered?

2. Is Mr. A. Sunter, recently Senior Advisor to Dr. Ivan Fellegi at Statistics Canada, presently employed in the Public Service and, if so (a) in which department, (b) at what classification and salary range, (c) in what capacity, (d) at what location?

Return tabled.

STATISTICS CANADA

Question No. 1,164—**Mr. MacKay:**

1. Prior to February 28, 1974, what outside activities relating to the dissemination or analysis of statistical data by Mr. Gerald Snyder, Mr. F. L. Torrington, Mr. I. E. Altman, Mr. Y. Goulet and Rosalyn Snyder were known to Dr. Sylvia Ostry, Messrs. V. R. Berlinguette, G. W. Andrews and Walter Duffett of Statistics Canada?

2. Prior to February 28, 1974, was the existence of Alan Jefferey Associates known to Dr. Sylvia Ostry, Messrs. V. R. Berlinguette or G. W. Andrews of Statistics Canada and, if so, in each case, what was the earliest date of such knowledge?

3. During December 1973 and January and February 1974, was statistical information requested by officials of the National Capital Commission from the Merchandising and Services Division of Statistics Canada and, if so (a) what was the information, (b) on what dates, (c) in each case, what was the name of the (i) NCC official, (ii) Statistics Canada official, (d) what information was (i) provided, (ii) not provided and, for what reason?

4. Did NCC officials discover that Decision Sciences Corporation, Pennsylvania, was obtaining statistical information on shopping centres in the Ottawa area from employees of Statistics Canada and, if so (a) how was the discovery made, (b) on what date, (c) who was the NCC official and from what source did he or she learn of such information?

5. Was a Statistics Canada employee reported to the NCC for providing statistical data to Decision Sciences Corporation and, if so (a) what was his or her name, (b) was the employee contacted by any official of the NCC for the purpose of obtaining statistical information and, if so (i) on what date, (ii) what data were sought, (iii) what was the name of the NCC official?

6. Did the Statistics Canada employee, referred to in Part 5, offer to sell privately to the NCC, statistical information and, if so (a) what was the asking price,(b) how did the NCC official respond to the offer and did he notify any other NCC officials and, if so (i) who, (ii) on what date?

7. As of November 3, 1976, was the Minister responsible for Statistics Canada aware that an employee had offered data derived from Statistics Canada sources to an official of the NCC and (a) if so, for what reason was it not reported in the answer to Part 9 of Question No. 764, (b) if not, were the officials of Statistics Canada aware of this offer?

8. As of November 3, 1976, was the Minister responsible for Statistics Canada aware that Mr. Snyder in 1973, entered into negotiations with Dean John Crispo and with the Government of Ontario regarding a study of shopping centre sales, which Mr. Snyder would conduct on a non-governmental basis and (a) if so, for what reason was it not reported in the answer to Part 9 of Question No. 764, (b) if not, were the officials of Statistics Canada aware of such negotiations?

9. Was the Chairman of the NCC notified of the activity of the Statistics Canada employee and, if so (a) on what date, (b) by whom, (c) in what form?

10. Did the Chairman of the NCC notify the Clerk of the Privy Council of the activity of the Statistics Canada employee and, if so (a) on what date, (b) in what form?

11. (a) What employees of Statistics Canada were referred to by name or title in the letter of the Chairman of the NCC to the Clerk of the Privy Council, (b) what were the reported activities of each such person?

12. Did the (a) Chairman of the NCC, (b) Clerk of the Privy Council notify the Chief Statistician of the activity of the employee of Statistics Canada and, if so, on what date and in what form?

13. Did the Chairman of the NCC notify the RCMP of the activity of an employee of Statistics Canada, as reported to him by his officials and (a) if so, on what date, (b) if not, for what reason?

14. (a) What employees of Statistics Canada were referred to by name or title in the letter of the Clerk of the Privy Council to the Chief Statistician, (b) what were the reported activities of each such person?

15. Did the Clerk of the Privy Council notify the RCMP of the activity of an employee of Statistics Canada, as reported to him by the Chairman of the NCC and (a) if so, on what date, (b) if not, for what reason?

16. Prior to February 28, 1974, were there any discussions between the Clerk of the Privy Council and the Chief Statistician about the activity of an employee of Statistics Canada reported by the Chairman of the NCC and, if so, on what date?

17. Did the Clerk of the Privy Council in his letter of February 26, 1974, or on any other occasion, offer any advice to the Chief Statistician on the action to be taken in respect of the activity of an employee of Statistics Canada as reported to him by the Chairman of the NCC and, if so (a) what was the advice, (b) on what date was it offered and for what reason?

18. On what date did the Chief Statistician first learn of the alleged improper activity of an employee of Statistics Canada as reported by the Chairman of the NCC?

19. On February 28, 1974, did the Chief Statistician call a meeting of Statistics Canada officials to discuss the improper activities alleged by the Chairman of the NCC of a Statistics Canada employee and, if so, what were the names of the officials present at the meeting?

20. Did any official of Statistics Canada, privy to the information conveyed to the Chief Statistician by the Clerk of the Privy Council or the Chairman of the NCC, discuss the alleged improper activity of an employee of Statistics Canada with the Director of the Merchandising and Services Division prior to April 28, 1974 and (a) if so, who was the official and on what date did the discussion take place, (b) if not, what were the reasons for not notifying the Director of the Merchandising and Services Division?

21. Did any official of Statistics Canada, privy to the information conveyed to the Chief Statistician by the Clerk of the Privy Council or the Chairman of the NCC, discuss the alleged activity within the Merchandising and Services Division with (a) Mr. Snyder, (b) Mr. Torrington, (c) Mr. Altman, (d) Mr. Goulet prior to June 17, 1974 and, if so (i) what were the names of the officials involved, (ii) what was the nature of the discussion, (iii) on what date did the discussion take place?

22. Did the RCMP contact (a) Mr. Snyder, (b) Rosalyn Snyder, (c) Mr. Torrington, (d) Mr. Altman, (e) Mr. Goulet and, if so, in each case, on what date?

23. What individuals were interviewed by the RCMP in the course of their investigation and on what dates?

24. Was any search made by the RCMP in the course of their investigation and, if so (a) on what date, (b) what were the locations involved, (c) what documents were seized, if any?

25. Was the conclusion of the RCMP investigation that there had been no breach of the confidentiality requirements of the Statistics Act, based on consultation with Statistics Canada officials and, (a) if so (i) what were the names of the officials, (ii) what advice did they provide, (b) if not, what were the qualifications of the investigating RCMP officer which would have provided the statistical expertise required to form such a judgement?

26. Were all the data sold to Decision Sciences Corporation examined in detail by officials of Statistics Canada?

27. Did Mr. Snyder, Rosalyn Snyder, Mr. Torrington, Mr. Altman or Mr. Goulet, employees of Statistics Canada, state to the RCMP that they or Alan Jefferey Associates were operating with the prior knowledge or approval of any official of Statistics Canada and, if so, what officials were named?

28. As of February 1, 1974, did (a) Mr. Snyder, (b) Mr. Torrington, (c) Mr. Altman, (d) Mr. Goulet from Statistics Canada have access to data files containing information pertaining to individual respondents of Statistics Canada surveys and, if so (i) what surveys were involved, (ii) what was the exact nature of the information in each case?

29. What were the exact responsibilities of (a) Mr. Snyder, (b) Mr. Torrington, (c) Mr. Altman, (d) Mr. Goulet with respect to the planning, implementation and publications of the 1971 Census of Merchandising and Services?

30. What was the total cost of the 1971 Census of Merchandising and Services, in each fiscal year, in which expenditures relating to the Census were made?

31. In the initial submission presented by Statistics Canada to the Treasury Board relating to the 1971 Census of Merchandising and Services, what was the projected cost for each fiscal year of the Census?

32. Did any publication resulting from the 1971 Census of Merchandising and Services contain less information than had been planned as of June 1, 1971 and, if so, in each case, what were the reasons for the absence of such information?

33. Of the publications that had been planned to result from the 1971 Census of Merchandising and Services, which ones had not been published as of October 1, 1976 and, in each case, for what reason?

34. As of October 1, 1976, what publications have been issued from the 1971 Census of Merchandising and Services and, in each case, what was the content and date of such publication?

35. As of June 1, 1971, what publications were planned to result from the 1971 Census of Merchandising and Services and, in each case, what was the intended content and date of the publication?

36. As of October 1, 1976, how many employees of Statistics Canada with university degrees, occupied positions which do not require university degrees and, in each case, what was the classification of such position?

Return tabled.

Mr. Goodale: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

Some hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I would ask that all notices of motions for the production of papers be allowed to stand.

Some hon. Members: Agreed.

● (1510)

GOVERNMENT ORDERS

[*English*]

OLD AGE SECURITY ACT

AMENDMENT RESPECTING PENSION PAYABLE TO PERSONS SIXTY-FIVE YEARS OF AGE AND OVER CONTINGENT UPON RESIDENCE IN CANADA

Hon. Marc Lalonde (Minister of National Health and Welfare) moved that Bill C-35, to amend the Old Age Security Act, as reported (with amendments) from the Standing Committee on Health, Welfare and Social Affairs, be concurred in.

The Acting Speaker (Mr. Turner): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

Mr. Lalonde moved that the bill be read the third time and do pass.

He said: Mr. Speaker, in speaking to Bill C-35, I am pleased at the outset to thank all hon. members who participated in the debate on second reading and in the discussions of the Standing Committee on Health, Welfare and Social Affairs. As was noted on these occasions, the provisions of the bill are important for all residents of Canada, especially for those who have earned social security credits in other countries but who are deprived of foreign benefits in the absence of international agreements. Now that a general consensus has been reached concerning these provisions, I trust that hon. members will want to give the bill speedy passage.

The constructive suggestions made by hon. members on all sides of the House in considering this bill are a matter of public record. I would therefore like to describe briefly certain of the measures which my department has taken in responding to them.

[Mr. MacKay.]

In addition to the public information campaign, to which I referred in committee, for conveying the provisions of the bill accurately to the general public, I intend to continue our efforts to inform fully all members of program developments. As a result of the arrangements for closer liaison between constituency offices and OAS regional offices which my department inaugurated last December, our regional directors report that the level of service to pensioners has improved and that GIS renewals are being handled more effectively. This is due in large part to the more prominent role being played by hon. members and their constituency offices in handling inquiries from pensioners. For its part, the department has improved its field services through the establishment of 76 itinerant offices. In combination, these measures have led to a more efficient resolution of pensioner problems and, in most cases, to same day replies.

My department intends to reinforce this link by providing program information to constituency offices, as we have done during the initial phases of this bill. I will, of course, continue to welcome the comments of hon. members on our progress in this area.

When the standing committee was examining the bill the other evening, one hon. member raised an objection to the fact that we require the pensioner to sign jointly with his spouse the application for spouse's allowance benefits. I undertook at that time to investigate whether a pensioner had ever refused to sign an application for spouse's benefits. Upon investigation we could find only one instance of a pensioner refusing to sign the spouse's application out of over 75,000 benefits being paid, and even this particular instance could well be justified since in some instances the fact that a spouse's allowance would be granted could result in lower GIS benefits for the pensioner. The dual signing requirement would therefore not appear to be a significant problem. At the same time there are good reasons for having this procedure.

The dual signatures give some assurance, first of all, that the couple are indeed married or have a common law relationship and are living together. The dual signatures also mean that we have the spouse's acceptance of the fact that his or her GIS may be varied downward in accordance with the rates payable under the spouse's allowance program. Therefore it would seem to be the best course to leave the matter the way it is.

[*Translation*]

It is also the government's intention to broaden the options feature under the GIS and spouse's allowance programs to provide compensation for reductions in Canada Pension Plan benefits and for cessation or reduction of alimony payments or of private carrier disability insurance payments.

GIS and spouse's allowance benefits are payable on a fiscal year basis and are based on income received in the previous calendar year. However, when a person suffers a loss of income due to termination or reduction of private pension benefits, GIS and spouse's allowance benefits may be recalculated on the basis of the estimated reduced income for the

current calendar year, thus allowing for an increase in these income-tested benefits.

Currently, the old age security regulations governing this issue do not include CPP/QPP survivors' and disability benefits, alimony or private disability insurance payments. My officials have recently reviewed this issue and have concluded that the option provisions currently covering annuity payments, unemployment insurance benefits plus superannuation and other private pension payments should also cover supplementary CPP/QPP benefits, alimony and private disability insurance payments.

I wish to thank the hon. member for Gatineau (Mr. Clermont) in particular for having brought the matter to the attention of the committee.

The government therefore intends to amend the old age security regulations so that the new option provisions become effective with the proclamation date of this bill. In the meantime, my officials will continue to study this matter with a view to clarifying whether other income items should be added to the list used to determine entitlement to income-tested benefits under the old age security program.

[*English*]

Time does not permit me to review all the helpful suggestions made and the efforts being deployed in following them up. The primary objectives of Bill C-35 are to permit international agreements, and to provide greater equity in the treatment of beneficiaries and consistency among the three tiers of the Canadian retirement income system. Therefore, in once again thanking all concerned for their contribution toward achieving these objectives—and assuring them of the continuing co-operation of my officials and myself—I would urge upon all hon. members the bill's speedy passage.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, as has been stated, we do not intend to hold up this bill unduly because the vast majority of us who have had anything to do with it through second reading stage, committee stage, and now third reading, find there are matters in it that have been outstanding for a considerable time which need a little tidying up.

I was pleased to note that the minister had reviewed the position which was brought to his attention by one of the lady members with regard to joint applications. It is interesting to note that out of 75,000 joint applications there was only one which was a problem, which really indicates that there is no problem whatsoever.

I am also appreciative of the fact that the minister indicated to us that certain exceptions will be made in the GIS. He mentioned that in a few cases it would be counted as income. I would respectfully point out to the minister that in committee he indicated some 18 different examples of income which would reduce GIS. As I understand it, he is looking into this matter very thoroughly. It seems to me that if anyone needs assistance in this country, it is certainly our senior citizens, to whom we owe a considerable debt, and I hope the minister will be active in this regard and that in the near future he will come up with further exemptions which would allow long-run financial assistance to our senior citizens.

• (1520)

I would like to take a little bit of time to review this legislation. Changes in the residency requirement respecting old age security so that the pension is earned by residents at the rate of one-fortieth of the eventual full pension for each one year of residence in Canada after age 18 mean that in order to receive the full pension one must be legally resident in Canada for 40 years. Any length of residence less than 40 years would qualify a person for an OAS pension which is a portion of the full pension calculated at the rate of one-fortieth for each year. The present residency rules create a situation whereby one either qualifies for pension or does not receive one at all. This is certainly a hardship. We have now done away with the all or nothing at all provision with respect to OAS. I must say that that is a commendable step, and it will certainly assist many people.

I think this bill is very important, and it will seem even more important when I indicate what can happen to some people who are being shortchanged. On the international level, to protect the acquired social security credits of our residents who migrate across international borders during their active years, as a result of this bill we can negotiate reciprocal agreements with other countries similar to those already in existence. This would facilitate the receipt of pension credits accumulated by immigrants in their country of origin though they now reside in Canada. Reciprocal agreements make social security portable between contracting countries and allow for the co-ordination of their social security programs.

As I understand it, we do not need this bill to start negotiating with countries such as Italy, France, the United Kingdom, Bermuda, Jamaica, etc., but it is the expressed intention of the minister to start, if not continue, discussions with the various countries so that we can be in a position to execute the documents as soon as this bill is proclaimed. As I understand it, the bill will be proclaimed as soon as possible, but the earliest date the minister can see right now is July 1.

I hope that on further reflection the minister will be able to settle on an earlier date because I do not know why, if this bill is passed tonight or perhaps tomorrow, it cannot be implemented a little earlier. In any event, we at least know he has a target date of July 1.

I would like to put on the record what this new residency requirement actually does. There has been a lot of misunderstanding. The hon. member for Winnipeg North Centre (Mr. Knowles) asked me—and I was very honoured—to second his motion regarding the press, on February 10. Not having read the bill to know what it is all about, the press, unwittingly perhaps, projected a feeling by way of reports which left people confused with respect to what is really required. I would like to put the following on the record:

Q. To whom would the new residence rules apply?

A. After a transition period of 40 years, to everybody. During the transition period, however, only to residents of Canada under the age of 25 when the new

rules come into force, and to anyone, irrespective of age, who is not now residing in Canada or who has not had prior legal residence here after the age of 18.

That is an important statement. It indicates that the new rules apply during the transition period only to residents of Canada under the age of 25, and those coming into Canada. That is one point.

There is another point. This does get a little fuzzy unless one is extremely careful, and I want to follow it up. Regarding to whom the new residence rules apply, persons 25 or over residing in Canada or having had prior legal residence here after the age of 18 will have the opportunity, as they have now, to qualify for a full pension under the existing residence requirements. That means the present law. If they cannot qualify for a full pension under the existing rules, they could receive a partial pension related to their years of residence in Canada, under the new rules. That means that these people will have a choice, and this is where we have to be extremely careful. This is why I pointed out to the minister that we must advertise in order to bring about full awareness of the implications of the matter I just spoke of because, if one is not careful, one can be shortchanged. If people do not know what this bill is all about, they may take an early pension and get less than the amount to which they would really be entitled had they known the implications of applying for an earlier pension.

I know the hon. member for Winnipeg North Centre likes to have credit given to him when it is due. He brought home very forcibly a problem which can arise. I would like to read from the committee report of February 22 wherein the hon. member was concerned about a person who would be entitled to twenty-nine fortieths of a pension because that person had that amount of time, but if he waited a further month he could have been entitled to thirty fortieths, if I can put it that way. This means that that has to be properly advertised.

By asking for an early pension a person can shortchange himself for the sake of one month. At page 19:15 the hon. member for Winnipeg North Centre is reported to have said the following:

> Let me give you this example. I have picked figures that build up my case, but it is a case that could take place. Somebody is in Canada now who is over 25, which puts him in the category of having the choice. He stays here until he is 43—that is 18 years—and then he goes away. He comes back at age 62. So, at age 65 he has had 18 years that he was here earlier and three more, which makes 21. So, under the new rule he qualifies for 21/40ths of the pension.
>
> MR. LALONDE: Right.
>
> MR. KNOWLES (WINNIPEG NORTH CENTRE): But let us take that same person who had 18 years here before. Under the old rule, on the three for one basis, that is worth six years. He has now been here from age 62 to 65, three years, that is nine years. If he waited one more year, instead of getting 21/40ths of the pension he would get 100 per cent under the old rule. I do not think it is good enough just to spell out the rules. I think the person who comes along with that record should be told, 'Look, brother, one more year and you will get 100 per cent instead of 21/40ths.'

That is what I mean by a shortchange provision. We are very happy to have had the wisdom and expertise of the hon. member for Winnipeg North Centre, who zeroed in on this, but what do we intend to do? Well, the minister says he realizes that if people are not careful they will be shortchanged, and once they are shortchanged there will be no turning back. We cannot turn back the clock, although the minister said that perhaps there would be some consideration given. However, the way the act is drafted, once a person applies and his application is approved, he has had it. In that way people can be shortchanged.

I am pleased that the minister mentioned the new liaison he has with the regional offices which are dealing with local constituencies in order to help senior citizens understand not only OAS but everything else which has to be done in terms of completing forms. We are concerned about whether there will be proper counselling. They should be told, "Under the regulations, if you take this pension now you are going to be shortchanged, so wait a month or two years, depending upon the circumstances, and you will be able to take full advantage of the act."

• (1530)

What I asked for, what I think the minister will do, and what should be done, is the provision of counselling services immediately the act is proclaimed so that no one will be shortchanged. In other words, I do not want the onus to be on the applicant; I want the onus to be on the government to protect our senior citizens. The minister says he understands that, and will move in that direction, not only on the domestic level but internationally as well. It is extremely important that people involved in this type of program not be shortchanged. I know the minister has been said to be a hard nut at times, but in connection with our senior citizens he seems to have some sympathy—except in one area, the spouse's allowance.

Some hon. Members: Hear, hear!

An hon. Member: Terrible!

Mr. Alexander: Let me bring up another matter which was mentioned in committee. I am not going to be partisan because it is not a partisan matter. The government talks about restraint but it has spent $1 million trying to defend the indefensible—wage and price controls. I asked the minister, and he agreed, to find money to introduce an advertising program to publicize the changes. I know he has shafted all the municipalities with respect to urban transit, but this particular matter I speak of is extremely important.

I must give the minister credit for a paper which he had prepared setting forth all the hypothetical questions and answers. I asked him and he agreed—he is nodding his head affirmatively so he thinks this is a good point—to find the money for an advertising campaign to let senior citizens know the effect of this bill, particularly those who will be taking advantage of the choices offered.

In amending the Old Age Security Act the minister had to refer to the spouse's allowance, much to his disappointment and chagrin. This is one of the most draconian and callous measures the government could possibly conceive. It is a very simple procedure, but the minister opened up a hornets' nest and has no sympathy for the people involved.

First of all, there are people living together—they do not even have to be married. They can be living in sin, but I do not want to get involved in that because we raised hell about it before. If the minister's morality leans that way, that is his business. If one spouse is 65 and the other spouse between 60 and 64—under 65—the younger is entitled to a spouse's allowance. The spouse's allowance was set up because it was recognized that two people could not live on one pension, so it was a good principle. But the minister goes along with the fact that when the person receiving the old age pension dies, the one receiving the spouse's allowance no longer gets it. If they are receiving a combined pension of $420 and the one on old age security dies, then the survivor gets nothing.

I do not know why the minister is so hard in this respect. His position is indefensible. There are 200 elderly people who get a message of condolence every month when the spouse dies but then we tell them they are not going to get any money and that they can go on welfare or social assistance. That is not the same thing, Mr. Speaker. Once a person receives an income as a right, which he or she will as a result of this legislation, then I cannot understand why the minister is insistent on cutting the survivor spouse's allowance off. That does not make sense; it is draconian; it is callous. I hope the minister will have second thoughts about this. He will probably give a lot of excuses, but we cannot accept them.

I should also point out that the spouse's allowance is discriminatory. The minister would be better advised to wait until he brings in social security legislation. If he thinks he can win the approval of the provinces to a guaranteed annual income, he would be better to wait until such time as the country can afford it, otherwise he will only alienate the senior citizens. Those between age 60 and 64 who are living with someone, married or not, are recognized, but widows, widowers, spinsters, bachelors and separated people in the same age group are left out. That is blatant discrimination and has no place in government policy. The principle is wrong and we on this side resent it. We shall continue to hammer home the fact that the death of one spouse should not disentitle the other. The minister is going to have to see to it that these people are recognized.

I think I have covered the important points, Mr. Speaker, and I know my colleagues will have something to say on the bill. It moves in the right direction. The old age security pension will now be based on periods of residence, and that is a good thing. When the bill is passed, the "all or nothing" law will be removed, and if a person desires he or she can acquire a portion of the pension. Some 500,000 people in the country will be affected by the new reciprocal agreements. There are countless hundreds concerned about pensions from Great Britain who have not been able to acquire either the escalation in the principal payment of the pension or the escalation itself. Once these agreements are entered into Canadians living abroad will be able to take advantage of the pension there and those who come here from abroad can take advantage of pensions they cannot draw now.

We endorse this bill, Mr. Speaker, we hope the minister will introduce the counselling service which is extremely important because of the choice, and that he can spend some money on advertising. If the Minister of Transport (Mr. Lang) can spend money flying the old Learjet surely we can get money to advertise the new rules that will affect so many people.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, as I indicated when I spoke on behalf of the New Democratic Party on second reading, we support the principle of this bill, which has the effect of establishing a new basis with respect to the residency requirements for old age security. That is still our position. Not only do we support it, we welcome it because we believe that what is being proposed will solve a number of problems and put things on a basis of fairness. However, I shall have something more to say about that in a few minutes.

• (1540)

Of course during the course of my remarks I shall say something about the things not in the bill and which ought to be in it. Likewise, I shall speak with strong feeling about one feature of the Old Age Security Act which is being continued by this legislation without any attempt to correct a flagrant injustice involved therein.

Having said that we support the change this bill will establish in the residency requirements, I think I should put on record again the motion this House passed under Standing Order 43 on Thursday, February 10, as reported on page 2905 of *Hansard*. I had the privilege of moving the motion. It was seconded by the hon. member for Hamilton West (Mr. Alexander), and reads in these words:

> That this House urges the media to make it clear to the people of Canada that anyone now in Canada who is 25 years of age or over will not be affected by the new rules regarding old age security but will, on reaching age 65, be able to qualify under the residence rules now in effect for the full amount of the basic pension.

Not only did the House pass the motion unanimously, but the Minister of National Health and Welfare (Mr. Lalonde) read it into the record when the standing committee met to deal with the bill. He gave that plea his approval. Emphasizing this aspect of the matter at the beginning of one's speech may seem to be a bit of a departure from the broad principles of the legislation, but my experience and correspondence tell me that it must be emphasized.

Let me make it clear that I think many of the provisions in the new rules are good. I shall say why I think so in a moment. In the meantime many Canadians now in this country, when they hear about the new rules, are confused and concerned lest they will get less pension than they thought they would receive.

I think all in this House agree that we want it to be understood that anybody who is in Canada on the day this new law is proclaimed, which I understand is to be July 1, 1977, who is 25 years of age or older, still has the right to qualify under the old rules, because the law will provide precisely that any such person can choose as between the old rule and the new rule, whichever is to the benefit of that person. But even

after we have settled these things and the press has reported them, we will still get letters and inquiries. People are concerned about these things. The minister says that he will give the matter publicity. I hope that that publicity, together with what we are saying, will relieve the anxiety of those now in the country who fear that something will happen to the amount of pension they will get.

The present full pension is available to anyone who has resided the last ten years before age 65 in Canada or who meets the various rules which can be substituted for that requirement. Such people will still be able to get the full pension.

Since I have said so much about the applicability of the old rules to those who are now in this country, why am I speaking favourably about the new rules; why do we bother with them? There are two main reasons for the new rules. First, they will make it possible for persons who have left Canada, or persons who leave Canada before age 65 and who at present, unless they go through a pretty awkward routine, get nothing, to get a proportional amount of the pension. The new rule says that you get one fortieth of the full pension for each full year of residency in Canada after age 18. That means that persons now abroad who are not able to draw the old age security pension will, under the new rules, if they spent 15, 20 or 30 years in Canada after age 18, be able to apply for a prorated portion of the old age security pension. It is unfortunate that many of these people have been denied pensions. I think the rule which made it possible for some individuals to get the pension by coming back and spending a year in Canada at age 64 or 65 was fair, but impossible for many people to meet. Sir, I think it is good that we are making this provision.

The other side of the coin is not so easy to defend initially; certainly it is not so easy to praise, because it suggests that certain persons may get a lesser pension. Those who might get less down the road sometime are persons who come to Canada after this bill becomes law and are here after age 18 for less than 40 years. They will get only that number of fortieths represented by the number of years they have been here after age 18. Since we do not pay the pension to those who have left, why should we not be fair and treat both those who have come and those who have gone away in the same way?

What is the rest of the picture? Under this law reciprocal arrangements will be possible with other countries, and as we gain experience with this new law we shall see that there will be a great many persons in Canada who will be drawing pensions made up of a portion earned while they were in Canada, and a portion earned while they were in some other country, or perhaps two or three other countries. I am satisfied that when this whole process is in full working order, in many of those cases the situation will be much better than now and that many individuals will have a better total pension than they can now receive. As I say, this matter must be based on fairness.

The thing that strikes me as unfair at the moment is this: A person can be born in this country and live here until he is 55 years of age and then go away; but unless he comes back for

[Mr. Knowles (Winnipeg North Centre).]

that other year about which we all know, he gets nothing. On the other hand a person can come to this country at age 55 and ten years later get the full pension. Clearly, the all or nothing arrangement contains elements of unfairness. This legislation seeks to correct that unfairness, and in that respect we think it is a good idea.

I shall return to that in a moment. Before I do so may I say that in addition to the need to clear up the confusion existing in the minds of many who are now in this country, it will also be necessary to clear up the confusion which may arise once the new régime is in operation. I thank the hon. member for Hamilton West, a good friend, for making it unnecessary for me to include all that I might have put into my speech, by quoting what I said in the Standing Committee on Health, Welfare and Social Affairs. I appreciate his compliment, that I made the case with the examples I gave. Actually, I gave two examples.

When the new rule comes into effect, some persons will get less than they would otherwise be entitled to if they apply at the wrong time. The scheme will be worked on the basis of full years. If a person applies when he has 29 years and 11 months of residency, he will get less than if he had waited another month, and had 30 years of residency. In other words, he would get twenty-nine fortieths instead of thirty fortieths. He should be advised to wait one more month.

Then there will be cases of those who, by waiting a year or two, might qualify under the old rule and get 100 per cent pension, whereas under the new rule they would get less. I am happy to say that the response we got in the standing committee to the two examples I raised was an assurance, especially from public service officials representing the department, that a counselling service for dealing with such cases will be established.

● (1550)

I testify to what the minister has said, that the regional old age security offices have been developing contacts with our constituency offices and that counselling services are more available than they used to be. I am glad to know that when the new system gets going there will be a still more active counselling service. It can be very important to a person whether he applies, say, this month or next. When you add the escalation factor, in the years down the road, the point at which a person applies can make a tremendous difference. It is no use applying and then realizing one should have waited a month. It is too late, then. The basic amount given is the basic amount for life. So I am glad this counselling is to be put in place.

The legislation, generally, is the kind we can support. The two elements of confusion we have been talking about, the confusion which exists right away on the part of those who are here, and the confusion which can come down the road a bit, need to be dealt with and I am glad the department intends to do so.

Despite the approval I have given to the change of residence rules, there is one element which disturbs me. I am not going

to make a big fuss about it today because I think the fuss will have to be made in ten or 11 years' time, so hon. members can count on me 10 or 11 years from now to raise the point I have in mind—provided some of them are still here!

We are saying that a year's residence in Canada after age 18 gives you a fortieth of the pension, whether you are born here or came as an immigrant, whatever the age was. That is complete mathematical fairness. But I also look at it this way: a person who lives in Canada until he is 35, 40, 50, pick any age you want, and who then goes away, has maybe taken a slightly different attitude than the person who comes here even as late as age 55. The ones who have gone away from Canada and left—in some cases it would be for health reasons; that is one of the main reasons why I am delighted about this bill—and in other cases it might be for economic reasons because they can pick up a pension or a higher income in some other way—have left the country, have shaken the dust of Canada off their shoes, but those who have come here have come by choice; they have decided they want to live here for the rest of their days. It may be just a bit tough to tell such persons that because they were here only ten or 15 years prior to age 55 they will get only ten or fifteen fortieths of the pension. The reason I am not unduly concerned about this is because I have been here long enough to know that when injustices of that kind develop something is usually done about them. This will not show up in the next 10 or 11 years.

During the next eight or nine years, the old rules will apply and the persons who come here late in life will not qualify under either set of rules. In about 10 or 11 years from now, you watch, there will be members getting up in this House and saying, "I have got correspondence, I have got cases of persons who have come here late in life, who have made this country their home, who have made a contribution, and some of them will get only ten or fifteen fortieths of the pension." And the minister over there will say ten or 15 years from now, "Oh, but that person can get the full GIS." And we will say from this side—or maybe we shall be over there—"Ten fortieths or fifteen fortieths of the basic pension and the full GIS don't add up to the amount he would get if he got the full pension, and the full GIS." And the minister of that day, if he is anything like the present minister, will say, "Oh, but such persons can apply for social assistance." Social assistance, relief, welfare, whatever you call it, still has a stigma attached to it no matter how much you say it is a right under the law. I believe that if the day comes when we realize that Canada is not being fair to some of our new Canadians, we shall correct it.

I say that, Mr. Speaker, because I remember the days when no pensions could be taken out of Canada at all. And then we got it so you could take it if you had been here for 25 years. Later we changed that to 20 years. I remember the days when missionaries who had spent their lives abroad could not get the pension in Canada. But, as these things came to light parliament had the decency to correct them. Therefore I believe that ten or 11 years from now, if it does become apparent that we are not being fair to the immigrants who have come to this country and have been here only ten or 15 years, we will at that time do something about it. I would like to have it on the record now, and it comes from one who supports the bill, that this is a situation we may have to deal with a decade hence.

An hon. Member: I don't think I shall be around.

An hon. Member: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I hear a number of remarks from over there. Some of my hon. friends do not seem to want to stay around here. This is a good place to stay.

An hon. Member: He can listen as well as speak.

Mr. Lalonde: He can do both.

Mr. Knowles (Winnipeg North Centre): I am glad to see that the Minister of National Health and Welfare has decided to come down to this end of the Chamber so he can hear me better.

Mr. Lalonde: I want to hear the words of wisdom.

Mr. Knowles (Winnipeg North Centre): I hope he will like what I am going to say now, as well. I think that on a day like this, when we are amending the Old Age Security Act, it should be said, and who better to say it than a member of the opposition, that I think our Old Age Security Act and Canada Pension Plan legislation together make up one of the best provisions for retirement security you can find anywhere.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): In principle, old age security and the Canada Pension Plan are good. You know I believe we should increase the amount and lower the age, but in principle not only are they good—

An hon. Member: They are the best in the world.

Mr. Knowles (Winnipeg North Centre): That sounds like the Minister of Agriculture (Mr. Whelan). Everything he speaks of is the best in the world.

An hon. Member: Like the government. It is the best in the world.

Mr. Knowles (Winnipeg North Centre): Listen! If you want me to make a speech about how the Liberals were forced to bring these things in, I shall do so. I have been here. I know the history. But I want to say to my hon. friends opposite who are now in a receptive mood and agreeing with me, that I see the day coming when retirement security, pensions for people generally will be based even more than they are today on the Old Age Security Act, and the Canada Pension Plan.

There is a great pension debate going on in the country right now. Do you know why that debate is going on? It is because private plans cannot fill the bill. Private plans cannot provide escalation, and all this campaign against escalation of public service pensions by private interests is just because they cannot do it.

Dr. Noel Hall in his report on railway pensions a while ago said that unless private pension plans can come through with escalation to keep pension plans up to the cost of living, they will fail. And I think they will. So I believe that what we need is to extend the Canada Pension Plan so that it provides not just 25 per cent of the income adjusted and so on of one's best working years, but 50 or 75 per cent.

Now I am back to what I was saying a moment ago when I was agreeing with my friends across the way that the concept of a basic flat pension, such as old age security, which is paid to everyone who reaches retirement age without any means test at all, plus an earnings-related pension on top of that, such as the Canada Pension Plan provides, is good. Not only is it good but it is the kind of thing that will provide the answer to failing private pension plans.

● (1600)

I completely support the position that is being taken by the Public Service Alliance of Canada in the advertising it has been spreading across the country these last few days to the effect that it is the private plans generally which are unfair to Canadians. Those who receive pensions from private pension plans represent only 40 per cent of the population of Canada. But who pays for them? The entire population.

We have a pension situation in Canada today in which everybody pays, but only some get good pensions. It would be far better to have everybody pay on an ability to pay basis, and everybody get adequate old age security under the Old Age Security Act and the Canada Pension Plan. I plead very strongly that we move in that direction and that we move fairly soon. These things can move faster than one believes.

I suppose I have said this before, but I can remember when I was a new, young member sitting in the back row advocating the removal of the means tests, advocating pensions of $30 a month when it was $20, and advocating a lowering of the age. Some of my Conservative friends who sat nearby would say to me, "You have a good and bright idea, Stanley, but it will never come about; you are too futuristic". We have gone beyond even my dreams when I first came here, Mr. Speaker. However, I am not dreaming now but I am being very realistic when I say that the kind of economy we have today, the whole business of pension funds and indexing, is such that the real challenge is for government to improve old age security, to extend the Canada Pension Plan, and to let these two be the main basis for retirement security for all our peoples.

I had better not forget to look at the clock now and again, Mr. Speaker, because there is something I do want to do before my time runs out. Again I want to thank the minister for one improvement which was put into the legislation, and that has to do with grandparents who are drawing OAS and GIS and also getting family allowance because they are bringing up their grandchildren. That has been taken care of in the legislation, but I still do not know why the minister could not have made this provision retroactive to cover the situation as of today. Here's hoping that somehow this will be done.

[Mr. Knowles (Winnipeg North Centre).]

I welcome too his announcement today that the regulations respecting the right to have one's GIS based on the current year's income instead of the last year's will be revised so that most forms of income which cease will not have the effect of delaying an increase or causing a decrease in the guaranteed income supplement. I am glad that these steps have been taken.

This brings me to the last point, and by some strange coincidence it is the same subject the hon. member for Hamilton West spoke of at the end of his remarks this afternoon, namely, the spouse's allowance. I am glad to see the hon. member for York South (Mrs. Appolloni) in her seat this afternoon because I felt very encouraged by the stand she took on the spouse's allowance in a number of respects when we were dealing with this matter in the committee the other day. I noticed that the Minister of National Health and Welfare referred to one Liberal by name. He accepted his idea, but he referred to another Liberal member without giving her name because he had obviously not accepted her idea. When I say "his" and "her" that straightens it out, does it not?

The minister did answer one of the points made by the hon. member from York South, but I thought he brushed it aside with his usual capacity for not getting the point. My hon. friend from York South does not like the fact, because she is a woman and thinks that women should have equal rights, that a woman has to have her husband sign the application for spouse's allowance. I know it works both ways and the husband might have to ask the wife, but in most cases the wife is the younger spouse, and in practical terms this is the way it works out.

The minister says today that he has had his officials look at the matter and out of 75,000 applications there was only one case, says he, where spouse's allowance was not granted because the elder spouse would not sign the application. But the minister missed the point completely. It is not whether the couple gets the spouse's allowance; it is the indignity that the woman has to go through to get her husband, ornery though he may be, to sign the application.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I tried to make this point yesterday in a motion under Standing Order 43, to which the Minister of State (Fitness and Amateur Sport) (Mrs. Campagnolo) said "Hear, hear" but to which others over there said "No", when I complained that it is contrary to the principles of equal rights and human justice, and all the rest of it, to say to a woman between the age of 60 and 65 that she cannot get a pension unless she produces a husband. In other words, neither a spinster nor a widow qualifies.

This whole set-up is totally wrong. I am delighted that the hon. member for Hamilton West concentrated on it as he did in the latter part of his speech, and I was pleased with the stand which the hon. member for York South took on the matter in committee the other day. But no matter how you slice it, Mr. Speaker, the fact of the matter is that the government is saying to persons between 60 and 65 that, in

addition to a means test, they have to undergo a marital test. If you have a husband or a wife and you meet the other two conditions, you get the allowance; if you do not have a husband, or if you are a man and you do not have a wife, you do not get it.

The minister says that his aim was to solve the problem of two people trying to live on one pension. When we come back and tell him that if that is impossible, how can he expect one person to live on no pension, his reply is that social assistance is also a right. I hope that we made our point in committee. This is the line that can be taken in the comfort of the House of Commons, or in the comfort of the committee room or the minister's office, but out there in Canada people who have to apply for social assistance, relief, or welfare, feel it is a stigma, that there is shame attached to it. What they want is a pension as of right.

The minister also says that I am trying to use the back door to get pensions at 60. I do not care whether it is the back door, the side door, the front door, or coming down the chimney, the fact is that I do want pensions available at 60. I am satisfied to have them available between the age of 60 and 65 for those out of the labour market. I think that is a reasonable test. But to have a marital test and to say to a woman that she does not qualify for a pension unless she has a husband is completely contrary to the Bill of Rights.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Turner): Order. The hon. member for Winnipeg North Centre (Mr. Knowles) has the floor.

Mr. Knowles (Winnipeg North Centre): Thank you, Mr. Speaker, but I am enjoying the help. I am not so concerned about pensions that are paid in common law situations because in many cases there are explanations. But if the allowance is paid to both spouses, under common law, surely it can be paid to spinsters and widows.

As I say, Mr. Speaker, I am glad the hon. member for York South got into this question the other day. My hon. friend from Hamilton West raised the question, where was she in 1975? Most Canadians did not realize this in 1975. We did. The hon. member for Hamilton West, the hon. member for Kingston and the Islands (Miss MacDonald), and some of the rest of us fought hard several years ago to try to get something done. As months went on and people became aware of it, they were horrified. Even newspapers now carry editorials expressing horror at this sort of thing. I think the whole question ought to be reviewed, and before I sit down I shall give the House a chance to vote on a motion that would call for the whole question of the spouse's allowance to be reviewed.

● (1610)

It is wrong to deny the spouse's allowance to a spinster or widow. I would give it to everyone in that bracket who is out of the labour market. That is my position, and everyone knows it. But it seems to me that it is the ultimate in cruelty and meanness to say to a wife who is 62 or 63 and is on the spouse's allowance that, when her 67 or 68 year old husband dies, her spouse's allowance will be cut off. According to statistics, that is happening to about 200 Canadians a month. There is no defence for it at all. That phase of the matter should be reviewed, and reviewed seriously right away.

The minister is quite right when he says I want to go further. I want pensions available to all at age 60 who are out of the labour market. As a lifetime opponent of means tests, it will be hard for me to say that I will accept some kind of income test for anyone between 60 and 65. However, the test I cannot accept is a marital test. It is just not fitting and I feel that this House should say so.

After all the kind things I have said about my friend from York South, and I appreciate what she did in committee the other day, I hope that she will get into this and give her support at this stage.

An hon. Member: And that she won't get axed.

Mr. Knowles (Winnipeg North Centre): As the hon. member says, she should not get axed. As I said, I thought it very interesting that the minister named the Liberal whose suggestion he accepted but did not name the Liberal whose suggestion he rejected.

I have made it quite clear, as I hope I have a good many times, that what we have done in the social security field in the years I have been here is tremendous, comparing what it is today—

Mr. Caccia: All Liberal legislation.

Mr. Knowles (Winnipeg North Centre): The Tories did a little, but most of it has been Liberal legislation. However, every last bit of it was because the Liberals were prodded from this side of the House right from the beginning. The reason we on this side are still prodding is because we believe it will work. We believe we will yet get pensions at 60, certainly between 60 and 65 for all those out of the labour market. If that cannot be done in this session, we will have to go a step at a time. If, for example, when we bring down the pension age we have to do it from 65 to 64, to 63, to 62, to 61, to 60, that is fine. However, there is one thing we can surely bring an end to right away, that is, cutting off the pension and the allowance of the spouse who becomes a widow before she reaches 65.

When we were debating veterans affairs the other day, I told the story of the wife of a veteran in New Brunswick. The veteran is on a 15 per cent disability pension, old age security, the guaranteed income supplement, and war veterans allowance. As she is about to turn 60, she has been told she must apply for the spouse's allowance. That is the way the law reads. She will get the spouse's allowance, the veteran's allowance will be cut off and they will be right where they were in terms of dollars.

This woman has asked what will happen if her husband dies before she is 65. She will be out of everything. His disability pension drops because it is less than 48 per cent, the old age security drops, the guaranteed income supplement drops, and

the spouse's allowance drops. She can apply for war veteran's allowance under a means test. She can apply for welfare. The Minister of National Health and Welfare says that is a right because it is in the law. I say it has stigma and shame attached to it so it is not good enough.

That is a potential case. That woman's husband is at an age and his health is such that this is likely to happen to her. It is now happening to 200 people a month, most of whom are women. The least this House can do is put an end to that. This is why I want the matter to be reviewed.

Bill C-35 has two clauses which deal with the spouse's allowance, Clauses 8 and 9. They have to be there because the spouse's allowance is being recast to fit the new rules. That is what Clause 8 does. Clause 9 makes it doubly sure that when a spouse becomes a widow, her spouse's allowance stops.

Clauses 8 and 9 of this bill should be reviewed by the committee. There is no hurry. The minister said that the intended proclamation date is July 1. It would not delay getting this legislation into effect. It would not detract from our readiness to support the legislation as a whole to support the review I am asking. I insist that what we are doing to women between 60 and 65 ought to be reconsidered and changed. Therefore, Mr. Speaker, I move, seconded by the hon. member for Timiskaming (Mr. Peters):

That the motion be amended by deleting all the words after the word "that", and by substituting therefor the following words:

"Bill C-35 be not now read a third time, but that it be referred back to the Standing Committee on Health, Welfare and Social Affairs for the purpose of reconsidering Clauses 8 and 9 thereof."

As I have already said, Clauses 8 and 9 deal with the spouse's allowance. If the committee is worth its salt, it will recommend that a change be made in the provision of spouse's allowances. If we will do that, then Bill C-35 would be one that, as amended, we could pass with great pride.

The Acting Speaker (Mr. Turner): Is the House ready for the question?

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, I would not like to deprive my colleague of the opportunity to make some comments, so if you would allow me I could speak after him.

[*English*]

Mr. Alexander: Mr. Speaker, I rise on a point of order. I thought because of the motion that was introduced we would have an opportunity to make some reply with regard to the substantive part of that motion. I will not be long.

I am surprised. I have said that my colleague from Winnipeg North Centre was my friend. He is still my friend. However, in light of the fact we have been working so well together, I thought he could have given me a little notice. I say this with a great deal of respect. It is a good thing we happen to be on the same side of the fence this time.

[Mr. Knowles (Winnipeg North Centre).]

I hope that in the future the hon. member for Winnipeg North Centre (Mr. Knowles), who certainly knows his stuff, will not be so devious, and I say this with great respect, and at least give this side some indication. In the conversation we had around the corner and back of the curtain he gave me no idea that he was going to move this motion.

Having said that, having registered our concern, and having indicated that we object most adamantly, strenuously, and vigorously to the position the minister takes with regard to the death of a pensioner wiping out the income of the surviving spouse, and we cannot forgive the minister for this, we intend to support the motion of which we should have received some little notice. I just thought I would let you know what we think of the Minister of National Health and Welfare (Mr. Lalonde).

The Acting Speaker (Mr. Turner): I would just like to say that the hon. member for Bellechasse (Mr. Lambert) rose first and that is the reason I recognized him.

● (1620)

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, in reply to the hon. member for Hamilton West (Mr. Alexander) may I say to him that I am glad to know, but I am not surprised, that he will support my amendment. May I just say to him that there is no requirement for giving notice of amendments which occur like this and, quite frankly, I thought that my friend might move the same amendment. To be brutally frank, I felt that if I told any members of the Conservative party what I was going to do, it would put the idea into their heads; so I just decided it was my right and that I would do it myself. But I am glad the hon. member will support my amendment.

The Acting Speaker (Mr. Turner): Order, please. I suggest to the hon. member he is getting into a debate, and I will recognize the hon. member for Bellechasse (Mr. Lambert).

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, now that the matter is settled between the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member for Hamilton West (Mr. Alexander), I would like to add a few words about that amendment to the Old Age Security Act. I am convinced that hon. members will not show any partisanship. I would not want for any reason whatever to make a political football out of our senior citizens. It does not matter whether the legislation is amended under a Liberal, Progressive Conservative, New Democractic or Social Credit government. What matters is for parliament to assume its responsibilities and give senior citizens this right to security. Moreover, if we consider mankind, we will realize that any human being seeks security from birth till death. Consider a baby in his crib, he is concerned for his security. He cries when he is apprehensive.

Most of the time, since it is the mother who looks after the children, the child will turn to her and call out: Mother! This means that something is bothering him and that he feels insecure.

Let us also observe, a little later, the student. When children start attending school, whether it be kindergarten, primary or secondary school, college or university, at all levels, they worry about security. They want some security. They want to be assured that their life will be trouble free and that their needs will be met.

Let us look a little later at teenagers, when they begin to feel a responsible part of society. Then they want absolute security. They work to secure it for themselves. And when they become adults and enter the labour market, let us consider all the labour demands and everything the unions will do to obtain security for their membership. This is further evidence that everybody is concerned with security.

All through his life, Mr. Speaker, a person works to ensure his security and to make sure that in his old age, when he is no longer able to work and earn a living, he will have the money and the income required to support himself. It is in this respect, Mr. Speaker, as the hon. member for Winnipeg North Centre (Mr. Knowles) so rightly said a while ago, that Canada has a social security scheme which is quite advanced and provides eligible senior citizens with the security they need. One only has to look to the south at the United States, and extremely powerful nation, to realize that our old age security pension scheme is superior to theirs. Which does not mean that we must rest on our laurels and show complacency instead of trying to improve this scheme within the possibilities available in Canada.

Again last weekend, I received representations from senior citizens, from people who are not yet 60 but who are having a hard time finding a job so as to be self-sufficient. I was told by the way that the most difficult time in life is between 50 and 65, because there is no quaranteed security. One cannot be sure of having a job or a guaranteed monthly or yearly income. So this is a period of insecurity, the most difficult period in life.

Mr. Speaker, even though I support the principle of the bill, even though I am pleased with the amendments designed to make the act more equitable for a larger number of people, whether they be immigrants or people who had to leave the country and return after a number of years, I feel such improvements are desirable and deserve to be supported, promoted and implemented. But the fact remains that under the act as it is now, Mr. Speaker, the pension is granted to people of 60 who are living with another person of 65 or more.

● (1630)

When this legislation was passed, I recall very well making comments in the House and urging the Minister of National Health and Welfare to amend the bill so as to respect the sacredness of marriage. Under this legislation, ever since its enactment there is no need to be married to be eligible for old age security. You only need to be 60 years of age, to live with a person of 65 without necessarily being married—to shack up—but to have been seen with an older person aged 65 or more. As I said then, I think this flies in the face of the divine institution that is family.

In fact, a family is composed of a husband, a wife and finally, when the circumstances are favourable, of children. But at 65, being husband and wife is just the same as on the day of marriage at age 20. The unfortunate thing in all this are representations, for example, like those made to me again last weekend, namely that when someone is aged 60, 62 or 63 and his spouse in wedlock or otherwise is 65, 66 or 68 and the later dies, the surviving spouse is left without a pension. That person loses everything and has to rely on welfare, a worse situation than before. Mr. Speaker, I submit to the minister that we should amend the act once more to authorize payment of the spouse's allowance to persons under 65 even where the qualifying pensioner has died, so as to prevent difficult situations.

This often has serious consequences not only for the person involved but also for his or her family. Because when someone has been counting on a guaranteed income and that income suddenly disappears, this creates very serious difficulties. That person must go on welfare and God knows, Mr. Speaker, it is not an easy matter these days to need welfare because regulations get tougher and tougher, they are implemented in a much tighter way than they used to be. It seems that the tougher the situation, the more stringently regulations are applied. A very great number of people are now in almost destitute circumstances, and it is an anomaly that in Canada we should be imposing in 1977 impossible circumstances on people in that age group.

It must be recognized that in general people 60 and over have been doing hard work all their lives, they have tried to earn a living, they contributed to Canada's development, building parishes, towns, cities and industries, day after day, through their work with their fellow citizens, in the hope that when they became disabled or older, society would recognize their contribution to Canada as a whole and that well-earned security would be generously forthcoming. Work is the reason for our being on earth, it is a gift of Providence. Working is fine, working is rewarding: that is what makes us achieve something, provided we get something out of it not only for today but also for tomorrow when there will be fewer paydays and as physical strength will start going down.

Mr. Speaker, I think the government is moving gradually in the right direction, but they should proceed much more quickly because the more they wait, the worse it gets. When changes are made, it is very often too late; the damage is done, the conditions have changed and our solutions are obsolete, because we live in a sick society.

My hon. friend opposite is smiling at me, as if I were telling him a cock-eyed story. However, I know that in a constituency like mine, just as in all the other ridings in Canada, there are hardship cases which give the shivers to those responsible for running a large and beautiful country like Canada, a country able to provide those of 60 and over with some security without their having to go through all kinds of procedures they know practically nothing about.

A few days ago, I met people who were looking for that kind of information, and yet I must commend the Minister of

National Health and Welfare (Mr. Lalonde) or his officials—

Mr. Fox: The minister of health!

Mr. Lambert (Bellechasse): Yes, the minister of health or his officials; they work hand in hand, I believe. Information is enclosed in the envelopes with the pension cheques. I would ask him to see to it that this information is more explicit, more specific and detailed, so that these people may know where and to whom they should write to have a situation corrected.

I have already said it and I repeat it today. In the province of Quebec, in the district office for the Quebec area, at least those responsible for the old age security pensions and family allowances are competent. They get busy whenever you show them that a situation needs to be corrected.

Mr. Speaker, I wish I could pay the same compliment to all departments, all civil servants. Unfortunately, that is impossible. In some departments, the minister's instructions are completely ignored, civil servants could not care less about the authorities and the recommendations of hon. members who are delegated and elected by their fellow citizens; all these things are overlooked, ignored, those people could not care less.

That is why in Canada, at the present time, there exists in some groups a dissatisfaction which makes us shudder, which annoys and worries us; we should all together take a serious look into what is going on and work together, so that our fellow citizens, Canadians, both Francophones and Anglophones, can say that in Canada the administration is responsible and does everything in its power to give equal opportunities to all Canadians from all parts of the country.

Mr. Speaker, if we give ourselves the trouble of doing this all together, we will have made much progress and will make even more in coming months: time is of the essence. Mr. Speaker, it makes me boil to see ministers, civil servants and senators go on television on the French network of the CBC and say they are concerned about national unity, about the fate of Canada. But they are the ones who got us into this mess, by their laissez-faire, free and easy attitude. And now, throwing their arms up in the air, they cry out: Something must be done, the ship is going to sink.

● (1640)

Mr. Speaker, the time to act is not after the ship has been abandoned but while we are still aboard so we can row and get the ship in to port. Mr. Speaker, no wonder the ship of Canadian unity is drifting and many serious people are showing great concern about this. It is because we did not take our responsibilities when it was time to do so. Two or three weeks ago I raised a point during the adjournment motion at ten o'clock.

I submitted the idea that we should consider the possibility of granting pensions at 60, of lowering the age of early retirement for all those who want to leave the labour market and would then receive the OAS pension. The minister answered—which was quite expectable—by saying that there are thousands of unemployed people, housewives and forcibly retired people who are without work but who would still want to have this pension.

Mr. Speaker, to that I say they should sit down and seriously consider the appropriate statistics so as to figure out just how many people of 60 are on a payroll—men or women—and how many of those people pay into a retirement fund of any kind. Let them find out how many people would be willing to retire voluntarily to be able to do something else. And I do know that at 65 they are not all finished, I know there are still people able to work, to be efficient and useful in their environment, in their country, and that is why I want them to have that freedom to continue to work or retire. I am not thinking of something autocratic, dictatorial, but a voluntary thing.

Mr. Speaker, I think that after considering all those figures I am convinced you will find that Canada would be in a much better position to give them that security and allow young people who want to work to do so. There are still young people who want to work—my office is flooded every week with young people who come to my office to ask their member of parliament to help them find a job because they want to work—and I would much rather help them find a job than help them get unemployment insurance or social welfare benefits. Before 25, 30, 40, it is not time to live on pensions, it is time to build. But at 60 it is time to reap, to benefit from one's effort.

The government, the state, all together we should make an effort considering the rate of unemployment and the great number of unemployed who do not produce anything but to whom we must pay unemployment insurance or social welfare benefits to allow them to live. I think it would be right to tell older people: at 60, you have earned it, you have worked hard, the government is amending its legislation and is going to allow you to retire voluntarily at 60. And each of those people could be given a well deserved old age security. Mr. Speaker, in three or four months you would notice the change in this country because I know from my experience there are in my underdeveloped area of the south shore many people who find it rough, who barely make it, who do not have all the necessary income to allow them to face their daily needs and who would like very much to be able to enjoy the advantages of their country.

However, there are many young men and young women who have nothing to do and who would like to make some contribution. Mr. Speaker, it is not difficult to speak to young people, they are people like everyone else. I raised twelve of them and I never hesitated to speak to them and reprimand them when need be. They did not hate me for all that, and all the members who have children know it. We must make young people understand that in society they have both rights and obligations and that they must accept them if they really want their rights to be respected. They must start by doing their duty, and then demand that their rights be respected.

When we tell this to young people, they understand us and they end up by recognizing that we are right and by understanding that there must be a time in life to build, a time to

develop, a time to sow and a time to reap, and that the time to reap is not when you are 20. It comes many years later. This is why I say that the time to reap has come for the people aged 60, and I am glad to hear serious people like the hon. member for Hamilton West (Mr. Alexander), the hon. member for Winnipeg North Centre (Mr. Knowles) and all hon. members, whatever their party, who have the same ideas and who want to work towards the same end so that we may pass a legislation which will respect the sacred character of the family and of marriage and which will still grant the right to security to any single person. It is not necessary to be married; people should receive old age security at 60 instead of having to live hypocritically with someone else to qualify immediately for old age security. The present legislation is terrible if we think about this and if we want to go to the bottom of things.

Mr. Speaker, I make this plea once again with all the strength that I have and with all the heart that God has given me. I urge the Minister of National Health and Welfare (Mr. Lalonde) and all members of parliament to allow this legislation to be amended to make it as good as it can possibly be. Moreover, I believe that the amendment suggested by the hon. member for Winnipeg North Centre is intelligent and logical. It is not a matter of thinking about things which do not exist and I would not like to see tomorrow's newspapers reporting to Canadians that the hon. member for Winnipeg North Centre has moved an amendment to kill the bill. This is not the case and it is not in this spirit that the amendment has been moved. What is the substance of the amendment? That the bill be referred to the committee to be studied again and amended so that it truly meets the needs of this category of persons, whether they be married, widowed, bachelors or whatever; the only important requirement is to be 60 years of age.

Mr. Speaker, nobody can give us a guarantee that in two, three or five years, the legislation will not be amended again so that the age of eligibility for old age pension will again be reduced by a few years. That is evolution, evolution in the right direction, evolution toward ever better social, economic and financial benefits based on work and on a common will to work toward progress from one year to another.

Now, Mr. Speaker, while I accept the underlying principle of this bill, there are some improvements which I think should be made. By the way, if you would allow me to make my point I think that by tomorrow most members would share my view on the matter. It often happens here that motions are moved under Standing Order 43 which requires the unanimous consent of the House to have them put and although 264 members, that is 262 excluding the Chair may agree, if one shakes his head in dissent, the Speaker sees him and forgets all the others. Such are our standing orders! It is that much out-of-date.

It is not necessary to hear someone say no, he only has to shake his head in dissent and the motion cannot be put. However, under Standing Order 28, it is provided that any member who wants to speak in the House must rise and ask the permission of the Chair. To say no to a motion is saying something. So why not observe the rules? Why not rise and say: I object to this so that one's name will be recorded in the official report?

Mr. Speaker, I think that those few remarks that I made in good faith, in all honesty, in the interest of my country, will be favourably received and that the committee responsible for changing the procedures will take them into account, as it is an obsolete rule, and one should have the courage of one's convictions. If you do not want to give your unanimous consent, you should rise and say no. I think that all members would be pleased if we abided by the decision of the hon. member who said no.

Mr. Speaker, in conclusion, I ask again the Minister of National Health and Welfare (Mr. Lalonde), whom I consider as a gentleman, as a man aware of his responsibilities, to reflect further on the modest remarks I made on behalf of those people who truly deserve well of their country, who are in need, who are worried in the most difficult period of their life because they lose their strength, they still have the same needs but they get no income. Those people are worried and have difficult years when we could offer them a much happier life.

I think it should be the contribution of young people to those persons who built roads, schools, industries which allow them to have a better standard of living. It is for young people that we have devoted our life and it is the same process from one generation to the next. If the following generation succeeds better than we did we shall be very happy. I shall be the first to say: You achieved more than we did. But as we did everything we could, give us at least the chance in our old age to do more without worrying about our vital needs.

● (1650)

[*English*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I will be brief. Obviously all members of the House would like to improve social benefits in all areas. That is understandable, easy to propose and to push for when you are in opposition and do not have responsibility for spending public funds.

Mr. Epp: Oh, boy!

Mr. Lalonde: The House has heard the proposal for lowering the eligibility age to 60. This would mean an additional expenditure in 1977 alone for OAS, GIS and the CPP retirement program of some $2,035 million. That sum would be made up as follows: roughly $1.5 billion would be spent on OAS, $450 million on GIS, and $86 million on the Canada Pension Plan. That is the kind of money we are discussing.

We made certain proposals to the provinces in the course of the social security review. The House has been asked to consider the difficulties of those between the age of 60 and 65 only. I suggest that the problem of poverty in this country is far broader than that. At present, those in need in this country can be looked after by provincial assistance programs, to which the government contributes 50 per cent of the cost under the Canada Assistance Plan.

In the course of the social security review, we have proposed to the provinces a form of guaranteed income which would cover income support for those unable to work, whatever their age. It would cover those unable to work, whatever their age. It would cover those who are 59, 58, and 57 years old, as well as those between the ages of 60 and 65. We have proposed a program of income supplementation, a program to supplement the incomes of those still able to work and earn a living even though forced to downgrade their activities and earn a lower income than when they were active and in the prime of life. The provinces support this broad concept. We are looking at methods of implementing such a program. I hope that by the end of this year we shall have concluded reviews of techniques for administering such an approach. The provinces endorse this concept in principle. However, several provinces have indicated that they may not have the resources in the next few years with which to provide such a program to their citizens.

We are considering if in any way we can speed up the implementation of this program, either by the provinces or through the federally administered income tax system. I suggest that this proposal would be the best solution to poverty in this country. It has the advantage of being flexible, in the sense that those who want to continue working and are able to work will see their incomes improved. At the same time it is a characteristic of the program that it will be able to answer the needs of people, whatever their age.

I suggest that the patchwork proposal put forward this afternoon by the opposition is merely another band-aid; it will not deal broadly enough with the general poverty problem in this country. We, on my side of the House, are just as concerned as any hon. members opposite about poverty in this country.

Mr. Knowles (Winnipeg North Centre): Show us.

Mr. Lalonde: The hon. member for Winnipeg North Centre (Mr. Knowles) said that he recognized that most of the social legislation of this country has been brought in at the initiative of Liberal governments. That has been the case in the past, and I am convinced it will remain so in years to come. We have no lesson to learn from anybody. I think our record in this respect bears examination by the citizens of this country, and that is exactly what the citizens of this country have been examining regularly, at election times.

If the amendment comes to a vote, I shall vote against it. I think that it is not a progressive suggestion. The proposal is just another piece of patchwork. I think the answer clearly lies in the area of a general program of income support and supplementation.

The whole question of retirement has become much more complex than some hon. members this afternoon have indicated. People in this country are living longer and longer, and more and more people would like to keep on working. At present there is pressure in many areas from people over 65 who have been forced to retire. They complain that they are forced to retire at 65, but would like to continue working and earning a living. They do not want to be forced to retire as they are forced to do at present, thanks to the provisions of private and public pension plans which make pensions available at 65. Many academics and specialists in old people's problems argue that we should consider introducing greater flexibility to our private and public pension systems.

The fact is that if we lower pensions to age 60, we shall see a repetition of what happened when we lowered the pension age to 65. Hon. members may remember that the universal pension was paid at age 70. When we began paying pensions on a selective basis to those aged 65, there was so much pressure from the public and private sectors to retire people at 65 that we ended up paying the universal pension at age 65. Employers and organizers of private pension schemes then made sure people retired at age 65, and they were forced out of the labour market. There is no reason to think that people will not be forced out of the labour market at age 60 in years to come, if we pay the old age pension at age 60 strictly on a universal basis. These factors must be considered independently of the additional $2 billion and increasing annual additional expenditure which would be necessary if the proposal were implemented. It is our responsibility to tell the Canadian public how and where we shall raise the money. Frankly, the opposition has not justified the argument on either ground.

I think the wave of the future will be a form of guaranteed income for the citizens of this country. It will be a two-tier system of income support for those unable to work, and a system of income supplementation for those who can work but do not earn enough to meet their needs. The government has proposed this, is working on it, and will bring it before the House in due course.

I suggest that the proposal of the hon. member for Winnipeg North Centre is a reactionary approach to this particular issue, and not worthy of support.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, will the minister permit a question?

Mr. Lalonde: Yes, certainly.

Mr. Knowles (Winnipeg North Centre): The minister mentioned how much it would cost to pay universal pensions at age 60. We have not been asking for that. Would he tell us how much it would cost to pay pensions to those between the ages of 60 and 65 who are out of the labour market? Would he also give what it would cost to extend to spouses who become widowed their pensions until age 65?

● (1700)

Mr. Lalonde: I do not have the figure for the latter part and it would be difficult to give because those 200 people the hon. member has mentioned, who would be losing the spouse's allowance every month are growing older. We must realize that some of these people will reach 65, and get the regular pension. I do not have those figures. As far as people out of the work force are concerned, the hon. member realizes, I hope that he is talking about spouses at home and many more. I do not have exact figures, but I can tell him that only for the GIS

on top of OAS it would require $450 million, and that is the GIS part. The hon. member would have to add for these cases the OAS part to bring them up to the level of the maximum. So he is probably talking about a billion dollars.

Mr. Knowles (Winnipeg North Centre): So you don't have the answer.

Mr. Lalonde: I will provide the figures.

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, being the member of parliament from Victoria where I have 19,600 old age pensioners in my constituency gives me more than a passing interest in this subject.

I listened with interest to the minister's remarks and I noticed the same omission as the hon. member for Winnipeg North Centre (Mr. Knowles) when the minister wished to point out how expensive old age pensions were. He included CPP, OAS, GIS and everybody over 60, and said how much it would cost. The hon. member for Winnipeg North Centre rightly pointed out that these were not the people we were talking about in this amendment. What we are talking about are the spouses, or the so-called spouses mentioned in the act, particularly in Clauses 8 and 9. A quick estimation is that if there are 200 who come on at the median age of 62½, each month they lose about $200 a month, which comes to about $40,000, and if you multiply that by 2½ years you get a fairly reasonable figure, nothing like $2 billion, not even a tenth of $2 billion. It is rather misleading to pretend when speaking to this amendment that we are talking about a $2 billion load on the taxpayer. The minister had the gall, I suppose that would be the word, to say the opposition was taking a band-aid approach and that these were patchwork amendments. This is not so at all. I suspect the minister speaks with a great deal of knowledge when he talks about band-aid approaches.

It is interesting to follow the history of Bill C-35. It has come from an announcement made almost a year ago by the minister that he intended to bring in a bill to make reciprocity of pensions possible in Canada. He made that statement last April. It takes a while to get used to the habit the government has of making announcements, and I suppose every time government ministers think they are going to bring in a good bill you can usually count on four or five special announcements about it. First, they announce they are going to bring it in, and then a month or so later they announce they are going to bring it in fairly quickly. And a couple of months later you get another announcement, with more and more fanfare with each announcement, and the third one will probably say they are going to bring it in almost immediately and it is already printed and waiting for the proper time. Then they start announcing they are trying to get it on their own order paper. Eventually, after ten months of prodding by the opposition to produce this bill, the minister finally produced it.

The bill is divided roughly into two main parts, the part dealing with partial pensions, and the part dealing with reciprocal pensions.

The part dealing with partial pensions is so complicated that I can hardly see how any ordinary person could forecast some of the questions that the bill will provoke. He will certainly not be able to tell the answers to some of the questions the bill will raise by way of partial pensions.

My hon. friend from Hamilton West and the hon. member for Winnipeg North Centre have drawn attention to the difficulties which will arise in making a sound financial judgment when a prospective pensioner reaches the age of 65 and qualifies under one or more of these schemes to draw a pension or a partial pension. It may well be there will be cases, as has been pointed out in committee, when a would-be recipient reaches the age of 65 and qualifies for a partial pension, that if he waits another year or two years he could qualify for a full pension. This is probably a simple matter for a person of private means, a retired member of parliament or cabinet minister, or anyone who is able to manage his own affairs successfully in the cut and thrust world we live in. He could soon work out how much he would be likely to draw if he waited for the full pension. He could then determine whether it was a good move to wait for the pension or to draw the partial pension.

It is interesting to think about what will happen to a person drawing a partial pension. You reach age 65 and are qualified for the minimum partial pension; you get a pension in 1977 dollars of $35 a month. It is as simple as that. It is a quarter of what you would get if you had a full pension, which at the present time is $140 a month. The granting of a partial pension is going to cause severe problems. It is going to lock in a new class of poverty-stricken pensioners. The minister knows full well that giving them a partial pension and the full guaranteed income supplement will not be a complete answer. We will have a couple drawing full pension and full GIS, getting $424 a month, but if another couple are drawing a quarter pension they get much less than that. If they draw a quarter of a pension, how are they to survive, because the figure of $424 is arrived at for a couple to enable them to sustain life and be sheltered? It is not there to permit any luxuries at all. It represents a basic pension.

The Ministry of National Health and Welfare has worked it out that it takes $424.74 to sustain the life of a couple. Now we are to have a new class who come in and instead of getting $141 a month each they are to get a much lower figure. They will get a quarter of the basic pension, $70, plus $160, which is $230 a month, on which to live. These people will go through our social assistance programs and welfare programs and be checked out very thoroughly. Remember, the government has already decided the basic necessity level of couples at $424. Yet this couple are expected to live on considerably less. This will create an additional problem.

The second part of the bill covers reciprocal pensions. This is a move in the right direction. For several years we have been asking for reciprocal pensions with other nations. Many of our friends and nations around the world have entered into agreements with each other providing for reciprocal pensions. Up until recently the only answer we could get from the Minister

of National Health and Welfare (Mr. Lalonde) was that Canada was quite willing but we could not find any other countries which would agree, and this was holding us up. If that was truly the case there would be no need for this bill at all. The minister now says that we need this bill to make this possible and I am glad to oblige him, if he can manage to get the bill through the House.

● (1710)

There are a couple of points I want to make concerning reciprocal pensions. Those in desperate need of reciprocal pensions are people who live in countries whose currency has recently been devalued in terms of purchasing power. I think particularly of people from the United Kingdom. Consider the fate of a couple who came here, say, five years ago with a pension income of 100 pounds sterling a month each, which in those days would have been a respectable amount on which to retire. Every month their pound becomes worth less, it seems, and every month the cost of Canadian food increases. The result of these two factors is that their standard of living declines at twice the rate. We have to think of these people, and we welcome the move toward reciprocal pensions as provided in this bill.

We hope that reciprocal pensions will come into effect as quickly as possible. The minister assured us in committee that some other countries are quite interested. France, Britain and Italy have already inquired about setting up a reciprocal agreement. One would hope that the minister will pursue these agreements without waiting until the date of July 1, and perhaps have the agreements made effective the day the bill is proclaimed.

Another matter respecting reciprocal pensions about which I worry considerably is the narrow group to which they apply. I am speaking, of course, of old age security pensions. The bill does not make provision for veterans pensions to be made reciprocal, nor for war disability pensions immigrants receive from their home country. I hope that the Minister of Veterans Affairs (Mr. MacDonald) will take note of this and to his best to bring in a bill similar to this making it possible for veterans of forces in other countries who come to Canada to bring their pensions with them.

Another aspect concerning this bill which has not been discussed relates to the number of countries from whom we have received immigrants over the years, particularly in the last two years, which have no pension system at all. These people will not, of course, benefit from this bill. This means we will have a class of people who qualify for reciprocal pensions, mainly people coming from western Europe and the United States, and those who cannot bring any pension with them. Here I think particularly of people from the sub-continent and from Asia where pensions appear to be unknown.

Finally, the hon. member for Winnipeg North Centre has moved an amendment to this bill. I suggest our party would have presented the same amendment, except we were a little more worried than the hon. member for Winnipeg North Centre about delaying the bill. We understand that the bill will be back here tomorrow if it is not passed today, and under those circumstances it removes the last reason, really the only reason, that we might have had to vote against the amendment.

Certainly we take second place to no one in our dislike of Clauses 8 and 10. These amendments would authorize the payment of partial spouse's allowances, based on the number of years that a spouse has resided in Canada after age 18, and would replace the present "all or nothing" system over a 40 year transitional period. The new sub-section will render ineligible for a spouse's allowance a person who is in Canada illegally.

For the benefit of those interested in women's rights and women's liberation, I notice on page 8 of the bill reference to the spouse as a "he". Proposed Section 17.1 requires the spouse of a pensioner to reside in Canada, and "if he does not reside in Canada", is not separated from the pensioner. Perhaps we will have to use impersonal pronouns rather than personal pronouns because it does make the situation a little confusing in regard to whether a pensioner or a spouse is not required to be separated from the pensioner.

This is a peculiar provision which is causing the government a great deal of trouble. The trouble is self-inflicted. When the original bill was brought in permitting spouse's allowances, the government did what my colleague from Hamilton West described as a dastardly act in providing that while a husband and a wife, one of whom was over 65, needed $282.68 plus $160.06, for a total of $442.74, to live on, as soon as one died the survivor would need no money at all. This is a peculiar kind of arithmetic, the sort I suppose you get into in cabinet when you are dealing with nothing less than $1 million for a while. I am sure it is difficult for them to understand that while it is easy to get the computer to work it all out, it is impossible for a survivor to survive on nothing.

I realize that there are a lot of regulations which will result from the passage of this bill, and members of parliament and the general public are not able to wade through them all. But the bill itself has some very peculiar omissions. For example, since a person must not be separated from the pensioner, I am curious as to what happens if a pensioner sets up a ménage à trois and then kicks his wife out of the home, or vice versa, and cohabits with the survivor of the three. Then after a period of time the interloper in this household starts drawing spouse's allowance while the duly married wife is out in the cold, unable to make an application because she is separated from the pensioner. It seems to me that this is the way the bill presently reads. It is no wonder that the minister gets a little upset when we try to discuss this particular provision.

This is another reason why we want to discuss the bill and the clauses dealing with spouses. We want to discuss the outrageous attitude taken toward a widow or widower who not only has to go through the traumatic experience of losing husband or wife, but who then has the minister's bill telling him or her immediately after the funeral that the survivor needs no money and will get none from the federal government. This will be a shock, and is an affront to all of us. For

sheer meanness, Mr. Speaker, it can only be classed with the action of the Minister of Veterans Affairs, who managed to bring in a bill to pay an annual gratuity to ex-prisoners of war in World War II but who denies the same thing to veterans of World War I. I guess they are getting pretty old now; there are not too many of them left so the government does not worry about their votes.

When we were discussing this bill in committee, two things stood out. I asked the minister if poor people who needed money through a partial pension, and who really would be much better off waiting a further period of time until they qualified for a full pension, would have sufficient counselling to the effect that they would be advised to wait. Such people may need the money desperately. If they succumb to the temptation of a partial pension, what happens two years later when they come back and say that they made a terrible mistake and desperately need the full pension? The minister in his rather authoritarian manner said absolutely not, no retroactive choice will be permitted. This will cause nothing but trouble. It may not happen to somebody in the economic bracket in which the minister finds himself, but it will happen. People at age 65 are not going to be able to resist getting further income if they have a need.

● (1720)

When I asked the minister about this, he said they could go on welfare. There have been euphemisms for welfare for centuries. It was first called charity, then the dole and relief during the thirties and forties. It then became welfare, and is now called social assistance. It does not fool anyone. As far as the recipient is concerned, it is still welfare. The recipient knows that if you can get a pension, you can hold up your head. If you go on welfare, it is rather more difficult to do that.

This reminds me of the story of the school teacher who teaches singing. By the end of the day the children are separated into three groups, canaries, robins, and magpies. The kids know what is wrong with the magpies, they cannot sing well. The minister who speaks kindly of social assistance knows that it is a heck of a lot different than getting a pension to which everyone knows they are entitled.

I do not want to take much time. I am pleased that the bill has finally made it here. I hope we will soon see it put through. I ask the minister to bear in mind that we have taken this unusual action at this stage of the proceedings, supporting a motion to send the bill back to committee, because clauses 8 and 9 are so abhorrent. We are willing to wait an extra bit of time to see that they are removed or replaced with something that does not pick at the widow or widower, which this bill seems to do.

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, the debate this afternoon has revealed two things. The first is the lack of trust between two of the opposition parties. The hon. member for Hamilton West (Mr. Alexander) got up on a point of order to complain that he had not been informed by the spokesman for the NDP of their intention to move an amendment.

The Acting Speaker (Mr. Turner): The hon. member for Hamilton West (Mr. Alexander) on a question of privilege.

Mr. Alexander: Mr. Speaker, I rise on a question of privilege to say one thing. I am very pleased that the hon. member for Davenport (Mr. Caccia) did get to his feet. However, I can say this. The only people in this House whom I do not trust are those who sit on the government side.

Some hon. Members: Hear, hear!

Mr. Caccia: Mr. Speaker, I submit that rather than a question of privilege that is a point of debate. It does not take away from the observation made by my colleagues and myself, and perhaps even some of those across the way. It appeared as though there was a lack of trust between two parties in this debate. One party complained that it had not been given the confidence of the other with regard to the intention of the NDP to move a motion. That is a legitimate observation, and it will be seen on the record tomorrow.

There is a second observation or conclusion one has to make when sitting on this side of the House. It is with regard to the contradictory policies of the opposition parties, particularly Her Majesty's Loyal Opposition. Today the spokesman for the official opposition asked for more and better pensions. But almost every second day their financial critic asks the government to reduce taxes. How can that kind of an approach be reconciled? I suggest that the hon. member for Hamilton West get together with the hon. member for York-Simcoe (Mr. Stevens) and decide on an approach.

It does not take a financial genius to realize that if you want to improve pensions, social security programs, and do more for Canadians, you cannot ask Canadians to pay less taxes. Even a child in grade five would understand that elementary principle of arithmetic.

Today we have another typical example of the Official Opposition speaking from both sides of their mouths. During the question period the hon. member for York-Simcoe asked for a reduction in taxes. During the debate on Bill C-35, another hon. member asked for more and better pensions. How can you possibly reconcile this forked-tongued approach on the part of the Official Opposition?

I will not develop this theme any further because we all respect the hon. member for Winnipeg North Centre (Mr. Knowles) and the fine contribution he has made over the decades he has been here. He was here one hundred years before me, and he will be here one hundred years after me!

Some hon. Members: Hear, hear!

Mr. Caccia: When it comes to pensions, we all know that the hon. member has his heart in the right place, even though in some cases his arithmetic may not be the strongest. In any event, we love him and think that he has fine qualities.

This bill has several elements. It introduces an element whereby a resident of Canada can gradually earn his pension through a period of residence in this country. This is welcomed

and supported by Canadians in general. It has another element which is a positive feature. It gives the minister power to enter into negotiations with other nations from whom we receive immigrants, and nations to which Canadians sometime emigrate. This is good.

I suppose that Canadians in other nations will benefit as well as immigrants to Canada from countries such as Italy, Portugal, Greece, the West Indies, South America, Asia, Africa, and other parts of the world. As a result of this bill the minister and the government will be empowered to enter into negotiations with those countries. We will have an element that already exists in western European countries, namely, the totalization of pensions.

A worker may have contributed for a few years as an immigrant in Brazil, a few years as an immigrant in France, a few years in Great Britain, Scandinavia, the United States, and finally comes to Canada. He will at last have an opportunity to see the contributions that he made in those countries throughout his working life recognized in the form of a pension that will be paid to him as a result of his contributions. This is something that does not exist today in North America. It does exist at least within the European Common Market countries as a result of reciprocal arrangements. This is a good, positive, fine Liberal measure.

● (1730)

Therefore, in connection with this bill, I am concerned with only one aspect, and some hon. members who have spoken before me have addressed themselves to this question—and that is the case of those people who have not earned credits in other countries before coming to Canada and who may well come here when the new law will be in full effect, when, years from now, some of us will no longer be around, people who, on coming to Canada, may seek employment for the first time when they are in their forties or their fifties and may not therefore have contributed to the Canada Pension Plan until late in life. At the age of retirement, whatever it may be at that time, they will not qualify except for the amount corresponding to the number of years that they will have resided in Canada.

Let us say an immigrant who will come here at the age of 50 will, at the age of 65, have been 15 years in the labour market and have contributed for that number of years out of the total 40 years required to receive a full pension. If that immigrant has no other income, he will qualify for a guaranteed income supplement. What I would like to make sure, through this intervention, Mr. Speaker, is whether he will qualify, in the case, for instance, of the program called Gains in Ontario which is under the Canada Assistance Plan, for the additional income that may be provided under that program.

What I would like to make sure is that ten, 15, or 20 years from now the totality of old age security, plus the guaranteed income supplement, plus the provincial supplement—which may vary from province to province such as Ontario, Quebec, Alberta and British Columbia, just to name the provinces with the largest number of immigrants—will be equal to, not lower than, the amount that will be received by other pensioners in Canada who qualify for the full old age security pension or for the pension plus the guaranteed income supplement.

Mr. Knowles (Winnipeg North Centre): Hear, hear!

Mr. Caccia: If that was the thrust of the intervention of the hon. member for Winnipeg North Centre I am in full accord with him that now is the time to express this concern looking into the future and to make sure that the provinces of Ontario, Quebec, Alberta, and British Columbia will complement this legislation and provide those amounts that will be needed to protect those pensioners who immigrate to this country at an older age and have no other income. This has suddenly caught my imagination and it is an issue to which we should address ourselves at this stage in the debate.

I have listened with great interest to the interventions of other hon. members on the question of bringing the pensionable age down to 60. I must say that a number of people have spoken to me over the years of the desirability, now that we have made the first important step of reducing the pensionable age from 70 to 65, of bringing it gradually down to 60. It is mainly a concern expressed by people who work in occupations that are physically demanding. This is the case of groups such as miners, construction workers, and people who have heavy jobs in factories. They feel that by the time they are in their late fifties, they are physically worn out and they cannot continue working in jobs which they have held all their lives. Also, at that time in their lives it is extremely difficult for them to switch to another job, a so-called light job, for which there is immense demand on the labour market and a very limited supply, in order to continue to work until the magic age of 65. I do not know whether the answer lies in providing a universal pension at the age of 65 or in providing, as the minister has indicated, a guaranteed income and a form of income supplement at whatever the pensionable age may be.

If we reduce the pensionable age to 60, we will still have to address ourselves to those who are 59, 58, and so forth. I would prefer it if we were to think in terms of coming to grips with the problem of people with limited or very low incomes, regardless of their age, through the implementation of a program that we on this side of the House have spoken about for some years, namely, the guaranteed income program plus an income supplement, because by doing so we would not limit ourselves to the pensionable age.

The minister was correct when in his previous intervention he indicated that there are people who are still vigorous and want to continue working after they reach the age of 65, and this is desirable, I suppose. Therefore we should address ourselves to meeting the needs of those who wish to retire at an earlier age because of physical conditions at work, health reasons, or the fact that after 30, 35 or even 40 years of work, if you have started working on a heavy job at the age of 15 or 16, your body cannot carry you until the age of 65 in a heavy kind of job, and it is extremely difficult, particularly if you live in rural areas, to find a light kind of job which would perhaps

permit you to carry on working until you reach the pensionable age.

It seems to me that the route indicated by the minister, which is aimed at implementing a guaranteed income and an income supplement program in the near future, is one we should all be striving to follow. I believe that members in the NDP at least have addressed themselves to this question in recent years.

Keeping in mind this principle, it was made very clear this afternoon—and I see the hon. member for Grenville-Carleton (Mr. Baker) smiling—that you cannot have it both ways. You cannot ask for increased social security, increased pensions, and at the same time have someone in your party shoot you in the back by asking for a reduction in taxes. That is not what a fair and responsible government can do, and we will not have it on this side of the House.

Some hon. Members: Hear, hear!

Mr. Caccia: I believe it was the hon. member for Hamilton West who spoke about the desirability of the government providing all possible information in the next few months and years about the availability of two options, namely, the one under the present act, and the one which will be available under the new act, and that the onus should be on the government to provide this information through its offices and through civil servants.

● (1740)

I thought the intervention of the hon. member for Hamilton West was useful. I am sorry he is not here when I praise him and that he is here when I do not praise him. I suppose that is his tough luck. In the committee proceedings of Tuesday, February 22, at page 19:15 there is a passage which seems to meet the requirement of the hon. member. A Mr. Parker, who is an official of the Department of National Health and Welfare—

Mr. Knowles (Winnipeg North Centre): And a very good one, too.

Mr. Caccia: —indicated at the committee stage the following:

> These people will be particularly trained to deal with the case in point, particularly the question of option. It is our intent to discuss each case with the individual where he has an option and to confirm the decision in writing with the individual that it is in fact his decision, and he may yet then come back to us and say: that is not my agreement, in which case we would go back to him to get final confirmation.
>
> In terms of dealing with cases outside of Canada, it becomes somewhat more difficult because of the fact that the individual cannot be contacted personally. What we are doing is giving thought at the present time to establishing a special unit which will handle all outside Canada cases, and this unit will be skilled not only in documentation aspects but in terms of making the choice absolutely clear, if there is one, to the pensioner residing outside of Canada.

So from the proceedings it seems that this aspect is well under control and well in hand as far as the department is concerned, and we hope that what is here on record will also be implemented and become a reality.

I would like to thank you, Mr. Speaker, for the opportunity to intervene in this debate. I have outlined very briefly the positive features of this bill. It seems to take a very positive approach. It introduces an element of fairness. It allows the government of Canada to enter into negotiations with countries to which Canadians migrate or from which we receive immigrants. The only concern I have is the one I expressed earlier, namely, the provision which may affect immigrants years from now if they come to Canada in their later years, if they do not join the labour force here, and particularly if they have not contributed to pension schemes in prior countries of residence.

This is something which will perhaps become clearer as the law is implemented. I certainly agree with those who spoke before me that we should make sure, either through provincial participation, under the Canada Assistance Plan or through other means, that we in Canada will not have two different standards for pensions.

Mr. Arnold Malone (Battle River): Mr. Speaker, I am pleased to follow the hon. member for Davenport (Mr. Caccia) because I want to make some comments regarding some of his arguments. He said that we in the Conservative party cannot have it both ways, that we should not be asking for tax cuts and at the same time talk about giving more to senior citizens. I could not agree with the hon. member more. That is a very reasonable thing to say, but we are not asking for it both ways, and I will demonstrate that to him at this time.

It is not a case of suggesting to the people of this country that giving money to people and taking it away from them after the death of a spouse is in some way changing the financial situation in this country. The minister told us that that cost would be $2 billion, but he failed to recognize that in his own committee he said that it may be $2 billion if we paid everybody down to the age of 60, but that it would be $700,000 if we continue to pay those on spouse's allowances. The hon. member for Davenport says we cannot have it both ways, and I agree with him.

We do not like to see things such as the Lockheed situation, the cost of the Mirabel airport, the $2 million in fees for some kinds of sales which the government cannot find, the $40 million for Argentinian nuclear plants or the $15 million lost to Eisenberg which the government cannot find, and they tell us we cannot have it both ways.

Some hon. Members: Hear, hear!

Mr. Malone: We do want to see retirement with dignity for senior citizens. That is the only way we want it. We go along with the Auditor General of this country; we want to see the government managed better. We want to see a government which knows where the money is and which does not have an auditor general saying that it has lost control of the public purse. It was no surprise when our former leader said that the government spills more money than it is able to find.

Some hon. Members: Hear, hear!

Mr. Malone: With regard to spouses between the ages of 60 and 65 who are married to spouses receiving the old age pension, the government says that when the older spouse dies, the money should be taken away. To say that that is equitable when the minister in committee says it is only going to cost $700,000 is a sham. That is one of the things this country should be ashamed of, and the government should be taking a stronger position on it.

We have to treat our senior citizens as human resources who have contributed and who will continue to contribute to this country. It is important that we view them as people who ought to have retirement with dignity. Canada's OAS program is interesting. We on this side feel that there is much in this bill to be commended. The old situation, which was an all or nothing situation, has been withdrawn. The new bill enables an equitable correlation between a person's contributions and his reward. There is, however, one mechanical piece of administrative detail which ought to be reviewed in terms of how this legilsation is implemented. I agree in principle that we should pay one fortieth of the total eligible pension to a person who is here one year up to a maximum of full pension to those who have been in Canada and working for 40 years. However, I do not think it is logical to suggest that a person who has been here one year should receive a cheque each month. I say this because if we take one fortieth of the present maximum pension, which is $3.55, it seems to me that it would not be economical to send out a $3.55 cheque every month.

Mr. Knowles (Winnipeg North Centre): You don't get it unless you have had ten years.

Mr. Malone: When I was working with the Alberta government seven or eight years ago, that government would not issue a cheque for less than five dollars because it cost more than five dollars to write cheques. What the government ought to be doing is paying these pensions on an annual basis. For example, if a person has only one year's residence in Canada, instead of paying $3.55 every month, the government should simply pay a lump sum annually of $42.60. That ought to be worked out so that it does not cost extra money. I return to what the Auditor General said: let us tighten up the purse strings and manage the country a little bit better.

This bill has provisions allowing Canada to make reciprocal agreements with other countries and to share in OAS payments. I believe that is a fairly sound principle. It is particularly good in that people from other countries who come to Canada will have the advantage of a reciprocal pension agreement for those over age 65. I think, however, that those who draw up the regulations should be cautioned against writing in incentives for Canadians to work a certain period of time in this country and then move—presumably to a warmer country—where there is a reciprocal agreement and where they could draw the two pensions which would be equal to what they would receive in Canada. The hon. member for Winnipeg North Centre (Mr. Knowles) pointed out that some people will do this for health reasons, and there is justification for that. I just say that an incentive should not be built into the regulations that will encourage people to move to warmer climates for their retirement years. Our senior citizens are a human resource and can continue to make a contribution to this country, so they should be enticed to remain.

• (1750)

While we recognize that a lot of this bill is good, Mr. Speaker, a lot has been left out. At the present time we have the concept of forced retirement in Canada, and the minister referred to this in his remarks. Labour unions, big business, and governments are all saying in effect that people are capable of working at age 64 but at age 65 they are not wanted. With modern medical technology people are living longer, as we know. I have had the honour and pleasure of travelling across this country with the hon. member for Hamilton West (Mr. Alexander), and we found that great numbers of senior citizens were saying that they did not want various agencies telling them that they no longer have anything to contribute, and should retire. I do not think there is any agency in this country that should determine when a person has to retire. I know the argument that older people have to be retired to make room for younger people in the work force. There is some truth in that in the area of unskilled labour and perhaps some trades, but in many areas of business the opposite is true. People with experience and knowledge in their professions or line of business are often able to generate new employment for young people, yet sometimes when they are able to give the most they are asked to retire.

The government has congratulated itself for indexing the pensions of senior citizens and for extending assistance to those who are now in the "all or nothing" situation. The fact is that at the present time the indexing relates to the consumer price index which is not necessarily consistent with the needs of senior citizens. The aged spend their money on energy, food and housing, and the indexing system in use is not correlated to these major needs. If the government had any heart at all it should look at this system. I think it is an insult to our senior citizens to receive a computerized sheet with their pension cheque telling them it is going to be increased according to the cost of living, and then find that the next month's cheque is only increased by, say, 90 cents. That does not relate or correlate to their specific needs.

The hon. member for Hamilton West mentioned the need for advertising this new bill so that senior citizens may know what it will do for them. He pointed out that the onus ought to rest with the government and not with senior citizens to find out the options open to them. I hope the minister will follow this advice. The information ought to be readily available and clear without having to—

An hon. Member: Six o'clock!

Mr. Malone: Mr. Speaker, I see that some hon. members are more hungry than interested in aged people. They call it six o'clock and I am about to do that fairly soon, but first I

want to say that while they leave for their supper they might think about the government's position on the point that—

The Acting Speaker (Mr. Turner): Order, please.

* * *

BUSINESS OF THE HOUSE

Mr. Epp: On a point of order, Mr. Speaker, I do not know who the House leader is now but I should like to ask what the order of business will be tomorrow and if the gods smile kindly, and Bill C-35 is passed, what would follow?

Business of the House

Mr. MacFarlane: Mr. Speaker, I would presume that we all heard the same report by the government House leader this afternoon who said we would continue with this bill tomorrow and it would be followed by the Immigration Act.

The Acting Speaker (Mr. Turner): It being six o'clock, this House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 2(1).

At 6.01 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, March 10, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

FINANCE

SUGGESTED CHANGES IN NAMES OF HEADQUARTERS OFFICES AND BANK OF CANADA BUILDING—MOTION UNDER S.O. 43

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I ask leave to move a motion on a matter of urgent and pressing necessity under the provisions of Standing Order 43. With federal spending up by 127 per cent in the past six years which has led to a 100 per cent growth in our money supply in the same period and to 55 per cent inflation while real growth was only 31.6 per cent, and with tourist activity especially in the nation's capital needing a stimulant, I move, seconded by the hon. member for Vancouver Quadra (Mr. Clarke):

That the offices of the Department of Finance and the Treasury Board in Ottawa be designated an international tourist site and be renamed Home of Canadian Inflation and that the new Bank of Canada building on Wellington Street be designated Inflation Factory No. 1 Printing Department, in the earnest hope that these two sites will become tourist attractions and perhaps shrines to the inflationary effect of reckless money creation, with morning tours to be conducted by the Prime Minister as a penance for his leading role in causing today's inflation.

Mr. Speaker: Order, please. The hon. member for Winnipeg North Centre (Mr. Knowles).

* * *

HEALTH

PROPOSAL TO CURTAIL CIGARETTE SMOKING—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in view of the statement made yesterday by the Minister of National Health and Welfare to the effect that the smoking of cigarettes is more dangerous than the normal consumption of saccharin, especially in terms of causing cancer, and in view of the action taken by the Minister with respect to saccharin, I wish to present a motion under Standing Order 43. I therefore move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House calls on the Government to present to parliament a comprehensive program designed to curtail cigarette smoking in Canada, and that such a program include a ban on all cigarette advertising, adequate and visible health warnings on all cigarette packages, higher taxes on cigarettes containing high levels of tar or nicotine, and special measures to achieve a cleaner environment for all Canadians.

Mr. Speaker: Presentation of such a motion for debate can be made only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

ADMINISTRATION OF JUSTICE

REQUEST FOR INQUIRY INTO OCTOBER 1970 CRISIS—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, pursuant to the terms of Standing Order 43, I request the unanimous consent of the House to present an important and urgent motion.

As it has now been proved that there never was any apprehended insurrection in October 1970; as parliament itself was misled by the authorities in power into accepting the War Measures Act; as proper answers were never given to my own questions in this House; as serious doubts still exist about the truth of the official versions concerning the death of Pierre Laporte; as the recent publication of Pierre Vallières, entitled "L'exécution de Pierre Laporte" and subtitled "Les dessous de l'opération essai" clearly indicate that the whole "October crisis", and especially the murder of Pierre Laporte, would seem to be, behind the scenes, the diabolic work of the Prime Minister and the federal government; as it is important that light be shed on this subject—

Mr. Speaker: If the hon. member has a motion to present, he must do so immediately.

Mr. Matte: I move, seconded by the hon. member for Bellechasse (Mr. Lambert):

That this House request that an in-depth and impartial inquiry into the whole matter of the October crisis be set up, with a view, if necessary, to lifting the cloud of suspicions under which the Prime Minister and his government now stand because of the seriousness of the accusations contained in Vallières' book, or to unmasking the real instigators of that infamous crisis.

Mr. Speaker: Order. Under Standing Order 43, the motion presented by the hon. member requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: As there is not unanimous consent, the motion cannot be put.

[*English*]

VETERANS AFFAIRS

REQUEST FOR STATEMENT ON STATUS OF TRANSFER OF WESTMINSTER HOSPITAL—MOTION UNDER S.O. 43

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I, also, would move a motion under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. I am sure it will commend itself to the Minister of Veterans Affairs (Mr. MacDonad). The mounting concern over the transfer of Westminster Hospital is exacerbated by confusing statements emanating from federal and provincial spokesmen relative to the status of transfer agreements, the allocation of beds, and the disposal of some 246 acres of valuable land. I therefore move, seconded by the hon. member for Lambton-Kent (Mr. Holmes):

● (1410)

That this House orders that the Minister of Veterans Affairs make a statement on motions within 48 hours outlining the present status of the transfer and outlining all relevant factors.

Mr. Speaker: Pursuant to Standing Order 43, the presentation of such a motion can be made only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

CONSUMER AFFAIRS

PROPOSED INVESTIGATION OF PRACTICES RELATING TO PRICING OF FERTILIZER—MOTION UNDER S.O. 43

Mr. Jake Epp (Provencher): Mr. Speaker, I rise on a matter of urgent and pressing necessity pursuant to Standing Order 43. In view of the fact that Canadian manufactured fertilizers are being sold in the United States at a minimum saving of $25 a ton, and in view of the fact that Canadian fertilizer manufacturers charge a minimum of $25 a ton more when fertilizer is purchased in Canada, thus adding to the cost-price squeeze now faced by the Canadian farmers, I move, seconded by the hon. member for Okanagan Boundary (Mr. Whittaker):

That the Minister for Consumer and Corporate Affairs initiate an investigation into the practices relating to the pricing of fertilizer in Canada and more specifically to investigate if fertilizer companies in Canada are engaged in price-fixing practices.

Mr. Speaker: Such a motion can be presented to the House, pursuant to Standing Order 43, only with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

[Mr. Speaker.]

CANADA DAY

SUGGESTED REINSTATEMENT OF CELEBRATIONS—MOTION UNDER S.O. 43

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, I rise, under the provisions of Standing Order 43, on a motion which I think will receive the unanimous consent of the House. Canadians in all walks of life are engaged in discussions on national unity and are anxious to see more visible expressions of our sense of unity, and yet last year the former secretary of state cancelled Canada Day celebrations in our nation's capital. In view of the need for this expression of our national pride, I move, seconded by the hon. member for Provencher (Mr. Epp):

That this House urges the Secretary of State to reinstate Canada Day celebrations for July, 1, 1977, in Ottawa and that he urge the CBC to carry live coverage of such an event in partial fulfilment of its mandate to encourage national unity.

Some hon. Members: Hear, hear!

Mr. Speaker: The presentation of such a motion can only be made with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

FINANCE

EFFECT ON VALUE OF DOLLAR OF SPEECHES BY MINISTERS IN THE UNITED STATES—MOTION UNDER S.O. 43

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I rise under the provisions of Standing Order 43 on a motion of pressing and urgent necessity. In view of the fact that the visit of Premier Levesque to the United States caused a drop of one cent in the value of the Canadian dollar, the visit of the Prime Minister caused a drop of three cents, and now the speech of the Minister of Finance resulted in a further drop of two cents—

Some hon. Members: Oh, oh!

Mr. Douglas (Nanaimo-Cowichan-The Islands): I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House urge all public figures in Canada to refrain from making speeches in the U.S. while the Canadian dollar still has some value in the international money market.

Mr. Speaker: The presentation of such a motion pursuant to Standing Order 43 requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

HEALTH

REASON FOR FAILURE TO BAN CERTAIN CHEMICALS AND FOR DELAYING ANNOUNCEMENT OF BAN ON SACCHARIN

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the Minister of National Health and Welfare. In view of the fact that evidence obtained from animal research that saccharin has cancer causing properties has led to the banning of the product from use by humans in Canada, and the United States evidence also indicates that a number of other chemicals, namely, Red Dye No. 2 and No. 4, Carbon Black and yellow Tartrazine have also caused difficulties and have been banned in the U. S., can the minister say why, in order to be consistent, he does not ban these other potentially harmful substances in Canada?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, there are various products banned in the United States but not so in Canada, and some which are banned in Canada but not so in the United States. It depends on studies and the judgment of our experts about the relative dangers of those various products.

In the case of the products mentioned by the hon. member, continuous studies are made on the matter and I will advise hon. members on the basis of the information gathered by my officials and the suggestions they will give me in that connection.

[*English*]

Mr. Yewchuk: In view of the important and wide-ranging effects of the ban of saccharin, can the minister tell the House why he did not make his announcement on this ban in the House of Commons but instead chose to make it to the press? Second, in view of the fact that this House was still sitting when he made his announcement last night, in view of the fact that rumours about this ban began to circulate on Friday, and in view of the possible effects on the stock market, can the minister also indicate why he waited until Wednesday to make this announcement rather than making it at five o'clock on Friday?

[*Translation*]

Mr. Lalonde: Mr. Speaker, as indicated by the hon. member, we wanted to wait until Canada's stock exchanges were closed before making such an announcement. As for leaks which may have occurred a few days earlier, I inquired and it has been clearly indicated that such information was from an American and not a Canadian source. Finally, we had to advise the industry involved yesterday before the final decision which I took yesterday afternoon.

[*English*]

REACTION OF ORGANIZATIONS CONSULTED ON BANNING OF SACCHARIN

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, in view of the fact that it appears that the minister's consultation with the various associations to which he referred about the phasing out of saccharin amounted to nothing more than an invitation to them to sit in at the meeting at which the topic was discussed, would the minister tell the House exactly what was the response to his consultations with the Canadian Medical Association, the Canadian Dental Association, the Canadian Diabetic Association and the Registrars of Pharmacy?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I would not want the statement made by the hon. member at the outset of his question to pass unnoticed. In fact, yesterday there have been consultations with the representatives of the industry. Some minor changes have been made to the proposals I had approved temporarily, but following that there were nevertheless consultations and changes.

As regards the occupational groups mentioned by the hon. member, we have consulted the associations concerned with respect to the nature of the studies we had made and, generally speaking, to our intentions. None of these associations has objected to the proposals we were considering and to our approach.

[*English*]

SUGGESTION PRODUCTS CONTAINING SACCHARIN MIGHT CARRY HEALTH WARNING

Mr. Peter Elzinga (Pembina): Mr. Speaker, I have a supplementary question I would like to put to the Minister of National Health and Welfare. Has the minister discussed with manufacturers of products containing saccharin the possibility of changing the style of advertising of these products and perhaps accompanying advertisements with a health warning, as is the case with cigarettes?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, my departmental officials have considered this possibility and I have discussed it with them. However I do not think that it was discussed as such with the manufacturers, because we had rejected it as not being valid under the circumstances. Any such indication similar to the warning mentioned by the hon. member would have, for all practical purposes, no other result than to ban the products containing this substance from the market. The hon. member will certainly recognize that contrary to cigarettes, saccharin is found in a great many products available on the market.

[*English*]

Mr. Elzinga: Mr. Speaker, in view of the fact that scientific evidence suggests that saccharin was related to cancer in rats

in 1973, I am puzzled as to why the minister did not choose to make this known in the way I suggested in my earlier question.

[*Translation*]

Mr. Lalonde: For the simple reason that the studies were carried out over a three year period. They started in 1973. The information the hon. member referred to was the basis for the scientific studies which my department carried out with utmost intensity over the past three years. As soon as these studies were concluded and the findings confirmed by international authorities, we took the steps which were necessary under the circumstances.

● (1420)

[*English*]

ASSURANCE SACCHARIN AVAILABLE TO DIABETICS— SATISFYING DESIRE OF CHILDREN FOR SWEETS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is also for the Minister of National Health and Welfare. As one who supports the ban on saccharin since it seems to have been established that it leads to cancer, may I ask the minister if he will take steps to make sure that diabetics who need it will be able to get it? Will he also tell the House whether studies are being made into some way of solving the problem of the desire of children for sweets?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, certain drugs contain saccharin because this substance facilitates ingestion. This is particularly true for some drugs administered to children. We shall discuss with the industry and medical authorities having all these drugs analyzed and decide whether saccharin should be maintained in some of these drugs so that they do not taste like the castor oil we ingested in our childhood.

Of course diabetics will be able the find the beverages and food products they need as a result of their condition. We proposed the establishment of a committee, in cooperation with the industry and medical experts, to make a complete review of the role of saccharin in the diet of diabetics. Here again it will be possible to maintain some exemptions to the general prohibition announced yesterday. Finally I should mention that saccharin will still be available in drugstores to all those people who want to buy some.

[*English*]

SUGGESTED PROGRAM TO CURTAIL CIGARETTE SMOKING— STUDY OF PROGRAM IN SWEDEN

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. May I call attention to the statement the minister made yesterday to the effect that the smoking of cigarettes is more dangerous than the normal consumption of saccharin, especially in relation to causing cancer. In view of this statement, may I ask if the government is considering mounting a comprehensive program, the details of which I suggested in a motion earlier today, to curtail or limit the amount of cigarette smoking in Canada, having in mind such things as a ban on advertising, higher taxes where there are high levels of tar or nicotine, and other such actions?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, such proposals were considered and discussed within the last few years. They are still reviewed regularly within my department and with the co-operation of other departments, but I think that the most important thing is still the education of the public as a whole. I am glad to find out that the percentage of people who stopped smoking is now rising every year and I hope there will be an increase of that percentage in the years to come.

[*English*]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, as a final supplementary may I ask the minister if he and his department are aware of the program in Sweden where an attempt is being made over a period of 25 years to raise a generation of children who have not smoked, and is study being given to that program?

[*Translation*]

Mr. Lalonde: Yes, Mr. Speaker.

REASON MINISTER DOES NOT FORBID USE OF TOBACCO

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I too would like to address a question to the Minister of National Health and Welfare about his decision to ban saccharin.

Since saccharin has been used for many years either by diabetics or cardiacs and that in the minister's opinion no cancer case has been detected so far and since it has been stated on many occasions that the cigarette was a carcinogenic agent, could the minister tell the House on what grounds he decided to forbid the sale and use of saccharin and why he does not take any action against smoking since it has harmful effects on health?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, to answer the first part of the question, this decision has been made following a scientific study which lasted more than three years in my department and whose results were confirmed by a great number of international authorities invited to examine its findings.

On the second part of the question, I will say that there is a notable difference between cigarettes and saccharin since the latter is an additive in a great number of foods and drinks and plays no essential role while cigarettes are a substance consumed rather uniquely, so to speak, and it is not linked to consuming of other products. In addition it must be recognized that unfortunately cigarettes are part of our environment and condition of living and that it is not realistic to think that we could forbid their use as easily as saccharin.

[*English*]

FINANCE

REASON FOR DECLINING CONFIDENCE OF UNITED STATES IN CANADIAN DOLLAR—POSSIBLE PEGGING OF VALUE OF CANADIAN DOLLAR

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Finance. As the Canadian dollar continues its ragged retreat in relation to the United States dollar, it having fallen a further point since the Minister of Finance chose to visit the United States until at noon today it reached 94.33, a seven-year low, could the minister, as a result of his recent junket to the United States, tell the House the principal reasons for declining American confidence in our dollar and indicate what steps he was advised to take to shore up investor confidence in Canada?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, perhaps I could refer the hon. member to my previous answer to this question.

Mr. Stevens: A supplementary question, Mr. Speaker. Since our dollar has now fallen nine points, would the minister indicate the probable inflationary effect in Canada of this fall, and is he considering pegging the dollar, as he hinted in committee, to save it from falling to a totally unreasonable level.

Mr. Macdonald (Rosedale): Mr. Speaker, I have already provided the hon. member with the answer to that question in committee.

REASON NEW ENGLAND STATES HAVE LOWER UNEMPLOYMENT RATES THAN EASTERN CANADA

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, may I ask the Minister of Finance a final supplementary question? As we live with low real growth prospects and particularly high unemployment in Quebec and the Atlantic provinces, would the minister tell the House if in his talks with Americans he discovered why the New England states have substantially lower unemployment rates than their Canadian counterparts, our five eastern provinces?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, that was not discussed.

POSSIBILITY OF INTRODUCING FOREIGN EXCHANGE CONTROL

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Finance. Is the government contemplating the introduction of foreign exchange controls? I ask this in view of the minister's answer in committee, to the effect that there is some thought, perhaps, of stabilizing the dollar. Can the minister tell us of any way of stabilizing the dollar without introducing foreign exchange controls?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the answer to the second part of the question is, yes. There are ways of stabilizing the dollar without foreign exchange controls. I would say absolutely and categorically that we are not proposing to introduce foreign exchange controls.

Mr. Hnatyshyn: Not today.

Mr. Gillies: Mr. Speaker, can the minister tell the House how he proposes to stabilize the dollar without the introduction of foreign exchange controls?

Mr. Macdonald (Rosedale): Mr. Speaker, as I have indicated many times in the House, I am not proposing to intervene.

Mr. Stevens: I thought you said in committee that we were.

Mr. Macdonald (Rosedale): I did not.

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TOURISM

EFFECT OF UNITED STATES LAW LIMITING DEDUCTIBILITY OF CONVENTION EXPENSES—GOVERNMENT ACTION

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. Since the Canadian government estimates that more than $12 million of convention business has been cancelled since the new United States law severely limiting the deductibility of convention expenses incurred abroad took effect, can the minister assure the House and the Canadian tourist industry that a revised tax treaty will be in effect before the domestic tourist industry is irreversibly damaged?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, this question was brought up by our Prime Minister in Washington during his talks with President Carter. It has also been discussed yesterday by my colleague, the Minister of Finance, and his counterpart in Washington, and I also hope to have the opportunity of discussing this problem with the American authorities during my forthcoming visit to Washington at the end of this month. However this is a legislation—

[*English*]

Some hon. Members: Oh, oh!

Mr. Hnatyshyn: The dollar will fall to 40 cents.

[*Translation*]

Mr. Chrétien: I wonder why my colleagues are so nervous. Anyway, Mr. Speaker, this is a legislation which was passed by the American Congress and I do not think it could be revised during the next weeks. However we continue our representations so that Canada may be exempted from this tax which is highly detrimental to our hotel industry.

[*English*]

Mr. Darling: Mr. Speaker, I wonder if the uproar in the House means that our dollar will fall another cent in view of his forthcoming visit? Considering the fact that the tourist trade deficit with the United States alone was $470 million during the first three quarters of 1976, will the minister attempt to persuade the U.S. administration that their tax laws relating to tourism can be adjusted in Canada's favour since there is such a tourist trade surplus in favour of the United States.

● (1430)

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, perhaps I can respond to that. I specifically discussed with the Secretary of the Treasury the possibility of working out reciprocal arrangements with regard to convention trade in the tax laws of the two countries and the Secretary will be taking that under consideration in the drafting of their position on the tax treaty.

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ROYAL CANADIAN MOUNTED POLICE

REQUEST THAT NEW COMMISSIONER BE CHOSEN FROM WITHIN THE FORCE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Solicitor General. It has to do with the Royal Canadian Mounted Police. Ever since the days it was the Northwest Mounted Police, I have been very devoted to that organization. Following the question that was asked yesterday by the hon. member for Yukon, can the Force be assured that whoever is chosen as Commissioner, if not at the moment a member of the Royal Canadian Mounted Police, must have had that experience, otherwise he will not be appointed.

Hon. Francis Fox (Solicitor General): Mr. Speaker, I am pleased to learn of the great support the right hon. member gives to the work of the Royal Canadian Mounted Police. I wish to inform the right hon. member that his question was answered in great detail yesterday by the Prime Minister. Of course, the best available person to fill the highly complex and difficult task of Commissioner of the RCMP will be chosen to fill the position. In the selection process, present members of the Force will of course be considered.

Mr. Diefenbaker: It may be that there are some members of the government today who are not proud of the Mounted Police.

Some hon. Members: Oh, oh!

POSSIBLE REMOVAL OF NATIONAL POLICE SERVICES PROVIDED BY FORCE

Right Hon. J. G. Diefenbaker (Prince Albert): A number of them may now be identifying themselves. I would ask one further question. Is consideration now being given to the removal of the national police service that has provided effectively over the years at the expense of Canada as a whole for police officers across the country? Is this matter now being considered? If so, is this another step in the emasculation of this great Force?

Hon. Francis Fox (Solicitor General): Mr. Speaker, perhaps I do not understand the right hon. member's question properly, the implications or the specific case he has in mind. As far as I am concerned, national police services which are afforded by the RCMP to all police forces in the country are on the increase. Witness the new National Police College which has recently been opened in Ottawa which trains forces in order to help improve police services throughout the country.

Mr. Diefenbaker: With great respect to the minister, and I have had considerable respect since he took over his portfolio, I would ask him whether a movement is now on foot to end the national police service which has been furnished throughout the years, removing it from the aegis of the RCMP. That is all I ask.

Mr. Fox: No, Mr. Speaker.

* * *

[*Translation*]

TRANSPORT

REQUEST FOR ACTION TO PREVENT TRANSFER OF CAST SHIPPING FROM MONTREAL TO HALIFAX

Mr. Raymond Dupont (Sainte-Marie): Mr. Speaker, my question is directed to the Minister of Transport.

In view of the substantial negative impact resulting from the transfer of the Cast North America company from the Montreal harbour to the Halifax harbour, does the Minister of Transport intend to take the necessary measures to prevent such a transfer?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the discussions between the two groups have, of course, been watched closely by us. They are still, I think, in a bargaining position. Therefore, it would not be appropriate for me to comment at this stage.

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AIR TRANSPORT

EFFECT OF CHANGE IN AIR SPACE CONTROLLED FROM MONCTON

Mr. Leonard C. Jones (Moncton): Mr. Speaker, my question is directed to the Minister of Transport. I asked the minister a question yesterday and really did not get an adequate or sufficient answer. Therefore, I would like the privilege of asking some of these questions again. Keeping in mind

that the Ministry of Transport has already commenced a multimillion dollar construction program and ordered substantial equipment for a new air traffic control centre at Riverview, New Brunswick, just outside Moncton, keeping in mind that the Ministry of Transport is conducting a study regarding air traffic control and the language of air-to-ground communication, and so on, and keeping in mind the minister's undertaking not to proceed any further until the completion of the study, why has the ministry decided to reduce the air space in the Moncton air traffic control centre by 350,000 square miles? Does the minister realize what effect this will have on the potential job loss in the Moncton area, which I understand is between 80 and 100 jobs? Will the new structure and facilities at Riverview be completed and operated in accordance with the original plans by the Ministry of Transport?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I answered those questions quite specifically yesterday. Assurances have been given to the Moncton controllers that no jobs will be lost. New facilities are being built as part of the total plan of air space control. That plan, developed through 1973 to 1975, does lead to the transfer of some 350,000 square miles of air space, if one can measure air space in that fashion, from the Moncton centre. As I say, that is being done with assurances with regard to jobs.

Mr. Jones: Has the minister received a telegram from the Moncton city council and is the minister prepared to give the Moncton city council the assurances requested by them and the community, in particular with regard to potential job loss?

Mr. Lang: Mr. Speaker, I have not seen a telegram of that type, but I will certainly check into it. I have repeated here in the House the assurance which my officials previously gave to the controllers. Obviously, I will be glad to repeat that in reply to the telegram.

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NORTHERN AFFAIRS

REASON FOR SHORT-TIME PERIOD ALLOTTED TO STUDY OF ALCAN PIPELINE—RELATIONSHIP TO DECISION BY UNITED STATES

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question is to the Minister of Indian Affairs and Northern Development. Yesterday in the House in answer to a question from the hon. member for Moose Jaw, the minister announced that there would be an inquiry to examine the social and economic impact of the Alcan route. Can the minister advise why he expects that particular study to be completed by early summer in view of the fact that the Berger inquiry took nearly two years to complete its study? Why is it the Alcan route is able to be studied in such a quick and cursory way when it took so long to study the other route?

Hon. Warren Allmand (Minister of Indian Affairs and Northern Development): Because, Mr. Speaker, the environmental questions will be considered by an environmental impact study under the Environmental Act. It will not be covered by that particular inquiry. Furthermore, there are much fewer communities.

Mr. Leggatt: In view of the fact the Berger inquiry was given jurisdiction to inquire into the environmental aspects, and the minister at that time thought that was necessary for the Mackenzie route, why does this minister now say it is not necessary with regard to the Alcan route?

Mr. Allmand: Because at that time we did not have the environmental laws we now have which require that any federal project go through an environmental impact study by a separate inquiry under the Department of the Environment. The environmental study will be made, but by a separate inquiry.

Mr. Leggatt: Is the fact that the Alcan inquiry will end at the end of the summer directly related to the commitment of the President of the United States to a deadline of September 30 to make a decision? Is the shortness of the Alcan inquiry related to the American shortness of time to make a decision with regard to bringing Alaskan energy to the United States?

Mr. Allmand: Mr. Speaker, the timetable has not been set, but it may have something to do with it.

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EXTERNAL AFFAIRS

INVESTIGATION OF AGENTS' FEES FOR SALE OF NUCLEAR REACTORS—DATES WHEN FOREIGN GOVERNMENTS ASKED TO CO-OPERATE

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, I have a question for the Secretary of State for External Affairs. I have already given him notice of it. In view of the fact that almost four months have elapsed since the government undertook to investigate activities and fees of agents involved in the sale of nuclear reactors, and because the government appears to have been dragging its collective feet in this matter in seeking the co-operation of other governments, will the minister give the dates on which he first officially contacted the governments of Argentina, South Korea, Switzerland and Italy to ask for their cooperation in this matter? Will he table all documents that have passed between his department and foreign governments?

• (1440)

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, I want to thank the hon. lady for giving me notice of the question. I should emphasize that my response is in relation to what was done by the Department of External Affairs in reaction to the request which came to us from the public accounts committee. There may have been other correspondence by other departments of which I am not personally aware, but in terms of my own department the information was requested from Argentina by diplomatic notes on February 8 and 14 and we have received some transcripts from

Argentina which were forwarded to the Public Accounts Committee. Information was requested orally from Switzerland on February 15 and March 3, and by formal note on March 7; and information was requested from Italy by diplomatic note on March 7. We have had no request from the committee, at least not until today, for any direct inquiry by the department to the Republic of Korea.

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VETERANS AFFAIRS

STATUS OF PLAN FOR NEW HOSPITAL SYSTEM IN NOVA SCOTIA

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is directed to the Minister of Veterans Affairs. Could the hon. gentleman advise whether the much touted plan for a new hospital system for veterans in Nova Scotia, to be located on the Camp Hill property in Halifax, is (1) alive, well and ongoing, or (2) pigeonholed, or (3) in some intermediate process?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, there have been discussions going on between our department and the health department of Nova Scotia.

WESTMINSTER HOSPITAL—REQUEST FOR CLARIFICATION OF PLAN TO TRANSFER

Mr. Jack Marshall (Humber-St. George's-St. Barbe): A supplementary question, Mr. Speaker. In view of the confusing information which has been emanating from federal and provincial officials regarding the transfer of Westminster hospital in London, Ontario, would the minister indicate to the House when he is going to clarify this situation, which is causing mounting concern to veterans' organizations who are concerned with veterans' care, and particularly with the vast amounts of land, amounting to 256 acres, which would likely be turned over and should be kept for the care of the veterans?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, with reference to the parkland, that is not under consideration at all. With reference to veterans' organizations being confused and misinformed, there has been no information revealed so there is no need to be misinformed. The provincial government of Ontario has accepted our proposal and negotiations will be carried on in the near future. When an agreement has been arrived at to our satisfaction and to their satisfaction, notification will be given and released in the normal way.

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CUSTOMS

POSSIBILITY OF PROHIBITING IMPORTATION OF FERTILIZER

Mr. Jake Epp (Provencher): Mr. Speaker, I should like to direct my question to the Minister of National Revenue. On Friday last, March 4, I asked the minister whether her department had any intention of closing the border to the importation of herbicides, pesticides and fertilizer. The minister replied to me, if I may quote as reported at page 3666 of *Hansard*:

[Mr. Jamieson.]

—we had no intention of closing the border.

Yet that very same afternoon her colleague, the Minister of Agriculture, did in fact close the border under the Pest Control Products Act. I want to ask the minister whether she can give me more information as to whether fertilizer as well will now be banned from importation into Canada, as the Minister of Agriculture, the so-called "farmers' friend", has already done with herbicides and pesticides?

[*Translation*]

Hon. Monique Bégin (Minister of National Revenue): Mr. Speaker, the question could have been biased or ironical. The hon. member asked me whether I had any intention of closing the borders. I answered no, of course.

As to the matter of pesticides he was referring to in particular, I told him that I would inquire about the situation. Now, I have the answer today, which he already knows since I had him informed over the telephone. My department's only role is to check if Canadian importers have the authorization by the Department of Agriculture. This minister has since announced that he would no longer give the authorization to import certain pesticides because of the risks they represent. All questions, today, relating to fertilizers should also, if the hon. member is interested in the very substance of the decision, be directed to my colleague responsible for agriculture.

* * *

[*English*]

CONSUMER AFFAIRS

DIFFERENTIAL BETWEEN PRICE OF FERTILIZER IN UNITED STATES AND CANADA—REQUEST FOR INVESTIGATION

Mr. Jake Epp (Provencher): Mr. Speaker, I have a supplementary question for the Minister of Consumer and Corporate Affairs. In view of the fact that Canadian manufactured fertilizer finds its way into the United States and that Canadian buyers can buy Canadian manufactured fertilizer in the United States a minimum $25 per ton less than that same fertilizer costs in Canada, would the minister now undertake an investigation to determine why the price differential, and specifically whether Canadian fertilizer companies are involved in price-fixing practices?

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Mr. Speaker, I noted the hon. member's motion under Standing Order 43 and I have his question. I will bring both to the attention of the director of combines investigations.

[*Translation*]

FOREIGN INVESTMENT REVIEW AGENCY

FEASIBILITY OF MAGNESIUM QUÉBÉCOIS PROJECT—PROGRESS OF NEGOTIATIONS

Mr. Roch La Salle (Joliette): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce.

Considering the possibility of an $80 million investment in the Trois-Rivières-Shawinigan area concerning the project Magnesium Québécois, it seems to me that the Foreign Investment Review Agency takes a long time to reach a decision. Could the minister indicate today how are they proceeding with the negotiations on the possibility of establishing this industry in the area mentioned, which is of interest to all Quebecers?

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, the department has been considering this matter ever since last spring. We are still waiting for some information and, unfortunately, I noticed a considerable decline in the interest of the group involved in setting up the plant. Their capital is no longer what it was before November 15.

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[*English*]

ENERGY

POSITION OF UNITED STATES ON NUCLEAR SAFEGUARDS

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Can the minister say if in his discussions in Washington last week with Carter administration officials he covered the question of nuclear safeguards and if the United States has indicated to him that they are preparing to move to a level of nuclear safeguards covering technology, hardware and fuel equivalent to those which Canada has adopted over the past two years, including selling these items only to signatories of the non-proliferation treaty?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I did raise this question with Dr. Schlesinger, the presidential adviser on energy matters. In addition, it is fair to say that the United States is very much interested in the safeguards which Canada has adopted and recognizes that Canada is out in the lead so far as the international community is concerned. I was not able to obtain from him an undertaking, perhaps quite naturally, on that visit that the United States would be prepared to adopt the Canadian position at this time; but they did undertake to study very carefully the Canadian position and to consult with us on it, with a view to toughening nuclear safeguards around the world.

CONSUMER AFFAIRS

REQUEST FOR WITHDRAWAL OF PRODUCTS DANGEROUS TO HEALTH

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is also directed to the Minister of Consumer and Corporate Affairs. Since in the announcement today saccharin and related products are stated to have been withdrawn from the market, and in that we have known for some 10 years that there was a strong possibility that these products were doing damage to Canadian consumers, will the Minister of Consumer and Corporate Affairs now revise, with the Minister of National Health and Welfare, a list of those products, be they drugs or food, where there is a strong suspicion that they are now doing damage; and would he put the burden of proof on the manufacturer, not the consumer, and have them withdrawn now, not later when the damage is done? Because, as the minister knows, there is a strong possibility that those people who have been consuming saccharin and allied products have already been damaged. Will the minister insist—

Mr. Speaker: Order, please.

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Mr. Speaker, I understand from the minister of health's announcement that there is a phasing out of certain products in which the use of saccharin is employed. My understanding is that his department is taking careful note of the probable health hazards and has recognized the equity of spinning out the withdrawal. I think they have taken a very prudent course and one which is in the best interests of both consumers and manufacturers.

• (1450)

Mr. Grafftey: There is a misunderstanding here. I am not referring just to saccharin. I am referring to the whole area of foods and drugs where there is strong suspicion that damage is being done. Will the minister examine the complete list of food and drugs where there is strong suspicion that they are doing damage now, and make the burden of proof lie on the manufacturer not on the consumer before they are withdrawn from the market?

Mr. Abbott: The hon. member has known for ten years, apparently, about the saccharin problem and I would be happy to consult with him and get his list of all the other products he deems hazardous and take the matter up with the Minister of National Health and Welfare.

Some hon. Members: Oh, oh!

Mr. Grafftey: This is a serious matter, Mr. Speaker, and the minister makes light of it. I should like my question to be taken seriously.

Mr. Speaker: Order, please. The matter may be serious but the hon. member has had two chances and there does not seem any point in relaxing the rules to give him a third try. But I

will hear the hon. member at three o'clock if he has a point of order.

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[*Translation*]

CANADIAN BROADCASTING CORPORATION

REQUEST FOR INQUIRY INTO TREATMENT GIVEN MEMBERS OF PARLIAMENT

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to direct my question to the right hon. Prime Minister.

This afternoon, at two o'clock, I experienced a personal incident with CBC radio. Mr. Speaker, the Prime Minister has received complaints from his cabinet colleagues regarding the lack of objectivity of some CBC reporters. I have to complain about some directors of CBC. An announcer invited me for a one-hour program on the air this afternoon at two o'clock. So I left my office to be at the Chateau Laurier at two o'clock on the dot but I was told the program had been cancelled following a decision of the directors. I think it is an off-hand way to treat hon. members and party leaders. Would the Prime Minister consider extending the terms of reference he himself gave to the CRTC so that the inquiry on the partiality of some newsmen, as alleged by some government members, deals also with questionable decisions made by some CBC directors who should at least have the decency of personally offering excuses—and not through their employees—to party leaders when they change their minds so that the announcers not be placed in that difficult position?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I agree with the hon. member that the staff of the Crown corporation at every level should have very high respect for the elected members of this House who directly represent the people. As concerns these allegations, obviously I am not aware of the details since this incident has just occurred but I shall ask the Secretary of State responsible for CBC to report the case to the corporation and see if some action should be taken.

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[*English*]

COMMONWEALTH GAMES

GOVERNMENT ACTION TO AVOID AFRICAN BOYCOTT

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, I have a question for the Secretary of State for External Affairs. It concerns the Commonwealth Games to be held in Edmonton in 1978. Last week, in a comment relating to African participation in the games, Colonel Jack Davies, President of the Commonwealth Games Association of Canada, said the situation "doesn't look so good". What specific steps is the government taking to ensure there will not be an African boycott—steps which go beyond ensuring that New Zealand does not have official sporting links with South Africa?

[Mr. Speaker.]

Hon. Donald C. Jamieson (Secretary of State for External Affairs): I hope the hon. member will understand that I do not want to be too specific in the terms of my answer. We are making a number of efforts in a number of different places to ensure maximum support from all members of the Commonwealth. I can tell him that the matter is being pursued. For instance, it is not unlikely it will be discussed this coming weekend during the visit of Prime Minister Callaghan. We are making a number of overtures and our objective is to secure participation by all members of the Commonwealth.

Mr. Roche: The issue has begun to revolve around the definition of New Zealand's sporting links, whether official or unofficial. Since the basis for a possible African boycott appears to be widening beyond the question of New Zealand's official participation in sports with South Africa, is the government making efforts to determine the precise meaning of the statement issued by the Organization for African Unity last week calling upon its members to refrain from taking part in sporting events in which New Zealand participates?

Mr. Jamieson: Yes, Mr. Speaker, contacts have been made in a number of countries with regard to precisely that question—the definition about which the hon. member has asked.

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AGRICULTURE

BEEF—SUGGESTED REDUCTION OF IMPORTS FROM OCEANIC COUNTRIES IN VIEW OF POSSIBLE DROUGHT

Mr. Arnold Malone (Battle River): Mr. Speaker, my question is directed to the Minister of Agriculture. In view of the probability of a severe drought on the prairies this year as a result of which an unusually large influx of cattle is likely to come on the market, would the minister tell us whether he has any contingency plan to reduce the volume of imports from oceanic countries so that we do not get into another cycle of depressed markets?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I am optimistic. Most farmers are optimistic, so their minister has to be optimistic, that we will have good weather. We do have oceanic beef on set quotas for the total year this year. If something like the hon. member is suggesting should take place we would have to let our trading partners know what the problem was and how we were trying to meet it at that time.

Mr. Malone: Does the minister have in mind any bottom level price for cattle before he would implement a full quota or does he propose simply to wait until a crisis has arrived before opening negotiations with the oceanic nations?

Mr. Whelan: As I said yesterday, and as I think was pointed out by a number of other members, the United States is in a much worse position that we are. We shall be meeting in the not too distant future with the U.S. Secretary of Agriculture. A lot depends upon what they do. It is still a free market, it is still based on the North American market for beef, which is

what the beef producers of Canada wanted, so if they do not change their system and nobody triggers a meat import law in their country, and try and run supply management like we did last year, we will not have to react any differently. But we have to work very closely with the U.S. on this problem at the present time.

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GRAIN

WHEAT—PROPOSED REVIEW OF EXPORT PRICING POLICY

Mr. Frank Hamilton (Swift Current-Maple Creek): My question is for the minister responsible for the Canadian Wheat Board. In view of the declining value of the Canadian dollar, the threatened drought in western grain growing areas and the fact that Pacific export orders have been filled until Christmas, would the minister consider calling a special meeting of the Wheat Board advisory committee to review Canada's export grain pricing policy?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the advisory committee meets regularly and the time has about come for me to meet with them as well. They meet ordinarily, of course with the Canadian Wheat Board. I am fully confident that the Wheat Board is well aware of all facts which bear on the proper pricing and selling of grain and I have full confidence in their judgment.

* * *

SPORTS

PROPOSED SURCHARGE ON ICE SHOWS TO PROVIDE FUNDS TO AID DEVELOPMENT OF FIGURE SKATERS

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, further to my motion yesterday I have a question for the Minister of State (Fitness and Amateur Sport) of which I have given her notice. In view of the fact that foreign professional ice shows continue to drain Canadian skating talent without contributing financially to the development of the sport, I should like to ask the minister whether the government would be prepared to impose a reasonable surcharge on ice shows signing Canadian amateur skaters to long-term contracts in order that further necessary financial aid can be made available to our own skaters, as well as for the development of the sport generally, without imposing an additional burden on the taxpayer? I am suggesting something in line with the arrangement for professional hockey leagues vis-à-vis amateur drafts?

● (1500)

Hon. Iona Campagnolo (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, my information is that CFSA has already entered into such discussions, and I have asked that a report be prepared on the progress of those discussions so that I may acquaint the hon. member with the present status of them. There is already some discussion on the sharing of facilities on a professional basis, and I believe there is a considerable amount of documentation now to be brought forward. I will forward it when it comes.

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PENITENTIARIES

POSSIBLE ACQUISITION OF BURWASH SITE FOR NEW FACILITIES—PERSONS WITH WHOM NEGOTIATIONS HELD

Mr. John Rodriguez (Nickel Belt): My question is for the Solicitor General, Mr. Speaker. In view of the availability of a correctional site at Burwash presently owned by the provincial government of Ontario and in view of the minister's desire to locate some correctional institutions in Ontario, can the minister tell the House what steps are being taken to acquire a part of the Burwash site for a federal prison?

Hon. Francis Fox (Solicitor General): As the hon. member has pointed out, there is indeed a correctional facility available to us in the area of Burwash. I have asked my officials to investigate the possibility of acquiring that site from the government of Ontario. Negotiations are presently going on between the Department of Public Works and the department of corrections of the province of Ontario.

Mr. Rodriguez: In view of the fact that the provincial member for Sudbury East recently learned from the provincial department of government services that no negotiations were taking place between the federal government and this department for the acquisition of any part of the Burwash site, will the minister tell the House with whom his department is discussing the Burwash site, and when did these discussions take place?

Mr. Fox: There have been detailed negotiations going on. We have looked at the possible acquisition of a number of acres and we have discussed the various conditions pertaining to the acquisition prices.

Mr. Rodriguez: With whom?

[*Translation*]

Hon. André Ouellet (Minister of State for Urban Affairs): I rise on a point of order, Mr. Speaker.

Mr. Speaker: The Minister of State for Urban Affairs on a point of order.

Mr. Ouellet: Mr. Speaker, I undertook yesterday to answer a question from the hon. member for St. John's East (Mr. McGrath). With your permission, I could give a quick answer to his question.

It has to do with a loan guarantee granted under National Housing Act section 6(1).

[*English*]

Mr. Speaker: Order, please. I really must ask in the circumstances if the House would give consent to the minister to give an answer at this time. Is there unanimous consent?

Some hon. Members: No.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baker (Grenville-Carleton): Mr. Speaker, it being Thursday I should like to ask the government House leader for the business of the House for the balance of today, tomorrow and into next week; and in the course of answering that question would it be possible for him to designate next March 17 as an allotted day? Bearing in mind the date on which the next budget will be brought down, would the government House leader indicate to the House his intention with regard to the days on which the budget will be debated? Looking ahead to holy week, perhaps he might let us know what his intentions are with respect to the Easter recess?

An hon. Member: Perhaps he should check with Whelan.

Mr. MacEachen: Today we will continue the debate on the amendments to the Old Age Security Act, followed by second reading of the immigration bill. Next week the two items to follow will probably be the unemployment insurance amendments and immigration amendments, and then the amendments to the National Transportation Act. I am not quite sure which of those two would be called first, but they will be brought forward. As the hon. member knows, the intention is to have the budget delivered on Thursday, March 31.

Mr. Knowles (Winnipeg North Centre): The day before April fools' day.

Mr. MacEachen: The debate will begin on the subsequent Monday, which is April 4, and it will continue until the Easter recess which I hope will commence at the end of the day on Wednesday of that week. I will designate next Thursday, March 17, as an allotted day. I think it is St. Patrick's Day. It is the colour of green, which should coincide with the colour of the opposition since the Gallup poll.

Some hon. Members: Hear, hear!

Miss MacDonald: Are you colourblind?

Mr. Baker (Grenville-Carleton): My colleague is right in asking the government House leader whether he is colourblind. In the event that he is not, I would like to assure him that the memory of St. Patrick will shortly be honoured, in a much better way. I want to say one thing to the minister. We have had some discussion and if the minister would be prepared to call Bill C-11 on Friday, the hon. member for Humber-St. George's-St. Barbe has indicated to me that we would be prepared to have that bill go to the committee on veterans affairs after a short debate to be concluded by one o'clock on Friday. Perhaps that might be of assistance to the government House leader.

Mr. McGrath: I rise on a point of order, Mr. Speaker, which has to do with what would appear to be an anomaly in our rules. It raises the larger question of the reference which the government House leader has on the order paper for the Standing Committee on Procedure and Organization. What I consider to be an anomaly in our present rules governing the question period concerns oral questions taken as notice. I know Your Honour has to stay within the rules, but I state this for the record: yesterday I asked the Minister of State for Urban Affairs a question and in reply the minister said he would take the question as notice and give an answer "tomorrow".

The only way in which the minister could get the floor today was on a point of order, and the only way under our rules in which he could respond to my question was by unanimous consent, which the minister did not receive. Consequently, I did not receive a reply to my question. It would seem to me that some provision would have to be made in the rules with regard to oral questions that are taken as notice so that ministers will have a set time in which to reply to them.

Mr. Speaker: The hon. member for St. John's East raises a point that has given the Chair and the House difficulties on previous occasions. There can be no doubt that ministers who, in good faith, seek further information before delivering an answer should be able to give the answer. I have always taken the attitude that a member should not be entitled to put supplementary questions but should withhold them until the answer is forthcoming from the minister. Then I would make an effort to recognize the right of hon. members to ask supplementary questions at that time.

However, the difficulty continues in that a minister who rejoins the House with the information is dependent, to a certain extent, on the ability of the hon. member to rise—which fair rotation on that day may not allow—or else attempt to do what the minister did today, that is, rise during the question period to answer an unasked question. None of these solutions is satisfactory, and it would be helpful if the Standing Committee on Procedure and Organization could find a solution to that problem.

Mr. Stevens: Mr. Speaker, my point is more a question of privilege than a point of order. If you find that I have a question of privilege, I propose to move that the matter raised in today's questions to the Minister of Finance by me and my colleague, the hon. member for Don Valley, regarding our falling dollar be referred to the appropriate committee in the form of a reference on our foreign exchange position and the relationship of our dollar to other currencies, so that the Minister of Finance may make a full presentation on this matter and reply to questions.

My first question today was in reference to the visit to the United States by the Minister of Finance. I asked whether he

had learned while he was in the U.S. why there is a deteriorating sense of confidence in the Canadian dollar among Americans and foreigners generally and, if so, whether he could indicate whether any advice was given to him on how to restore confidence in the Canadian dollar. The minister's reply was that he had already covered that subject in committee or in the House. The fact is that he could not have covered it. The last committee meeting that the minister attended was March 1. There was an exchange with respect to the level of the Canadian dollar in relation to the American dollar, but there was absolutely no discussion at the committee meeting concerning the question I put to the minister today.

Second, I asked whether, in view of the falling dollar, it is the intention of the government to stabilize it at some level in view of the fact that the minister hinted at the committee meeting that there may be a level at which he might wish to peg the dollar. I refer particularly to an exchange at the nineteenth meeting of the Standing Committee on Finance, Trade and Economic Affairs.

● (1510)

Mr. Speaker: Order, please. The hon. member for York-Simcoe seeks the floor on a question of privilege. Up until now it appears that he is complaining about answers given by the Minister of Finance during the question period today. The hon. member will realize that even if the minister had made no answer whatever, there would perhaps be cause for criticism in terms other than those which relate to the procedures of the House but not for any redress in terms of the procedures of the House. Certainly there is no semblance of a question of privilege. If there is some other aspect the hon. member wishes to introduce, I would be glad to consider it, but it must relate more to complaints about the answers given today by the Minister of Finance.

Mr. Stevens: Mr. Speaker, I thank you for your observations. I was simply trying to give background as to the basis of my question of privilege. I quite agree that the minister could have declined to answer my questions, but he did not do that. I suggest he mislead the House by indicating that he had already answered the two questions to which I have referred, one dealing with the question of confidence in the dollar and how it can be restored, and the other dealing with the possibility of pegging the dollar. The first question was not dealt with in the committee proceedings to which the minister referred. He has contradicted himself. Today he said that he never indicated he would stabilize the Canadian dollar. I was simply pointing out that at the committee proceedings of March 1 he definitely stated that there was a possibility he would intervene. The hon. member for Gatineau asked the following question at that committee meeting:

> In other words, Mr. Minister, you foresee the possibility of the federal government having to take action in this area.

The hon. member was referring to stabilization. The minister replied: "It is still a possibility". Earlier the minister said:

> The government may possibly adopt certain measures to stabilize the value of the Canadian dollar—

My question of privilege is that I believe the minister unintentionally mislead the House today by indicating that he had not made that statement in committee and by stating that he had already covered this question of confidence as far as our economy is concerned at a previous committee meeting, which of course he could not have done because the last meeting of the Standing Committee on Finance, Trade and Economic Affairs on this subject was held on March 1 and the minister returned from his United States visit just today.

Mr. Macdonald (Rosedale): Mr. Speaker, what I pointed out to the hon. member at the committee is what I have pointed out many times. I do not really think I or anyone else can speculate on the reasons several thousand foreign exchange traders could have on any particular day for taking positions with regard to the Canadian dollar. It is good sense either on March 1, now or throughout the entire period that Canadian currency is floated, that I not speculate on the reasons for trading decisions. That is the point I put to the hon. gentleman, and I remind him again today. To try to speculate as to what motivates currency traders at any particular point anywhere in the world is something which I could not do, as Minister of Finance, and no one else could do it. Indeed, no one in New York could do it, either.

Mr. Gillies: That is absolute nonsense.

Mr. Macdonald (Rosedale): I also indicated to the committee on half a dozen occasions at that particular meeting that the government has no intention of intervening, that the floating dollar is Canadian policy, that there was a possibility at a certain point that policy measures might have to be taken because of the value of the dollar, but that there was no such intention at this point. The floating policy was then, and remains now, the policy of this government. I suggest that the attempts of the hon. member and the hon. member for Don Valley to portray it otherwise are something less than just with regard to the position I took.

Mr. Speaker: Order, please. In my view, the disagreement remains as it began, a disagreement between hon. members about the quality of the answer or the interpretation to be placed upon the answer of the minister to a question put during the question period. If there were grounds to suggest or argue that action had been taken by the minister at any time which was a deliberate misleading of the House, that might—and I stress "might"—lead to consideration of a question of privilege. That argument has not been put forward, and in case it has any way indirectly, the motion which is attached to the argument is not related to any action of that sort but is related to the question of the dollar. Therefore, I find that no question of privilege ought to be put to the House at this time.

Mr. Malone: Mr. Speaker, for some time I have been interested in the special tax deduction for people who are bedridden, blind or confined to wheelchairs. Having been unable to get answers in the House I placed a number of questions on the order paper. I will not go into those questions, but I am rather disturbed when the answers suggest that the

information requested is not readily available. The answers to the questions I asked are obviously available. Granted, they may not be readily available—

Mr. Speaker: Order, please. I wonder if I might ask the hon. member to defer this matter until questions on the order paper are called in a moment.

* * *

VETERANS AFFAIRS

BATTLE OF VIMY RIDGE—RECOGNITION OF SIXTIETH ANNIVERSARY

Mr. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, four weeks from Saturday will be the sixtieth anniversary of one of the most significant events in the history of our great country. I am referring to the battle of Vimy Ridge which took place on April 9, 1917, and which historians have declared to be the day on which Canada became a nation. I am proud to say that this memorable occasion will be officially marked by a service at the Vimy Memorial and that 24 survivors of the Canadian Corps who took part in that glorious victory will be there to pay tribute to their fallen comrades.

These survivors come from all across Canada and were chosen to represent the warriors of Vimy by the Royal Canadian Legion and the National Council of Veterans Associations. I am honoured to be heading a party including so many of Canada's heroes who will be revisiting the site of their great triumph. With a couple of exceptions they are all over 80, but I know their love for Canada still burns as fiercely as it did 60 years ago when they stormed up Vimy Ridge a hundred thousand strong and turned the tide of defeat into the flood of victory.

This ceremony will commemorate a day when Canadians were united in a common cause: one Canada, glorious and free. Let us keep the faith with them.

Some hon. Members: Hear, hear!

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, first I would like to thank the minister for sending us a copy of his statement with regard to his visit along with 24 survivors most of whom are over 80 years of age. On April 9 they will be commemorating the battle of Vimy Ridge. Hon. members on this side of the House say to them, "Go with God's blessing."

The minister should be aware that it was around the same time in 1917 that the then prime minister of Canada thanked Canadian troops for the sacrifice they were making in the First World War. He assured them that the Canadian nation would always remember the sacrifice they had made and would always be committed to caring for veterans and their dependants. With all sincerity, I suggest that the minister consider some of the inequities which still remain in the veterans' charter with regard to World War I veterans. World War I veterans who were incarcerated in prisoner of war camps are still not included in our prisoner of war compensation legislation. Here we are, 60 years later, and some veterans who served during the First World War cannot as yet qualify for war veterans' allowances unless they served for 365 days.

There is another glaring inequity of which the minister is aware, and that is that many veterans at age 80 who have widows live in fear. Those who fall within the category of having disability pensions of less than 48 per cent fear that their widows will be left without a widow's pension. The minister mentioned that they show a love for Canada, and I fully agree with him. I think the minister should remind the Prime Minister of Canada (Mr. Trudeau) of that fact. With the threat of destruction of our national unity, their conduct in the First World War, the Second World War and the Korean conflict is an example of the comradeship that was shown regardless of race, creed or colour; it reminds us of the sacrifices they made to make Canada what it is today and the efforts we must make to preserve our national unity.

• (1520)

As a Newfoundlander, I hope the minister realizes that on July 1 in Newfoundland we celebrate the battle of Beaumont-Hamel. Perhaps the minister can find the time to join in the ceremony in memory of those who suffered and died and lie in the graves of Europe.

I can only repeat, Mr. Speaker, that the minister goes with God's blessing and I hope he will reflect, upon his return, and show that we appreciate the sacrifices made by those veterans.

Some hon. Members: Hear, hear!

Mr. Max Saltsman (Waterloo-Cambridge): Mr. Speaker, I should first of all like to wish the distinguished and gallant minister well on his trip to Vimy Ridge. I hope he will carry with him not only the good wishes of his own party but certainly the good wishes and admiration of all of us in the New Democratic Party.

Some hon. Members: Hear, hear!

Mr. Saltsman: It is one of those occasions when we take pride in our veterans and express our appreciation for their efforts in keeping this country free.

The minister concluded his remarks today on a bit of a gushy note, yet I think it was a very appropriate bit of gush and perhaps we should be doing more of that. If the minister would excuse me, I would not mind doing a little gushing myself. As bad as war is, as horrible as war is, most of us who have been in war know that there is another side. Those of us who served in the armed forces, particularly in time of war, developed a comradeship, a sense of identity, a sense of loyalty and participation one with another. For instance, I was thinking it rather odd that the two people responding to the minister today are both Jews. One of the things that impressed me during the war was that questions of religion, race and colour broke down in the shared experience of preserving our free-

dom. It is that kind of spirit that is required in Canada today. It is for that reason that I welcome this occasion.

I am glad to see that the minister will be accompanied by survivors of Vimy Ridge. This is not only honour to the survivors but to all those thousands of Canadians who gave their lives for freedom. I hope their example will serve us well in Canada at this time when we face the difficult problem of keeping our country together.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I wish to thank the Minister of Veterans Affairs (Mr. MacDonald) for his statement recalling the great battle of Vimy and its 24 Canadian survivors. History does not say whether they were English or French-speaking Canadians, for that did not matter at the time. They were there in our country's defence and, at a certain point, they achieved unity in spite of the difficulties it presented at the time—I was only 3 or 4 years old—namely, the fact that French-speaking Canadians did not accept the draft too readily.

Nevertheless, French-speaking Canadians accepted courageously, open-heartedly to go overseas to defend our liberties, the rights that we now cherish. The minister's statement really touches me because I have a brother who is now 79 years old and even though he did not fight in the battle of Vimy, he was overseas, a soldier of the 22nd Regiment for 32 months as a volunteer. He wanted to serve Canada voluntarily and I am certain that he will be very happy when I get in touch with him tomorrow to let him know all the nice things the Minister of Veterans Affairs said today. He will be comforted and at the same time strengthened in a way by this patriotism he, like all the others, showed for our country.

Mr. Speaker, the minister's initiative in celebrating this event with fanfare by inviting the surviving Canadian soldiers of this battle deserves applause. There are enough disagreeable things that must be hushed up tactfully. When something nice happens, something that warms our heart like the minister's initiative today, we must commend him highly, and thank him on behalf of the soldiers who did their best to preserve the rights we still hold today.

In conclusion, Mr. Speaker, I will simply point out that the minister talked about national unity. I concur with him and think that it warrants further discussion. National unity was strengthened during the war, cemented in a way by the spirit of patriotism which moved both English- and French-speaking Canadians.

Today, in 1977, the situation has changed, but we should work together with the same eagerness and heart and love for our native land so as to strengthen even more the national unity which will not be at the expense of English-speaking or French-speaking Canadians, but a national unity which will prove profitable to all Canadians. There are many other comments, which I could make, Mr. Speaker, but I must heartily tell the minister how grateful I am and thank him for this initiative. He may rest assured that I will remember it forever.

ROUTINE PROCEEDINGS

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 2,925, 1,265, 1,459, 1,470, 1,635, 1,636, 1,691, 1,703, 1,747 and 1,834.

[*Text*]

RENOVATION LANGEVIN BLOCK

Question No. 2—**Mr. Cossitt:**

1. What is the total amount of public funds (a) expended to date (b) to be spent for all (i) renovations (ii) contents in the Langevin Building on Wellington Street?

2. What is the (a) specific cost (b) total cost per square yard of all carpets in the Building?

3. What is the identity of all offices that (a) are presently (b) will be located in the building?

4. What is the total cost of furnishing the area occupied by the Prime Minister and his staff and what is a list of all items and the cost of each in regard to both building alterations and contents?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Public Works and the Prime Minister's and Privy Council Offices as follows: 1. (a) and (b) (i) $4,336,489.16; (ii) $21,330.27.

2. (a) $89,000. (b) $12.03 per square yard, supplied and installed.

3. (a) Prime Minister's Office, Offices of the Privy Council, R.C.M.P. Parliament Hill Division. (b) There are no further changes in tenants anticipated at this time.

4. Plastic floor mat, $77.

BASIC RESEARCH IN CANCER AND DEVELOPMENTAL GENETICS

Question No. 925—**Mr. Muir:**

What are the names of the government agencies whose goal is basic research in (a) cancer (b) developmental genetics?

Hon. Marc Lalonde (Minister of National Health and Welfare): (a) and (b) A primary function of the Medical Research Council is "to promote, assist and undertake basic, applied and clinical research in the health sciences . . .", which includes cancer and developmental genetics.

Order Paper Questions

METRIC CALENDARS

Question No. 1,265—**Mr. Neil:**

1. Have 1977 metric calendars been printed and, if so (a) how many, (b) what was the cost of (i) printing, (ii) designing?

2. Were tenders called for the printing and design of the calendar and, if so, what are the names and addresses of the companies who submitted tenders in each instance and the amount of such tenders?

3. Has Miln-Bingham Limited/Metric Promotions Division, Toronto designed other brochures or material for Agriculture Canada under its metric programme and, if so, what are the details?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by Agriculture Canada and Supply and Services Canada as follows: 1. Yes. (a) 354,000; (b)(i) $82,622.60; (ii) $24,224.00.

2. Yes. Separate tenders were invited for the design and the printing of the calendars, and bids were received as follows: Design: Easlaw, McCarney & Mann, 780 Metcalfe Street, Ottawa, Ont., $370/page; Criterion Art Co. (Ont.) Ltd., 202 Rochester St., Ottawa, Ont., $610/page; Talbot Communications, 75 Ann St., London, Ont., $780/page; Miln Bingham Limited, 1165 Leslie St., Don Mills, Ont., $725/page. Proposals were evaluated on basis of companies' expertise, design submissions as well as price. Printing: Twenty firms submitted tenders as follows: Ashton-Potter Limited, Toronto, $66,417.00; Commercial Print Craft Ltd., Woodstock, $67,067.70; McLaren Morris & Todd Ltd., Mississauga, $70,018.00; York Litho Ltd., Toronto, $70,226.86; Ronalds Federated Ltd., Richmond Hill, $72,224.02; Southam Murray, Weston, Ontario, $72,818.02; Lawson Graphics, Toronto, $73,134.60; Folph Clark Stone Ltd., Bramalea, $74,552.70; Les Éditions Graphiques, Drummondville, $75,273.00; Gazette Canadian Printing Ltd., Montreal, $76,499.40; Pierre des Marais Inc., St. Laurent, $76,504.44; The Carswell Printing Co., Toronto, $76,390.88; Montreal Lithographing Ltd., Chomedy-Laval, $78,176.90; Graphic Centre Ont. Ltd., Toronto, $78,750.00; Miln Bingham Ltd., Don Mills, $79,505.60; Stovel Lawson Graphics, Winnipeg, $79,424.00; Evergreen Press Ltd., Vancouver, $79,856.00; Ronalds Federated, Montreal, $82,061.00; C.F. Haughton Ltd., Agincourt, $84,505.24; Ross Ellis Ltd., Montreal, $102,205.18.

3. No.

UIC—INCOME TAX DEDUCTION

Question No. 1,459—**Mr. Herbert:**

1. For the 1975 taxation year, what was the total amount of income tax deducted from unemployment insurance benefits and what amount was (a) federal tax (b) remitted to the provinces?

2. What method is used for the calculation of such tax?

Hon. Jack Cullen (Minister of Manpower and Immigration): 1. $209.3 million. (a) and (b) In accordance with the Income Tax Act, the Commission remits all Federal and all Provincial, except Quebec income taxes, which amounted to $162.9 million, to National Revenue, Taxation, and Quebec Provincial income tax, which amounted to 46.4 million to the Quebec Provincial government.

[Mr. Lalonde.]

2. The 1975 Income Tax deductions were calculated in accordance with the 1975 Income Tax Deduction Tables issued by Revenue Canada/Taxation.

TRANSPORT—DEVELOPMENT PLANS FOR AIRPORTS

Question No. 1,470—**Mr. Howie:**

Are there development plans for airports in the (a) Maritimes (b) rest of Canada which currently have priority over those for the DOT airport at Fredericton, New Brunswick and, if so (i) for which airports (ii) for what development (iii) in what order of priority?

Hon. Otto E. Lang (Minister of Transport): As reported in reply to question No. 960 of November 8, 1976, Transport Canada plans in 1979/80 to enlarge the air terminal building, acquire the furnishings, modify the car parking area, as well as construct a parallel taxiway and extend the aircraft parking apron at Fredericton airport, N.B., subject to the availability of funds and national priorities. Beyond the next fiscal year any program can only be considered tentative,and very much subject to the availability of funds and national priorities. It is therefore impossible to identify projects for which specific commitments in 1978/79 or subsequent years can be firmly established.

NATIONAL HEALTH AND WELFARE—DEPARTMENTAL EMPLOYEES LOCATED IN QUEBEC

Question No. 1,635—**Mr. Coates:**

How many public servants in the Department of National Health and Welfare are located in the Province of Quebec and what is the estimated payroll for the fiscal year 1976-77?

Hon. Marc Lalonde (Minister of National Health and Welfare): As of December 31, 1976, the department employed 861 public servants on a continuing or term more than six months basis in the province of Quebec. Information on the estimated number of term employees, less than six months, is not available. The estimated payroll for the 1976-77 fiscal year in this province is $12,658,942.

(NOTE: Per the Public Accounts, payroll is interpreted as salaries and wages, including overtime. It does not include such compensatory benefits as commuting allowances, employers' contributions to unemployment insurance, Quebec Pension Plan, etc.)

FEDERAL PAYMENTS TO QUEBEC RESIDENTS

Question No. 1,636—**Mr. Coates:**

What is the estimated total payment to residents in the Province of Quebec for the fiscal year 1976-77 (a) in old age security pensions (b) under the guaranteed income supplement (c) in family allowances (d) under the Canada Assistance Programme?

Hon. Marc Lalonde (Minister of National Health and Welfare): (a) $806,815,000; (b) $295,693,000; (c) $524,421,000; (d) During the fiscal year 1976-1977, the federal government will reimburse the Quebec Ministry of Social Affairs an

estimated amount of $608,478,000 under the Interim Arrangements (Established Program) Act. This amount represents the amount otherwise payable under the Canada Assistance Plan. In addition, an estimated amount of $2,500,000 will be paid for work activity projects authorized pursuant to Part III of the Canada Assistance Plan. These amounts represent the federal share of provincial expenditures for social assistance and welfare services as authorized under the Canada Assistance Plan. Under the Canada Assistance Plan, the federal government makes no payments directly to the residents of any province.

FREDERICTON, N.B., MANPOWER TRAINING

Question No. 1,691—**Mr. Howie:**

Have any community college courses been funded in Fredericton, New Brunswick, by the Department of Manpower and Immigration since January 1, 1976 and, if so, what were the courses and what was the extent of their funding?

Hon. Jack Cullen (Minister of Manpower and Immigration): Yes, as of February 9, 1977 the following courses have been purchased by the Department of Manpower and Immigration in Fredericton since January 1, 1976: Reorientation for Inactive Nurses—Maple Syrup Marketing—Clerk Typist—Steno Upgrading—Bartender—Homemaker—Forest Ranger—Small Equipment Repair—Lineman (Pre-Employment)—Basic Carpentry—Carpet Laying—Utility Lineman—Construction Lineman—Stationary Engineer—Basic Training for Skill Development—Basic Job Readiness Training—Vocational Teacher Training (Special Arrangement)—Apple Production—Maple Syrup Production—All Round Logger. The cost to the Department of Manpower and Immigration for the purchase of these courses is $1,088,511.

NATIONAL HEALTH AND WELFARE—INDIAN INFANT MORTALITY AND MEDICAL TRAINING

Question No. 1,703—**Mr. Smith:**

1. Does the 1975-76 Annual Report of the Department of National Health and Welfare state that the Indian infant mortality rate is 2.64 times greater than that for the general population and, if so, what was the Indian infant mortality rate in (a) 1970-71 (b) 1965-66 (c) 1960-61 (d) 1950-51?

2. (a) On what date was the Community Health Representative Programme initiated (b) how many representatives are located in Manitoba and in which locations (c) on what date did each begin?

3. What programmes is the Medical Services Branch initiating or supporting to ensure that more Indian people have an opportunity to train in such medical fields as nurses, dentists, dental assistants, etc?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. Yes. The following is a list of Indian infant mortality rates per 1,000 live births for specified years: 1975, 38.6; (a) 1971, 45.2; (b) 1966, 52.2; (c) 1961, 76.3; (d) 1950, not applicable.

2. (a) 1961. (b) and (c)

3. The Medical Services Branch sponsors the training of dental therapists in Fort Smith, N.W.T. Moreover, Medical Services' staff endeavour to encourage Indian people to take training in the field in existing educational institutions.

Location	Number Employed	Date Each Began
Berens River (3)	3	15/11/76
Garden River	1	04/04/68
	1	15/11/76
	1	15/02/76
	1	01/04/76
St. Theresa Point (1)	1	15/11/76
Wassagamach (2)	2	15/11/76
Red Sucker Lake (1)	1	01/02/77
Little Grand Rapids (1)	1	15/11/76
Brandon (1)	1	01/10/75
Poplar River (2)	1	22/11/76
	1	07/04/75
Portage la Prairie (1)	1	22/11/76
Russell (2)	1	22/11/76
	1	30/12/76
Dauphin (4)	1	30/12/76
	1	01/02/77
	1	15/11/76
	1	18/11/76
Fisher River (5)	1	01/05/63
	1	30/12/74
	2	15/11/76
	1	30/12/76
Little Saskatchewan (3)	1	30/12/74
	1	15/11/76
	1	06/12/76
Morden (2)	1	15/11/76
	1	01/02/77
Pine Falls (2)	1	15/11/76
	1	15/02/76
Lac Brochet (1)	1	14/12/76
Cross Lake (3)	1	24/02/75
	1	19/03/75
	1	30/11/76
God's Narrows (2)	1	04/04/76
	1	30/11/76
God's River (1)	1	01/05/75
Nelson House (2)	1	30/12/74
	1	30/11/76
Norway House (4)	1	22/12/61
	1	04/04/68
	2	30/11/76
Oxford House (2)	1	15/07/64
	1	30/11/76
Pukatawagan (1)	1	15/07/64
Granville Lake (1)	1	01/05/75
Shamattawa (1)	1	15/03/76
South Indian Lake (2)	1	30/12/74
	1	30/11/76
Split Lake (2)	1	26/04/76
	1	30/11/76
York Landing (1)	1	09/01/75
The Pas (2)	2	30/11/76
Total	59	

Order Paper Questions

COST OF REPORT OF THE COMMITTEE ON OPERATION OF THE ABORTION LAW

Question No. 1,747—**Mr. Woolliams:**

1. What is the total cost of the report prepared by the Committee on the Operation of the Abortion Law, including staff, travel, accommodation, printing, translation and miscellaneous expenses from the appointment of the Committee to date?

2. What is the cost breakdown of each of the items in Part 1?

Hon. Ron Basford (Minister of Justice): 1. See reply to part 2.

2.

Cost of the Committee on the Operation of the Abortion Law

Item	Total to 8-2-77 $
Professional Services (includes "Staff")	491,980
Travel	17,263
Accommodation	11,916
Printing	15,235
Translation	—
Miscellaneous Expenses	50,962
Sub-Total	587,356
Additional estimated expenses	91,600*
Total	678,956

* NOTE: For services which have been rendered but for which billings have not yet been received.

TRANSPORT—EXCESSIVE NOISE LEVELS—MILITARY AIRPORTS

Question No. 1,834—**Mr. Benjamin:**

Have any provincial governments complained to the Department of Transport about excessive noise levels from military airports near major urban centres and, if so (a) what is the nature, extent and location of such violations (b) for how long have Departmental officials known of the situation (c) what action, if any, has been taken to date?

Hon. Otto E. Lang (Minister of Transport): Transport Canada has no record of any provincial government complaint concerning excessive noise levels from military airports near major urban centres.

[*English*]

Mr. Goodale: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

[*Translation*]

Mr. Speaker: Shall the other questions be allowed to stand?

Some hon. Members: Agreed.

[*English*]

Mr. Malone: I rise on point of order, Mr. Speaker. I will not go through the whole preamble again except to say that I believe there are three other categories of people who are disabled. Other people are disabled, too—people not falling into the three distinct categories which now obtain tax relief, and these other disabled people are not entitled to receive the $1,420 tax relief.

[Mr. Lalonde.]

• (1530)

Bearing that in mind, I placed my questions on the order paper, only to receive the response that information on the subject is not readily available. I grant that it may not be readily available, and therein lies our difficulty. I could not secure that information during the question period; I was told that the matter was too complicated. On the one hand, those who are blind, in wheelchairs or bedridden are entitled to this special tax deduction. On the other, hand, disabled persons in other categories are not. Many of the blind and many in wheelchairs especially have full-time jobs and earn money, but there are others totally disabled who are not given any tax benefits.

Bearing this in mind, I suggest that a response to my order paper question saying that that information is not readily available is not satisfactory. Surely there is information available to supply an answer to question 1,518. I submit that it is not a matter of whether it is easy or difficult to answer these questions. We must have the information because there is an inequity in the system which I should like to see corrected. I raise this matter as a point of order and hope that those with responsibility in this field will, instead of arguing about the difficulties of supplying the information, do their best to answer our questions and give us the information we seek.

Mr. Goodale: Mr. Speaker, I appreciate the hon. gentleman's sincerity and draw to the attention of the House that with respect to statistical inquiries of various departments some material is handy and easy to obtain in response to written inquiries, and some is more difficult to obtain. Some is virtually impossible to obtain unless one spends much time and money trying to obtain it. I am referring to the kinds of detailed calculations the hon. member requires. I am not personally familiar with the specific requirement raised by the hon. member in his point of order, but I will undertake to inquire more precisely into the matter so that I can explain to the hon. member the rationale behind the explanation in the answer.

Mr. Jones: Mr. Speaker, I rise on a point of order. On February 18 I placed question No. 1,880 on the order paper. I realize that the government may not consider a three-week delay in answering as unduly long, but surely to goodness if the Department of Transport knows what it is doing the government could answer a simple question like mine.

GOVERNMENT ORDERS

[*English*]

OLD AGE SECURITY

AMENDMENT RESPECTING PENSION PAYABLE TO PERSONS SIXTY-FIVE YEARS OF AGE AND OVER CONTINGENT UPON RESIDENCE IN CANADA

The House resumed, from Wednesday, March 9, consideration of the motion of Mr. Lalonde that Bill C-35, to amend the Old Age Security Act, be read the third time and do pass, and the amendment thereto of Mr. Knowles (Winnipeg North Centre) (p. 3820).

Mr. Arnold Malone (Battle River): Mr. Speaker, I will not take long. I want to emphasize and put forward further information which will show that some of the answers of the Minister of National Health and Welfare (Mr. Lalonde) were at best inaccurate and at worst an attempt to mislead this House in terms of the situation concerning spouses' allowances. At present the government of Canada will pay one spouse between the age of 60 and 65 a pension if the other spouse is already receiving the old age pension; but when the older spouse dies, the government cuts off that pension. Yesterday the Minister of National Health and Welfare suggested that our proposals with regard to spouses' allowances would cost in excess of $2 billion. I suggest that his response was totally unacceptable since in committee he suggested that the spouses' allowance program would cost a maximum of around $700,000.

The minister and government supporters tried to say that we cannot ask the government to increase its spending on the one hand but reduce expenditures on the other. You must remember that this is an inequitable situation, for the government has paid money to these people and they have become accustomed to a certain standard of living. Then, when there is a death in the family, the surviving spouse does not receive the allowance. I submit that the spouse needs the money to continue living in dignity.

How can the government's position be justified, in view of the most inefficient ways it uses money? Last year the Minister of Transport (Mr. Lang) wasted $740,000 in jet jaunts across the country. Information Canada was costing up to $10 million a year. In the Post Office the numerical strength of its membership has increased in the last eight years from about 39,000 to over 60,000, or about 50 per cent. What can one say about the armed forces? The most significant observation about our armed forces is their relative numerical weakness in the lower ranks and their top-heavy nature. Their personnel includes only 19,300 privates, or merely 25 per cent of total military personnel, some 43,000 non-commissioned officers, and more than 14,000 officers. There are nearly twice as many captains as lieutenants, and nearly 50 per cent more corporals than privates.

I bring these facts forward to counter the government's argument that when the older spouse dies it must, because of the cost factor, take away the allowance from the surviving spouse if that spouse has not reached age 65. That is inequitable and I resent the government's suggestion that we on my side of the House are urging the government to spend more money. That is a fallacious argument. The fact is that almost any department of government one cares to examine wastes more money than it would cost to provide this program which has as its basis a humanitarian concern. Surely the government cannot say that it cannot afford the program, for it would cost only $700,000. To repeat what my former leader said, this government wastes more money than it would need to provide the spouses' program. The money would be only a little dribble. It should provide these funds to spouses who are without them. That is all I can say.

I underscore this: the arguments made by members on the government side yesterday were invalid and perhaps even designed to mislead the House. It was suggested that the program would cost an additional $2 billion. By the minister's own admission in committee, the cost would not be nearly as great. That point needs to be made.

Mr. John Gilbert (Broadview): Mr. Speaker, I did not intend to participate in this debate until I heard some hon. members speaking yesterday. I was inspired to enter the debate by the hon. member for Winnipeg North Centre (Mr. Knowles), and also prompted by a personal experience on Tuesday night of this week. I shall deal with the second reason immediately. I was attending a meeting of the ward 8 ratepayers' association in my riding to discuss the question of railway crossings when the president announced the death of one of the members of the association. Another member was collecting money to assist the widow. The question arose, why were people collecting money for the widow? The answer was that the husband who had passed on was over 65 years old and his wife, under 65, had been getting the spouse's allowance. Now, because the husband had passed on, the widow was to get nothing.

Some hon. Members: Shame.

Mr. Gilbert: Yes, people at the meeting were collecting money to assist the widow.

When we debated the spouses' allowance a couple of years ago we were told that the amendment before the House was based on the theory that two pensioners could not live on one pension. Hence the reason for the spouses' allowance. I remember that all opposition members who spoke tried to persuade the government not to include in the amendment the exceptions affecting widows, widowers, spinsters and bachelors. All people in the age range of 60 to 65 should be given an allowance, especially if the pensioner has passed on. I heard the response yesterday by the Minister of National Health and Welfare (Mr. Lalonde) about persons on spouses' allowance who, as a result of the death of a person receiving the pension, will get nothing. It made me realize that I had to get up and say something, especially when I had the personal experience I mentioned on Tuesday night.

● (1540)

What did the Minister of National Health and Welfare say? He said that to pay a pension to people between 60 and 65 years of age would cost $2 billion and that we in the opposition ought to exercise some financial responsibility. The hon. member for Davenport (Mr. Caccia) said it is very easy for the opposition to talk about changes in programs, but these improvements have to be made by increased taxes. He said it is not realistic to make these changes at the moment. The hon. member decried the members of the Conservative party who he claims have stated they want it both ways. He said they want government restraint on one side, and at the same time they want improvements in programs. I thought the hon. member for Battle River (Mr. Malone) ably set forth the argument with regard to the amount of money the government is spending on other programs and the necessity of having priorities with regard to its expenditures. When one thinks of the $25 million loss on the sale of the CANDU reactor to Argentina, one realizes that the government has not set its priorities in order. When one considers the corporate advantages with regard to depreciation allowances, and the huge savings to corporations as a result of those tax advantages, one realizes that the government does not have its priorities in order.

The Minister of National Health and Welfare said it would cost $2 billion to pay pensions to persons aged 60 to 65. He does not realize the real thrust of the argument of members of the Conservative party, the New Democratic Party and, I am sure, the Social Credit party with regard to spouses' allowances. In reality, the cost of the program to permit spouses' allowances to continue until they attain 65 years of age, on the minister's own admission in committee, amounts to $700,000. Now, $700,000 is a far different figure from the $2 billion that the minister gave. It was a deliberate attempt to mislead the House with regard to this matter.

I am rather happy that the hon. member for York South (Mrs. Appolloni) is in the chamber. I hope she participates in the debate. The real thrust of the hon. member for Winnipeg North Centre in bringing forth the motion to refer back to committee clauses 8 and 9 of Bill C-35 was to persuade the government that this should be done and that they should accept the pleadings and arguments made in committee by the hon. member for York South—and made many times from this side of the House—that the spouses' allowance should stand regardless of age until the person attains 65 years of age. This gives the hon. member for York South, the hon. member for Davenport and hon. members on the opposite side an opportunity to tell the Minister of National Health and Welfare in no uncertain terms that there is a deliberate injustice to these people by cutting them off the spouses' allowance because one member of the relationship passes on. I hope the hon. member for York South participates in the debate and in the vote to give us support to have this matter referred back to committee.

Why is it that the Liberal party always casts shadows on good programs and principles? I remind hon. members of the label they earned, and deserved, back in 1957 when they attempted to give pensioners a $6 increase. They were known as the "six-buck boys". The result of that action was that they lost the next election to the Conservative party. I recall two or three years ago when at Christmas the government, in an endeavour to adjust the old age pension, gave old age pensioners a 42-cent increase. Why is it that two years ago they made those cruel and inhumane amendments with regard to the spouses' allowance affecting widows, widowers, bachelors and spinsters?

I ask the hon. member for York South and the Minister of Manpower and Immigration (Mr. Cullen), why it is that the Liberal party casts a shadow on programs that are essentially good? Why is it they get so mean, miserable and niggardly with regard to certain people within the community? This is why we in the New Democratic Party think the motion presented by the hon. member for Winnipeg North Centre gives all of us an opportunity to tell the government in no uncertain terms that this is not the way most Canadians want to treat widows, widowers, bachelors and spinsters with regard to pensions.

The Minister of National Health and Welfare has a very high-profile portfolio. However, he was disappointing when he attempted to justify his action by the statements he made yesterday. I spoke about the widow in my constituency who will be cut off her spouses' allowance because her husband passed on. She gets nothing. The minister had the audacity to say that she can apply for social assistance or welfare. There is a difference between a pension and welfare assistance. A pension is earned. Welfare assistance appears to be a grant or gift, something that may not be earned. Surely the wives and husbands of pensioners who are under 65 years of age should be treated in a more humane way.

When I heard the response of the minister that we have to tackle the problem of poverty, I could not agree with him more. However, I say to him that it is about time he started tackling the problem of poverty. It was not enough for the Minister of National Health and Welfare to go to Toronto last Friday and attempt to lecture the people of Toronto and Ontario by saying they must put their actions where their words are with regard to national unity. It was not enough for him to say they have to take the initiative with regard to programs in language, attitudes, and so forth. He has to tackle the problem in a more concrete and specific manner.

The minister would have been far better to go to Toronto and say to the people of Ontario that if we want national unity we have to tackle the problems of poverty, unemployment, housing and many of the social problems that prevail. If he had done that, instead of trying to lecture them on the bilingual issue, I am sure that he would have obtained the support of the people of Ontario, indeed of people throughout Canada. It is not worthy of a minister in a high-profile portfolio to say that sort of thing.

● (1550)

I would remind the minister that one thing we have to get straight is basic security for all Canadians. I give the government credit for the Canada Pension Plan, but we have to be reminded at all times that at best the Canada pension provides only 25 per cent of the six best years of a workingman's life, which I suggest is not sufficient to meet today's costs. In view of the high rate of inflation today, is it any wonder that people who receive the Canada pension have to continue working to meet the expenses of the day?

At this stage, Mr. Speaker, it is only right and proper that all of us should give full credit to the hon. member for Winnipeg North Centre who has spoken on pensions ever since he came into the House and yesterday put the position on pensions clearly and concisely. Many members, including the hon. member for Davenport, picked up points which the hon. member for Winnipeg North Centre made, as did the hon. member for Hamilton West (Mr. Alexander), not only with regard to spouses' allowance but also with regard to the double signature required on some pension application forms. The hon. member for Winnipeg North Centre also outlined the problem faced 10 or 12 years down the road by people who come to Canada today and who, as a result of the changes contained in Bill C-35, may not have sufficient money to meet requirements of that day.

I was rather amused at the performance of the hon. member for Hamilton West yesterday, who jumped up after the hon. member for Winnipeg North Centre had moved his motion to refer back clauses 8 and 9 of the bill to test the strength of the opposition regarding spouses' allowance and said that the hon. member for Winnipeg North Centre had not told him what he was attempting to do. Mr. Speaker, there has always been a rather pleasant relationship between members of the New Democratic Party and members of the Conservative party concerning opposition we have to government programs, but this is the first time I have known a member to jump up and criticize our critic because he had not told him what he was going to do. I just could not get over the fact that he would whine and try to say that the hon. member for Winnipeg North Centre was devious. I think he should have thanked the hon. member for Winnipeg North Centre and said that he appreciated the opportunity given to him procedurally to express his concern about pensioners.

Mr. Alexander: How about getting back to the bill?

Mr. Gilbert: I think he should have said that the motion gives members an opportunity to support the hon. member for Winnipeg North Centre.

The Acting Speaker (Mr. Turner): Order, The hon. member should get back to the terms of the bill.

Mr. Skoreyko: He is just killing time, that is all.

Mr. Gilbert: Thank you, Mr. Speaker, but I just wanted to tell my good friend what I thought of his performance yesterday and that I was not really impressed.

All members of the House support the main principle of Bill C-35 and its new approach to calculating a pension. I think all of us acknowledge that some of the social programs we have in Canada are of the best. But we are not satisfied that the application of some of those principles gives the best to certain groups, particularly so far as spouse's allowance is concerned. This is why we are having a debate at this time, and it is why I ask the hon. member for York South and the hon. member for Davenport, two members whom I know quite well, to give us the support that is necessary to make the Minister of National Health and Welfare realize that most of us in the House do not want to see widows penalized because of the death of their partner. I ask that all of us support this bill.

Mrs. Ursula Appolloni (York South): Mr. Speaker, I did not intend to speak at this point because I said a tremendous amount in committee the other evening, as hon. members are aware. However, since I have been quoted it strikes me as passing strange that members of the opposition should laud a member on the government side. I thank them for that. I just want to make a few points, and perhaps this will be my last plea to the minister to please review his decision on this bill. If it will help him to review his decision, I will be tremendously honest and open. The hon. member for Hamilton West (Mr. Alexander), both yesterday and in committee, asked where I was in 1975. The hon. member for Winnipeg North Centre (Mr. Knowles) excused my failure to speak up on my ignorance. I have to tell the truth.

Mr. Knowles (Winnipeg North Centre): No, I said because you were new.

Mrs. Appolloni: Because I was new and because I did not have the courage.

Mr. Alexander: Well, certainly we forgive you for that.

Mrs. Appolloni: I hope my conscience will forgive me. I feel extremely strongly on these two points, Mr. Speaker. I think what we are doing here is overlooking the human factor.

Some hon. Members: Hear, hear!

Mrs. Appolloni: I think at this stage in our so-called civilization the one thing we cannot afford to do is to overlook the human factor. I happen to believe that as legislators, as human beings, it is our duty to uphold each one's dignity and to save each one's pride. There is a sentiment, especially among our elderly, that hand-outs in the form of welfare, or whatever euphemism you care to use, are beneath their dignity. We might quarrel with, dispute and question the rationale behind that sentiment, but we cannot dispute the fact that the sentiment exists and that somehow we have to uphold the dignity of these people to whom this situation is very real. For some reason it is much more important to them to accept a cheque from the federal government than it is to accept one from the welfare office of a province or municipality. That cannot be disputed and must be accepted.

Now let me take the case of widows and widowers aged 60 and over. They suddenly lose their spouse. They are by age and by every other concept in our language at the most vulnerable point of their lives. What are we doing to them? We are taking a few pennies away. Let us face it, we are not giving them through OAS a tremendous amount of money, but we are taking away the few pennies that their dignity demands, and doing this at the very time they have lost their loved ones. Is that humanity?

I have dealt with widows and widowers. What are we doing with the unwed? We have allowed common law marriage, but this is not the question here. What, in effect, this bill is doing is penalizing or victimizing those people who for one reason or another chose not to marry.

● (1600)

Let me quote just one case in point. We have a man aged 65 or over who for one reason—mainly cultural, I might add—is given the usual comforts of life. He is cooked for, he is cared for in many ways by his sister who is over 60. Obviously, they cannot marry. They do not want to be spouses unless they want an incestuous relationship. Perhaps I had better keep away from that. But just because they are not married, this sister who has given him all the comforts he needs in his old age is denied anything. The rationale behind this, we are told, is that two people cannot live on one pension. What happens to the sister who does not marry? She is excluded. In other words, we are penalizing the woman. It is usually the woman. I am sorry if I sound feminist—no, I am not sorry; I do not apologize: it is usually the women who are penalized.

Mr. Knowles (Winnipeg North Centre): You are right.

Mrs. Appolloni: We are penalizing the woman who could not get her man. As I say, I have very little hope of making any change, but I want to go on record that I feel that by passing a law such as this we are perpetuating a very grave error, one to which I myself was a party in 1975. I regret my error in 1975 and want to rectify it now. I want the government to show its humanity.

Some hon. Members: Hear, hear!

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, I want first of all to commend the hon. member for York South (Mrs. Appolloni) for the comments she has made with such courage and conviction.

Some hon. Members: Hear, hear!

An hon. Member: Too bad the minister was not present to hear them.

Miss MacDonald: It is, indeed, a pity that the Minister of National Health and Welfare (Mr. Lalonde) was not present to hear those comments. I sincerely hope they will be passed on to him quickly, before the vote, and that they will have an influence on the way in which he reacts to the amendment. I should like to comment on the amendment put forward by the hon. member for Winnipeg North Centre (Mr. Knowles). As you are aware, Mr. Speaker, my party has expressed its intention to support Bill C-35. But what we are debating at the moment is an amendment which I feel would improve the bill and at the same time remove a particularly cruel form of injustice which presently exists.

The origin of that injustice goes back to Bill C-62 of last session, a bill debated in the spring of 1975. I state again, as I did at that time, that certain provisions of Bill C-62 were conceived in a spirit of meanness and callousness. That piece of legislation enabled the younger spouse of an old age pensioner to receive old age security, on the basis of need, between 60 and 65 years of age. A number of us who served on the committee of that time, all members of opposition parties, felt the benefits of such a proposal should not be denied to those who had the misfortune to lose the elder partner in a marriage, or to single persons in the same age category.

We were particularly incensed that a younger spouse who became the recipient of the payment on a regular basis should suddenly have that payment terminated on the death of the elder partner. This seemed to us to be cruel, unjust and unfair. We protested strongly at the time. The amendment before us, introduced by the hon. member for Winnipeg North Centre, seeks to redress that callous action on the part of the government.

Statistics show that in 90 per cent of all marital union, the younger spouse is female and, as in so many other areas of discrimination, the inequity falls far more heavily on women than on men. It is ironic that this particular inequity should have been initiated by the minister responsible for the status of women.

Mr. Knowles (Winnipeg North Centre): Shame.

Miss MacDonald: I recall that back in June, 1975, the minister was asked whether any projection had been made as to the number of people who would become disentitled to pensions on the death of the elder spouse. The minister asked his officials for the projection, and the figures indicated that some 375 persons per month would be disentitled; that is, approximately 4,500 Canadians per year. So the figure is 4,500 people out of a total population of some 23 million. Not a great number, but obviously too few to warrant the concern of the government.

What does it mean in dollar terms? If you take the figure of 4,500 a year and calculate on the basis of the maximum benefit rate of $150 a month—and many people would not be receiving as much as that—the total amount would come to about $672,000 a year which, as some members have already pointed out, is less than the Minister of Transport (Mr. Lang) spends annually on his private jet flights. If you were to take another figure, that is, the $40 million which the government lost and pilfered away on the sale of the CANDU reactor to Argentina, and transfer it to those 4,500 people who are disentitled annually, you would be able to continue paying pensions to people in this category for the next 50 years.

I want the minister to tell us if he knows what a person feels like when suddenly cut off from benefits. Has he ever been in contact with such individuals? Has he ever listened to them? Has he ever talked to them? If so, what does he tell them about this? Yesterday, when he was addressing himself to the amendment, he proudly trumpeted these words: "We have no lesson to learn from anybody." As was said of the Bourbons, so it could be said of the Minister of National Health and Welfare: he has learned nothing and he has forgotten nothing. I suggest the minister learn to listen to a few of these people to whom he is causing such unnecessary hardship. It may be trite to say the government is practicing restraint upon the backs of the poor and the aged, but that is certainly what is being done in this case.

● (1610)

In his usual devious manner, the minister sought to distort the amendment by claiming that its intent would cost some $2 billion. Obviously, his figure is inaccurate if you look at that amendment and, I would say, deliberately inaccurate. But if there is one thing that we have learned to expect from this government, it is that it is pretty poor at doing its arithmetic on anything. Some 4,500 Canadians are affected annually by this discriminatory piece of legislation—4,500 Canadians who have already had to prove their need in order to receive this payment. I suggest that if there was need in the first place for them to receive payment, surely that need exists to a greater, not a lesser, degree after the death of the older spouse. I want to see these benefits retained by the 4,500 Canadians who are presently receiving them. The minister wants to snatch them back, and again I have no doubt that he will vote against the amendment: he said he would do so.

He also said something else back in 1975 when he was before the committee. He told the members at that time that he would provide us with a copy of the letter of notification which he sends bereaved pensioners notifying them that they are no longer eligible for benefits. Perhaps now is the time for him to do so; now is the time for him to make that letter public when he takes this uncharitable action today in voting against this amendment, because his uncharitable letter of disentitlement would certainly be a suitable accompanying gesture to that action.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Turner): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Turner): The question is on the amendment of the hon. member for Winnipeg North Centre (Mr. Knowles): All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Turner): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Turner): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Turner): Call in the members.

The House divided on the amendment (Mr. Knowles, Winnipeg North Centre) which was negatived on the following division:

(*Division No. 25*)

YEAS

Messrs.

Alexander
Andre (Calgary Centre)
Appolloni (Mrs.)
Baker (Grenville-Carleton)
Balfour
Bawden
Benjamin
Brewin
Brisco
Clarke (Vancouver Quadra)
Crosbie
Crouse
Darling
Dick
Diefenbaker
Dinsdale
Dionne (Kamouraska)
Douglas (Nanaimo-Cowichan-The Islands)
Elzinga
Epp
Fairweather
Firth
Forrestall
Fortin
Friesen
Gilbert
Gillies
Grafftey
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Holmes
Howie
Jelinek
Johnston
Knowles (Winnipeg North Centre)
Korchinski
Lambert (Bellechasse)
Laprise
La Salle
Leggatt
MacDonald (Miss) (Kingston and the Islands)
Maine
Malone
Marshall
Masniuk
Matte
Mazankowski
McCain
McCleave
McGrath
McKinnon
Mitges
Neil
Oberle
Orlikow
Paproski
Patterson
Peters
Pigott (Mrs.)
Reynolds
Ritchie
Rodriguez
Saltsman
Schumacher
Scott
Stanfield
Stevens
Stewart (Marquette)
Towers
Whiteway
Whittaker
Wise
Yewchuk—75.

NAYS

Messrs.

Abbott
Allmand
Anderson
Andras (Port Arthur)
Andres (Lincoln)
Baker (Gander-Twillingate)
Béchard
Bégin (Miss)
Blais
Blouin
Breau
Bussières
Caccia
Campagnolo (Mrs.)
Campbell (Miss) (South Western Nova)
Campbell (LaSalle-Émard-Côte Saint-Paul)
Caron
Chrétien
Clermont
Collenette
Corbin
Corriveau
Côté
Cullen
Cyr
Danson
Daudlin
De Bané
Demers
Dionne (Northumberland-Miramichi)
Douglas (Bruce-Grey)
Drury
Dupont
Dupras
Ethier
Faulkner
Fleming
Flynn
Foster
Gendron
Gillespie
Goodale
Goyer
Guay (St. Boniface)
Guilbault
Haidasz
Harquail
Herbert
Hopkins
Jamieson
Kaplan
Lajoie
Lalonde
Landers
Lang
Lapointe
Leblanc (Laurier)
Lee
Lessard
Loiselle (Saint-Henri)
Lumley
MacDonald (Cardigan)
Macdonald (Rosedale)
MacEachen
MacFarlane
MacGuigan
Marceau
Marchand
Martin
McIsaac
McRae
Milne
Munro (Hamilton East)
Nicholson (Miss)
O'Connell

Bell Canada

Messrs.

Ouellet	Robinson	Stanbury
Pearsall	Roy (Timmins)	Stewart (Cochrane)
Penner	Roy (Laval)	Stollery
Philbrook	Sauvé (Mrs.)	Tessier
Portelance	Sharp	Trudel
Poulin	Smith (Saint-Jean)	Watson
Prud'homme		Whelan
Railton		Yanakis
Roberts		Young—99.

● (1650)

Mr. Speaker: I declare the amendment lost. The question is upon the main motion. Is it the pleasure of the House to adopt the said motion?

Motion agreed to, bill read the third time and passed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Parkdale (Mr. Haidasz)—Health—Alleged refusal of Connaught Laboratory to supply gamma globulin to Malta; the hon. member for Edmonton Centre (Mr. Paproski)—National Defence—Alleged necessity of sending parachutes of airborne regiment from Ottawa to Edmonton for repacking; the hon. member for Mackenzie (Mr. Korchinski)—Farm Credit Corporation—Alleged denial of loans to farmers getting less than 50 per cent of income from farming.

PRIVATE BILLS

[*English*]

BELL CANADA

The House resumed, from Thursday, January 27, consideration of the motion of Mr. O'Connell that Bill S-2, respecting Bell Canada, be read the second time and referred to the Standing Committee on Transport and Communications.

● (1700)

Mr. Gilbert: Don't speak for six hours.

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, I would certainly love to speak for six hours. I would love nothing more than to speak on Bell Canada, and I can speak for four times six hours on Bell Canada. I am sure that by the time we are finished with this bill and my remarks have been tabulated we will find that the time will have come to somewhere around four times six hours.

It is very appropriate that we are dealing with this private member's bill which is being sponsored through the House by the hon. member for Scarborough East (Mr. O'Connell). I was prepared to be very sensitive and understanding of Bell's problems, but I am upset about Bell today.

[The Acting Speaker (Mr. Turner).]

Mr. Darling: Don't be so harsh on them.

Mr. Rodriguez: The hon. member for Parry-Sound-Muskoka (Mr. Darling) says that I am kind of harsh on Bell. I am not. I was prepared to let the goodness of my heart overflow in dealing with this bill, but when I saw the text yesterday in the *Globe and Mail* of the president of Bell, Mr. James Thackray, that was it—my goodness blew away. I want to quote from the testimony of Mr. Thackray before the CRTC yesterday regarding Bell's latest application for a rate increase. According to the *Globe and Mail*:

> Bell Canada may stop installing new telephones service if the Canadian Radio-Television and Telecommunications Commission does not give it the full rate increase it wants, according to Bell president James Thackray.

There is a threat which one of Canada's multinationals and largest companies has thrown out to the regulatory body set up to regulate Bell Canada's rate increases. When I read that I became very interested and wanted to participate in this debate to the full. In digging around for material I discovered some rather interesting things about this particular bill. When it was brought to this House several weeks ago and my colleague for Sault Ste. Marie (Mr. Symes) spoke on this bill, he clearly indicated that the thrust of the bill is to increase the capitalization of Bell Canada without reference to the regulatory body, the CRTC.

So here we have a corporation which is regulated because at the time of the setting up of the body to govern this corporation it was seen that the corporation ought to act in the best interests of Canada and Canadians. One would assume that a lot of corporations try to maximize profits, but the thrust of this bill appears to be to minimize regulations so there is no reference back to the House whatsoever, and this concerns us.

The first thing that threw me off about this bill, Mr. Speaker, is that it originated in the other place. If there is one thing in this House which makes me very skeptical and run immediately to the record, it is to see what those minions of the corporate sector in that last bastion of capitalist free enterprise in this country have to say about a bill. No one looking at the list of senators in the other place would doubt that they are indeed experts in the way the economy works and in the way financial institutions work. So I said to myself, "Now, fellow, you had better get the debates of the Senate committee and the debates of the Senate and read what they have to say, because I am sure there will be words of wisdom for any member". So that is what I did, Mr. Speaker. I had a little bit of difficulty because it took this bill one day, exactly, to go through committee stage and third reading debate, occupying one page of Senate *Hansard*. But I want to tell the House that those gems of wisdom that I was looking for were missing. There was not one exposé of why Bell Canada wanted this legislation.

Before the Senate committee meeting, which I presume all took place in the space of an hour or so, was Mr. A. J. de Grandpré, chairman and chief executive officer of Bell

Canada. It appears he was the only one who spoke throughout the brief committee meeting on December 14, 1976. Some senators may have said, "Phew, it is warm in here; can we open a window?", but there was no questioning of Mr. de Grandpré. Interestingly enough, he gave a very abbreviated history of Bell Canada and he had this gem of a statement, to be found at page 1:7 of the Senate Standing Committee on Transport and Communications report:

> Bell Canada is a typical example of a company which was, at one time, under American control and influence and which has been gradually brought back into Canadian hands, not by decree or legislation, but by long-term planning and performance.

Well, Mr. Speaker, since we have had Mr. de Grandpré's abbreviated history of the development of Bell, I think it only fair to this House that I put on record a more complete and detailed history of the development of Bell Canada. I think it is important to take a look at the development of Bell because, in effect, we will see certain practices of and developments in Bell which we should look at in light of today's threats which were made before the CRTC by Mr. Thackray, in light of the manner in which Bell wants to develop, in light of some of their responses to the need for rural service, in light of the propaganda they put out, and in light of their political influence in the other place and even in this House. This is why I want to put the real history of Bell Canada on the record. It will then be there for generations of Canadians to read and to get the other side of the picture.

Alexander Graham Bell obtained the basic patent on the telephone for the United States on March 7, 1876, and a second patent on January 30, 1877. These two patents formed the basis of the Bell system monopoly in the United States until their expiration in 1893 and 1894. Recognizing the competitive potential of the telephone upon telegraph service, however, the Western Union Telegraph Company attempted to enter the telephone business on the basis of competing patents held by Elisha Gray, Thomas Edison, and others, in 1878.

The Western Union Telegraph Company and the American Speaking Telephone Company in 1879 signed an agreement with Bell Telephone Company, a predecessor of I.T. & T., which admitted to the validity of the Bell patents. It agreed to withdraw from the telephone field, and in exchange Western Union was to receive 20 per cent of all rentals or royalties received by the Bell Company from telephone instruments for a period of 17 years and Bell was not to enter the telegraph field.

● (1710)

Canadian patents for the telephone were given by Alexander Graham Bell to his father Alexander Melville Bell for $1 and to Charles Williams of Boston for 1,000 telephone instruments. Melville Bell hired agents to solicit subscribers for private lines in Canada, and in 1879 the Dominion Telegraph Company became the general agent for the Bell interests in Canada. It secured a licence to operate Bell patents for five years. However, the Dominion Telegraph Company found it impossible to raise the $100,000 demanded by Melville Bell for the purchase of the patents and later that year the Canadian patent rights were sold to associates of the National Bell Telephone Company of Boston. This group brought Charles Fleetford Sise to Canada to organize the Bell Telephone Company of Canada.

Rival telephone service was offered by the Montreal Telegraph Company, an affiliate of Western Union, utilizing the Edison patents. For a time, both telegraph companies offered telephone services in Montreal. In other communities, telephone service was offered by local groups under the arrangements with Melville Bell prior to the agreement between Bell and the Dominion Telegraph Company. For example, in Hamilton telephone service was offered by the Hamilton District Telegraph Company in 1878, later the Hamilton Telephone Company which opened the first telephone exchange in Canada.

In 1880, two subsidiaries of the National Bell Telephone Company in the United States were incorporated under federal charter. The Bell Telephone Company of Canada was incorporated in 1880 and given certain powers. Those powers were outlined in the course of the proceedings of the select committee on telephones. They were as follows:

> —to manufacture telephones and other apparatus connected therewith used in connection with the business of a telegraph or a telephone company, and to purchase, sell or lease the same and rights relating thereto, and to build, establish, construct, purchase, acquire or lease, and maintain and operate, or sell or let any line or lines for the transmission of messages by telephone in Canada or elsewhere.

The company was empowered to construct and maintain its telephone lines along the sides of and across or under any public highways, streets, bridges, water courses and other such places. Attempts were made by legislators to submit the new company to regulation of tolls through the provisions of the 1875 telegraph act, but they were defeated. We should note, at this point, a voice from history coming to us over time. A solemn warning was sounded at that time. A member of the other place, Senator Haythorne, called attention to the danger which might arise and he did so at the time the Telegraph Act was implemented. This is what he said, and I quote from the debates of the Senate:

> There is nothing which this House ought to look after with greater jealousy than the establishment of large monopolies . . . I consider it one of my most important duties as a legislator to guard against the evils of monopolies.

That was a warning which has obviously not been heeded over the years. It is one we should keep in mind as we debate Bill S-2. Under various agreements in 1880, Bell Canada obtained exclusive patent rights to offer telephone service in this country. The Canadian telephone company was set up as a subsidiary of Bell (United States) to hold the patent rights and to own all telephone instruments in Canada. The Bell Telephone Company of Canada was incorporated to lease the patent rights and to lease telephone instruments from that company. In 1884 and 1885 the Canadian patent rights held by Bell Canada were voided by the minister of agriculture on the grounds of non-manufacture and refusal to sell. This opened the way for the establishment of independent telephone

companies, provided they could secure easements and rights-of-way.

Due to high rates, refusal to extend service and poor technical standards on the part of Bell, a large number of telephone companies arose, many of them in direct competition with Bell. In reaction to this Bell lowered the price for telephone service, sometimes to zero, when faced by direct competition. In his testimony before the select committee on telephones, here is what Mr. Sise had to say, and I quote his evidence:

There was a time in Peterborough when we charged nothing for our service and your argument (on discrimination) would be that we would have to give a free service all over Canada.

One of the committee members then commented:

In Peterborough, you gave it to them for nothing. That is very cheap.

To which the witness replied:

I do not know that anybody in Peterborough ever objected.

Well, they were loss-leadering telephones in those days. It was one of their ways of destroying competition. When I see the advertisement, "Let's free enterprise", when I hear corporate leaders telling government that it should not interfere in the operations of legitimate business, I confess I am irritated because when we look at history we find that the principle upon which business has operated has been one of eliminating competition, not of encouraging it. Here we find Bell Telephone engaged in loss-leadering to eliminate competition. Then this gentleman, Mr. Sise, stood up and said, "Yes, we did it", and nobody complained.

As I say, Bell's policy involved, first of all, predatory pricing. Second, it involved refusal to interconnect services. Bell refused to interconnect competing companies with its telephone exchange, thereby barring such companies from access to its long distance facilities. The third aspect of this policy was that of collusion with the railway companies. Bell succeeded in preventing independent companies from gaining access to railway stations by offering the railways free telephone service in exchange for this exclusive privilege. Finally, there was the aspect of propaganda. Bell paid newspapers to publish false and misleading allegations regarding its competitors.

The one example which stands out in my mind is the situation involving the muncipalities of Port Arthur and Fort William in northern Ontario. These two towns had established a municipal telephone system. Incidentally, it is still in existence today. In 1902 both towns agreed, due to the discontent over the service provided by Bell during the preceding five years, to set up a joint system with provision for the exchange of conversations. To indicate the degree of discontent with the Bell service, I can tell you, Mr. Speaker, that only 15 persons among all those to whom a plebiscite was sent voted against the construction of a municipally-owned system. The municipal systems commenced operations in November, 1902, and in March, 1903, one of the exchanges was sabotaged and burned mysteriously. As a matter of fact, the evidence given by the mayor of Fort William, Joshua Dyke, to the select committee on telephone which was investigating the situation reads as follows:

● (1720)

One still, drizzly night . . . about two in the morning someone connected the 2,000 volt electric wires to the 30 volt telephone wires, thereby destroying the exchange. During the time in which the municipal system—

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired. Is there unanimous consent to allow him to continue?

Some hon. Members: Continue.

Some hon. Members: No.

Mr. John Gilbert (Broadview): Mr. Speaker, I am rather disappointed in some of the Liberal members not allowing the hon. member for Nickel Belt (Mr. Rodriguez) to continue relating a very interesting and exciting incident concerning the Bell Telephone Company. I will continue the story if I have time at the end of my remarks, but first I have some important things to say with regard to Bill S-2.

I should like to start by saying that I have been here 11 years, and in that time I have seen the erosion of the public accountability of many corporations operating in Canada. There are two types of corporation, the private corporation and the public corporation. When I came here, most private corporations were under the control and regulations of the Canada Corporations Act. There are certain corporations which have to be regulated, controlled and incorporated by the federal government, such as banks, insurance companies and some trust companies. Before they could get letters patent of incorporation, their capitalization, their objects and purposes and many other factors were scrutinized by parliament.

In my 11 years here I have seen a gradual erosion in some of these institutions. Banks can now operate under the Canada Corporations Act and are no longer under the scrutiny of parliament. Insurance companies are treated in the same way. In fact, very few public corporations which now operate right across the country are scrutinized by parliament to determine whether they should be given letters patent to operate and whether they should be allowed amendments to their letters patent. Bill S-2 is a typical example of that. It is an attempt by a corporation which is privately owned and which issues public shares to free itself of the control of parliament. Therefore, it is a very important bill because it affects social and public accountability.

I was rather impressed by the historical and factual background of Bell Canada which the hon. member for Nickel Belt gave. We see that the company originated in the United States and developed in Canada. He traced very convincingly and with great clarity the manner in which that company has operated since its inception in Canada. It has had a tremendous effect on Canadians. In fact, most Canadians feel rather sentimental and affectionate with regard to the Bell Telephone Company which they sometimes call Ma Bell. Ma Bell needs to be checked and scrutinized, and we in the NDP feel it is

incumbent upon us, when the company brings forth amendments to their letters patent, not to permit them to do things which will free them from the control of parliament over their conduct and operations.

I heard the hon. member for Nickel Belt say that the president of Bell Telephone appeared before the CRTC and said that if the company did not receive rate increases it would stop installing telephones across the country. Let me point out that this is not new for Bell Telephone. They had threatened it in certain parts of Ontario, especially in the Bramalea area where there was a new housing development in which people needed telephones. It was only as a result of public pressure that the Bell Telephone Company yielded and installed telephones. In the last six years there have been no less than five or six applications by Bell Telephone Company to increase their rates. This brings into perspective the need to study the purposes and objectives of the Bell Telephone Company because we feel a telephone company operating in telecommunications should be a public utility servicing Canadians at the lowest cost possible.

That is what we in the NDP believe, namely, that the Bell Telephone Company should be a public utility operated for the benefit of all Canadians at the lowest possible cost. Recently I saw some Bell Telephone advertisements on television which I found to be clever, expensive and, in many cases, immoral as one of my colleagues has said because a public utility should provide a service as its first objective and should seek to be profitable as its second objective. Therefore, the costs should be minimal. This is what we in the NDP are saying.

Having set forth that main proposition, I notice that the mover of the motion, the hon. member for Scarborough East (Mr. O'Connell), who is an economist by profession, is listening attentively to what I am saying because he knows that under the present system we operate on a profit basis. However, we say that the profit objective of a public utility should be secondary, not primary. We know that there are two types of costs, capital costs and current costs. Capital costs are absolutely necessary for further expansion, yet we all know that sophisticated equipment is necessary to give better service to subscribers. Not one member of the NDP would challenge the expenditure of capital costs provided they were reasonable, because we realize that by providing capital costs we may obtain, through sophisticated equipment, the best possible service. There are also costs which take into account wages and other ordinary operating expenses. Again we feel that the working-man should be given a reasonable wage for the service he performs. We have no objection to a reasonable wage for Bell Telephone workers. In fact we have stood on the front line to assist workers across the country to receive a decent and fair wage.

● (1730)

There should be a reasonable profit concept. Any profit should be reasonable. It should be up to the representatives in parliament to study in detail what Bell Telephone means by a reasonable profit concept. We in parliament have said that we would like to set up a regulatory body to study in detail the movements and approaches of the Bell Telephone Company with regard to its profits. I said in my earlier remarks that the Bell Telephone Company has made an application for a rate increase every year for the last five or six years. Therefore it behooves all of us to determine whether Bell is making a reasonable profit.

It is absolutely necessary to have a regulatory body such as CRTC to determine Bell's rates and for parliament to set out the telecommunications philosophy. That philosophy may be that there should be public ownership, that there should be private ownership, or that there should be part public ownership and part private ownership, but from my casual study of the profits of Bell I think I am being very gentle when I say that it is a carnivorous corporate giant. It makes unregulated profits which are not reviewed by the CRTC. It has been said many times that the widows of Canada purchase shares in the Bell Telephone Company so that they can make a profit, be paid dividends, and enhance their security. Many of us feel compassion toward widows when it comes to the matter of security, but we do not think that Bell Telephone is the vehicle by which they should get their security. The basic thrust of the Bell Telephone Company should be service to a certain segment, and people should come before profits.

Over the last month I have had the opportunity to read a book about International Telephone and Telegraph, which is a large corporate organization operating in the United States. It also operates in Europe and in Chile, and when we look at International Telephone and Telegraph's multinational operations we find that it has no less than 400 corporations under its wing. I have the very uneasy feeling that Bell Canada may want to operate in the same way as International Telephone and Telegraph. When I know of the political intrusion in Chile of Harold Geneen, who is the president of ITT, and when I know of his financial support of the overthrow of a democratically-elected government, I feel it is my responsibility to check and double check any utility in Canada which wants to take itself out from under the regulatory powers of CRTC and beyond the scrutiny of parliament.

Those are general remarks, and I would now like to make some specific remarks about Bill S-2 because we are studying the philosophy and principle of the bill and some of its provisions. As the hon. member for Nickel Belt said, it is odd that this type of bill should be initiated in the other place. It shocks me to be advised that it took less than a day to pass it in the other place. It shocks me that a bill of such magnitude and of such importance should be considered in less than a day and that only one witness should appear before the committee. That witness was the chairman of the board, who attempted to give a very brief history of the company. That very same person threatened Canadians that if there is a separation of Quebec, Bell may move its head office from Quebec. If we are talking about national unity, it behooves the chairman, Mr. de Grandpré, not to make that kind of statement with regard to the operations of Bell in Quebec.

We must remember that only 7 per cent of all Bell's revenue comes from competitive operations and that 93 per cent of its profits comes from telephone services. There should be public accountability, and telephone and telecommunications operations in Canada should be treated as a public utility rather than as a corporation operating for the purpose of earning profits for shareholders.

Bill S-2 proposes two distinct amendments to Bell's act of incorporation. It proposes the revision of the act of incorporation relating to the company's ability and methodology of capitalization, including the removal of the scrutiny of the appropriate government regulatory body, namely, the CRTC.

The bill grants Bell the power to borrow, issue stock, bonds, debentures or other securities as the company deems necessary. In addition, the bill would give Bell the right to fix whatever price on such sales as it wishes. It is a necessity to have a telephone company operate for the people at a reasonable cost. Bell enjoys a monopoly. It wants to bypass parliament and the CRTC. It wants power to borrow, issue stocks, bonds, debentures and other securities, and to fix whatever price on sales it wishes.

Subsequent clauses would provide Bell with the authority to establish such voting rights, by-laws, procedures and alterations to share issues as Bell may deem necessary. The present authorized capital of the company is $1.75 billion. Bell proposes to increase its capitalization capacity to $5 billion. That would be an increase of three times its present authorized capital.

I note that the hon. member for Parkdale (Mr. Haidasz) is listening attentively. He realizes the importance of the increase in capitalization, the changes in the capital structure and the voting structure, the changes in the borrowing powers and so forth.

The second amendment proposes broadening the company's incidental and ancillary powers, and proposes that the company be given the authority for the alteration by letters patent of the company's objectives and powers. That is very important because once we start dealing with the company's objectives and powers, we are talking about the company's total operations. At the moment it has a monopoly of telephone service and telecommunications services in some instances. Once the objects of the company are changed, however, it would mean it could not only increase its vertical operations but also its horizontal operations. It could get into the money business in the same way that ITT in the United States has done.

● (1740)

ITT has more than 400 companies under its wing—it is almost a nation in itself—and it dictates the rates, makes the highest possible profits, and sometimes resorts to unwarranted political interference. This would be achieved by revoking the relevant clauses in Bell's act of incorporation and replacing them with the authority granted under the Canada Corporations Act and authority for using letters patent as outlined in the Telesat Canada Act. Proposed section 5.2 and 5.3 of clause 2 in Bill S-2 are the essential elements of this objective.

We all enjoyed the six hour—

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member but his allotted time has expired. He may continue with the consent of the House. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

An hon. Member: No.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, the last time a bill relating to Bell Canada came before the House of Commons was just a few years ago. As far as I am concerned it would be here still if it had been possible to arrange that. I was very concerned then, as I am now, with the question of whether Bell Canada is serving the public or is bilking the public for the benefit of the shareholders or someone else in the corporation. At that time it was simply asking to add five members to the board of directors. I was able to propose an amendment suggesting that one of those directors be appointed by the government without the requirements normally stipulated, that he hold a certain amount of stock, and other considerations and that such a person have the function of protecting the public. Of course, Bell made a great fuss. I did not suggest who the government should name to the board; the important thing was that the appointee be there to protect the general subscriber.

Bell Canada is not like any other company, but its lines run down the road, run down the street, run down the lane in exactly the same way as hydro lines. There can only be one telephone company in a town. Even people who believe that free enterprise must triumph at the expense of the public would agree that there cannot be four or five telephone companies in the same town. Bell got rid of other companies in the country, but even Bell would not suggest there could be competition in a community. So the company has a monopoly. It is operated to supply a service to the people, but the free enterprisers allowed it to do something else, to be established as a private company and at the same time gain a considerable return on its money. It was set up to provide the service and make money for its shareholders.

Over the years the company has made application to parliament when it wanted to change its relationship with the shareholders or wanted to change its rate structure. We have not been hard on this company, Mr. Speaker. It is a big company and enjoys quite a reputation in the country. This is a very lenient country and has allowed this public utility to expand beyond the boundaries of Canada. It is interesting to note how much money it has made in the process. It has not made money any way except by subterfuge in the market or by selling something, whether it be expertise or service.

I am not interested particularly in its subterfuge in the business world, but I am interested in what happens to the subscriber. Because I consider this to be a public utility I would be happy to join with members of this House, who should be working on behalf of the people, to see that a proper service is provided to subscribers at the lowest possible cost.

If necessary, I would support a move to nationalize this public utility. I would not care too much about whether we sold all the subsidiaries, although it seems to me we are treating them as we are the CPR, that is, giving away a very large grant.

The list of subsidiaries in which Bell owns more than 50 per cent of outstanding shares is interesting. Here is a breakdown: Northern Telcom Ltd., 69.2 per cent; Bell Northern Research, Ltd., 51 per cent; the New Brunswick Telephone Company, 50.4 per cent; Newfoundland Telephone Company, Ltd., 78.2 per cent; Northern Telephone, Ltd., 99.7 per cent; Télébec Ltée, 95.1 per cent; Livière Valley Telephone Company, 100 per cent; Capital Telephone Company, Ltd., 100 per cent; TelOntario Incorporated, 100 per cent; the North American Telegraph Company, 100 per cent; and Maritime Telegraph and Telephone Company, Ltd., 51.7 per cent. I should like to refer particularly to a couple of these subsidiaries. Every cent of the money that bought them came from the shareholders or the subscribers. Bell has been set up as a corporation that has shareholders, and it should be pointed out how it has taken advantage of them. If we agree to this application then we agree to watering down the stock.

Bell Canada owns the Capital Telephone Company, Ltd., just a litte company not far from the city of Ottawa that was formely owned by the subscribers. There was an exchange at Carp, one at Constance Bay, and one at Maberly serving 2,031 telephones. This was bought with the subscribers' money; we are not really going to believe that the shareholders put up the money. They really did not know what was happening, and in some cases it was not happening for the shareholder but to the shareholder. This was certainly true in some of the subsidiary companies.

Bell wanted to do a number of things. It wanted to produce telephone books. Consequently, Tele-Direct was set up. Mr. Speaker, Tele-Direct is an example of Bell's ability to spin-off profitable sectors of operations to subsidiaries, to escape regulation. At the same time that sort of move enhances Bell's rate case when applying for rate increases. Therefore, Bell takes money out of the operation, which provides a good excuse for asking for another increase.

● (1750)

Until 1971 Bell produced its own directories. That was and still is a most lucrative proposition, because those directories carry advertising. If anything, the operation has become even more lucrative. Now the printing in the directories is so small that you have to pay somebody 25 cents to find a telephone number.

Mr. Rodriguez: Yes, but the ads are bigger.

Mr. Peters: In 1969, revenue was $35 million, and net revenue before tax $15.5 million.

To escape regulation, Bell sold this sector of its operation, Tele-Direct, to Capital Telephone Company, a wholly-owned subsidiary of Bell. Mr. Speaker, since Capital has always operated in the province of Ontario and has no exchanges outside the province, it is regulated by the province of Ontario.

We never worry about these companies until they ask for a rate increase. Once they ask for a rate increase, you start making inquiries. What did Bell do with regard to Capital's exchanges? It took over two of the exchanges, but left alone one little exchange at Maberly which serves 121 telephones. If you live in Maberly your telephone rate will never go up. No matter if Bell rates to other subscribers rise to $50 a month, rates to Maberly subscribers will stay at the level of the take-over in 1969. Why will they stay at that level? Bell is not giving away something for nothing.

Bell is able to do some remarkable things with this little company—and this information is availabie from CRTC experts. Bell owned Tele-Direct, which it sold to Capital, and Tele-Direct controls Place Bell Canada, that showcase of Bell Canada. No one will say that 121 subscribers support a company big enough to put out telephone directories, own printing plants, and all the rest of it. But the small company can rent Place Bell Canada back to the large telephone company. It then becomes an expense to the telephone company.

It may interest those from the Maritimes to know that Capital Telephone owns a fleet of fishing trawlers.

Mr. Rodriguez: Are you speaking about a telephone company?

Mr. Peters: A telephone company, yes. Also, I am told it owns Bell executive jets, and rents them back to the company, always at great cost to Bell.

Nobody is ever going to look at Capital Telephone, Mr. Speaker. There will never be an occasion when Capital Telephone will approach the Ontario government and say, "We want our subscribers to pay increased rates." Talk about a rate increase! They are having one hell of a time getting rid of the money they earn.

According to my latest figures, the book cost of Capital Telephone was $1.2 million in 1969; by 1974 the book cost had risen to $4.2 million. And how much income do you suppose 121 subscribers generated? Why, the company's total income in 1974 was $3 million. Bell's share of that net income amounted to $3 million. The little company's earnings sure did not help its subscribers. They were not compensated for having telephones in their houses. If they all took their telephones out, there would be no justification for Capital's existence. It is interesting to note that Bell's return on the book cost of Capital Telephone was, in 1974, $64.3 million. Did they raise that from 121 subscribers? Let's not kid ourselves. Telephone companies don't make that much money, unless they are not telephone companies but something else.

In our consideration of this bill, we are not talking about allowing Bell to increase its capitalization from $1.7 billion to $5 billion. We are not talking about the raising of capital for the development of a telephone company.

An hon. Member: Then what are we talking about?

Bell Canada

Mr. Peters: If the hon. member thinks we are, I ask what does he think Bell will do with all the extra capital—build telephones from igloo to igloo?

I mentioned some of Bell's subsidiary companies. Bell already owns a 27 per cent share of Telesat, that satellite in the sky. What will the company do with all the money it wants? It surely is not going to provide telephones, instal direct dialling in rural areas, or embark on anything useful. No. It will get bigger and bigger, not in the sense of a company providing telephone service, but in a corporate sense. It will not provide better telephone service to people on your street, Mr. Speaker, or anyone else's. No, it will become a bigger corporation, by raising the price of its stock to almost any figure it wants, by watering the stock, and by hosing the shareholders. After all, shareholders do not count in a multi-national corporation; they are only a cipher, a number. What counts is the corporation's existence. The corporation has a heart and a soul, and exists by itself. You can do away with ordinary shareholders, and it will still run itself.

What are the 121 subscribers? The original shareholders in Capital have long gone. There are no shareholders, except the multi-national corporation, and the smaller company is part of the corporate soul of the larger.

Mr. Rodriguez: I'm going to move to Maberly.

Mr. Peters: If you move to Maberly, I can assure you that you will never have to pay more for your telephone. But you will not get a Princess phone, a coloured telephone—

Mr. Rodriguez: Shucks!

Mr. Peters: —or any other sophisticated telephone equipment, because the company gives nothing away for nothing. It could afford to give you a video-phone, which lets you see your caller, but you will not get it. Bell wants to use the little company to build up its corporate heart.

If that is what our free enterprisers want, for God's sake why don't they stand up and say so? Why do they not separate these other operations from those of the public utility which I call the Bell Telephone Company? Why not separate all these functions, and talk about Bell Telephone providing telephone service? If they want a multi-national corporation to be involved in telephones, let them be honest about it. I say, don't screw the subscribers. Be honest.

I have much more to say, Mr. Speaker. Therefore, may I call it six o'clock?

The Acting Speaker (Mr. Turner): Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until 8 p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

[Mr. Peters.]

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT, 1976

AMENDMENTS TO IMPLEMENT CHANGES IN IMMIGRATION POLICY

Hon. Bud Cullen (Minister of Manpower and Immigration) moved that Bill C-24, respecting immigration to Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

He said: Mr. Speaker, I sometimes wonder how the minister felt some 25 years ago when he stood on second reading of the 1952 bill. I am sure that he thought it historic. I want to say for future generations I feel this is in fact an historic moment because it is in the final analysis the coming together of a tremendous amount of work by many thousands of Canadians. I hope we have been able to incorporate into this bill that which will be to the betterment of Canada and be of benefit to future generations.

I am sure that all members know that the genesis of this bill dates from an announcement made by my predecessor, now the President of the Treasury Board (Mr. Andras), just over three years ago. On September 17, 1973, he informed the House that the government was launching a fundamental review of immigration policy in the widest possible context as a first step toward the preparation of modern legislation on which to base the future conduct of Canada's immigration program.

The process that undertaking set in motion has involved an unprecedented nation-wide debate. Literally thousands of organizations and individuals across the country responded to the government's invitation to submit briefs. Conferences and seminars were organized, many with the financial support of my department. Throughout the entire period, provincial governments have been closely consulted.

The contribution of the special all party joint committee of parliament created to examine the green paper which was issued early last year deserves particular mention. The report that committee submitted in November, 1975, after an extensive program of hearings, provided invaluable guidance in the framing of the present bill, both as regards its general philosophy and on innumerable points of detail. I would be remiss if I did not stress how much this bill owes to the tireless efforts of the members of the special joint committee in sifting the views they received from Canadians from so many walks of life and from so many organizations. The results of their work are in a very real sense manifest today, since very nearly all the recommendations in their report find themselves reflected in one way or another in the bill now before us.

● (2010)

There is a need for a new Immigration Act. Before discussing in any detail the major provisions of the bill, I can think of no better way of providing an overview of its basic intent than

to list some of the essential features of the bill, contrasting these with the situation existing under the present act of 1952.

The bill in clause 3 lays down in clear terms the basic objectives which the government considers should govern Canadian immigration policy now and in the future. This statement of objectives is not a pious preamble but an integral part of the proposed act. The substantive provisions of the bill flow directly from one or more of the objectives established in this clause. What the bill does here, then, is to establish a charter for the entire legislation edifice. Clause 3 is the foundation, not only for the bill itself, but for the regulations which will be made under the statute.

This, I think, is a most important innovation. The present act contains no such statement of positive purpose. It is anomalous that the law on which such an important social and economical program rests should be silent about the positive purposes immigration must promote. The current law merely tabulates methods for controlling the entry of people to this country. This bill, however, sets out the essential reasons why Canada is a country of immigration, states the underlying principles that must inspire this major program, and specifies the national goals which all our activities in the field of immigration must be designed to support.

I will have occasion to refer again to this key provision of the bill. I wish for the moment simply to draw attention to the fact that for the first time immigration law will enshrine such fundamental principles an non-discrimination, respect for the family, humanitarian concern for refugees, and the promotion of national economic, demographic, social and cultural goals.

Secondly, the bill abolishes a host of provisions which are totally archaic and unjust. Although there are many points at which the current act is outdated, this is particularly true in its approach to the prohibited classes. The present act, which has remained virtually unamended since it was passed in 1952, contains prohibitions that are universally acknowledged to be harsh and incompatible with contemporary Canadian values. The bill removes these offensive prohibitions, notably the bar against epileptics, the mentally retarded, and those who have been inmates in mental institutions. It also replaces the obsolete criterion of "moral turpitude" with objective criteria based on the provisions of Canada's Criminal Code.

Thirdly, in contrast to the present statute, which makes the crucial question of the volume of the immigration movement entirely a matter for administrative decision, the bill establishes a system under which the level of immigration to this country will become a matter for open decision making by the government in consultation with the provinces.

Fourth, the present act confers very wide regulation-making authority on the government and the minister, and is deficient in the guidance it provides for the exercise of discretion by immigration officers. The new act rectifies this unsatisfactory situation. It establishes through the statement of objectives an explicit policy framework to which everything done under the authority of the legislation must conform; and it spells out precisely and circumscribes specifically the ground to be covered by regulations.

In the present act, the 1952 act, there is almost a basket clause which gives the minister almost unlimited authority to pass regulations to do almost anything he wishes to do so far as controlling immigration to Canada is concerned. That, I suggest, is wrong, and it is why we have changed it and been so careful in the bill to spell out the authority over the regulations which will flow from the bill.

Fifth, given the important place which refugee policy occupies in Canada's immigration practice and our outstanding record in assisting refugees, it is a curious fact that the present act makes no mention of this subject. The bill incorporates for the first time in Canadian law a regime for protecting refugees in conformity with our obligations under the United Nations convention, and establishes a refugee class.

Sixth, the bill includes measures to protect Canada against dangers, unfortunately a feature of the contemporary world, with which the provisions of the current law are inadequate to cope. In particular, it contains essential safeguards against terrorists and subversives to replace the provisions of the temporary security bill which expired at the end of this year.

Finally, the bill is sensitive to the need to safeguard the civil rights of those who are subject to immigration proceedings. Notably it introduces an important restructuring of the inquiry process as well as a more supple and humane approach to the methods for excluding or removing those persons who are found ineligible to enter or remain in this country.

Having touched on the highlights, Mr. Speaker, I should like now to discuss more fully a number of areas where the bill breaks new ground.

Dealing first with immigration levels, clause 7 requires the minister, after consultation with the provinces "and such other persons, organizations and institutions as he deems appropriate", to quote the bill, to announce annually the number of immigrants which the government considers Canada should admit over a specified time period. This important provision responds to two distinct but closely related considerations. It implements the system I mentioned earlier of open management by the government of immigration volume, which will replace the practice of essentially administrative control, which has thus far governed the total number of immigrants Canada admits. And it will permit the government to give effect to one of the important objectives stipulated in clause 3, namely, that immigration should be related to long-term planning with respect to the growth of Canada's population.

Let me deal first with the question of management. In a central recommendation, the report of the special joint committee concluded that, and I quote:

> There should be a shift from the present immigration system which permits the admission of everyone meeting certain criteria without regard to total numbers, to a more managed system capable of regulating the total flow.

From the public debate the special joint committee drew the conclusion, rightly I think, that most Canadians believe that there should be a legislative means to predetermine the rate and volume of immigration to this country. The public debate revealed no clear consensus as to what that volume should be. But there is wide agreement that our immigration system

should not be open-ended as to numbers, and that it would be desirable that, within a system which makes full provision for consultation, family reunification and the non-discriminatory application of selection procedures, the government's intentions with respect to the total volume of immigration should be the subject of an open policy determination. Within the framework of the act, clause 7 fully respects these considerations.

Over the post-war period the volume of immigration to Canada has fluctuated widely, ranging from a high of 280,000 in 1957 to a low of just over 70,000 in the early sixties. Wide year-to-year fluctuations in immigration volume are undesirable on several grounds. They complicate rational labour market planning, impose unpredictable strains on community services such as housing, schooling and the like, and render difficult sound decisions with respect to the deployment of immigrant processing resources abroad. It will be one of the government's objectives in implementing the new system of setting immigration levels in advance to avoid the high peaks and low valleys which have characterized immigration patterns in the past.

A highly significant aspect of this new arrangement will be its contribution to the creation of a new era of collaboration between the federal government and provincial governments in the immigration field. Immigration is a national program which must be responsive to the needs of all regions of Canada. Constitutionally it is a field which, while it has primacy of jurisdiction, the central government shares with the provinces. Annually announced immigration levels will be the visible end product of a regular and mandatory process of federal-provincial consultation which I am convinced will make the future administration of the program more sensitive than heretofore to the aspirations and requirements of all parts of the country.

● (2020)

Besides improving our capacity to manage the immigration movement in conformity with shorter-run requirements, economic and other, the advance determination of immigration levels will establish an indispensable framework for planning long-term demographic growth nationally. Whereas the minister, in accordance with clause 7, will be required each year to announce a forward figure for immigration, I envisage that the specified period covered by the announcement might well be longer than a single 12-month period. Thus, for example, in making his annual announcement the minister may find it appropriate, in the light of the consultation he has held, to announce a planning level covering a five-year period. This figure in turn would be subject to revision in the annual announcements he would be making in subsequent years.

Accordingly the arrangement will allow a very considerable measure of flexibility in determining both the actual level of immigration in any given year, as well as an opportunity to revise the longer-term level in the light of changing circumstances. It would obviously be a serious error to lock ourselves into any set figure with respect to the contribution immigration should make to Canada's population growth. Our system must respect the fact that the factors that go to make up population policy are dynamic, variable, and unpredictable. Equally, we should be in a position to plan ahead in the light of the best data available at any given moment, and after full consultation with all those institutions of our society with a vital interest and responsibilities in the immigration process.

Since introducing the immigration bill on November 24, Mr. Speaker, I have been frequently asked what figure the government intends to set with respect to the future level of immigration to Canada. From what I have just said, I hope members appreciate that this question may betray a certain misunderstanding as to the basic purpose of this legislation. It is not its purpose to enable this or any other government to fix for all time some preconceived "ideal" number for immigration to Canada. If there is a "right" figure it will emerge only after consultation, and will be set only in the light of a judgment as to the national interest given the circumstances then prevailing.

But I acknowledge that members may properly expect me to indicate the results of the demographic studies we have pursued over the past few years, and the preliminary conclusions we have reached after discussing this subject with provincial authorities. As my predecessor in this portfolio has more than once suggested publicly, our general conclusion is that, of all the options open to Canada at the present time, the case for a moderate rate of population growth is the best. Canada's position internationally as a major food producing country, our estimate of future energy demands, the need to upgrade both the quantity and quality of housing—these are only a few of the most significant factors that have entered the government's calculation in reaching this conclusion.

It is through immigration that federal policy operates most immediately on population growth. Immigration has been an increasingly important component of annual population growth over recent years. If fertility rates remain at or close to current low levels, an annual figure for immigration from now until the census year 2001 equal to the post-war immigration average to date would mean that the Canadian population would grow from its present level of around 23 million to between 28 and 30 million by the end of the century. Expressed as an average yearly growth rate, this would represent approximately 1 per cent annually, which compares to the 1974 rate of 1.6 per cent.

This rate of population increase would, in the government's view, fairly meet the criterion of moderate growth, as contrasted to either a slow or accelerated rate. Translated into immigration figures, it would indicate an average—and I stress the word average—range of something of the order of 140,000 to 150,000 immigrants annually. Last year we received 149,429 immigrants.

Clearly I would envisage considerable year-to-year variations from such an average, either upwards or downwards, according to national requirements, including unforeseen refugee developments, and so on, although as I have said, we would aim to avoid violent fluctuations. But the main point, I hope, is evident: the government's present view of the role

immigration should play in Canada's future population growth does not entail any departure from the position Canada has occupied since the end of the last war as a significant immigrant-receiving country.

One of the demographic characteristics which will affect the future well-being of Canadian society, the distribution of our population geographically is likely to prove just as significant as its total size, if not more so. In common with the situation in most countries, Canada is becoming increasingly a country of city-dwellers. Should present trends continue, between 80 and 90 per cent of our people will be concentrated in urban centres by the year 2000, as compared to 75 per cent at the time of the last census in 1971.

All the available evidence points to the heavy costs associated with the over-concentration of population on the one hand, and its inevitable concomitant, de-population, on the other. The achievement of more satisfactory distribution patterns for Canada's population poses formidable problems, but it is a challenge which I believe all levels of government must take up. There are very recent indications that metropolitan growth rates may be tapering off somewhat. If indeed such a trend is in the making, it must be encouraged and strengthened.

Although the federal government can provide leadership in this field, most of the levers that directly affect settlement patterns are in the hands of the provinces. For example, resource development and land use policies in general fall within provincial jurisdiction. Accordingly, to develop and implement a long-term strategy to promote the most beneficial distribution of Canada's population, active collaboration between all levels of government is imperative. Eventually, I can envisage federal-provincial agreements as providing a framework through which we could jointly work to achieve national demographic goals.

Meanwhile the government believes that immigration law should be framed in such a way that the immigration program can support whatever policies are developed in collaboration with the provinces to promote the most rational distribution of Canada's population over the years to come. I reject the notion that immigration is either the cause of population imbalances, or that immigration can be the solution. At the same time it is evident that a wider dispersal over the long term of the immigrant movement would be advantageous as we seek to restrain the forces behind metropolitan expansion, and favour the development of smaller communities.

Here the cardinal principle to which I subscribe is that people, whether native-born Canadians or immigrants, follow opportunities. The best and most effective way to encourage immigrants to make their new homes away from the major centres is to provide incentives for them to do so—employment prospects, schools, a welcoming community. In addition, I concur with the special joint committee's conclusion that our selection standards should accord some weight in favour of those who are willing and qualified to take jobs in communities which have been designated, after federal-provincial consultation, for expansion in population. It should be self-evident that the process of designating communities for this purpose will require very careful study. It would be both wrong and futile to steer newcomers to Canada toward places which did not afford the prospect of a full and satisfactory life in every sense.

The new immigration legislation will do three specific things to assist a wider settlement pattern for immigrants. First, it provides for immigrants to receive their status as permanent residents—landing, as we call it—when they arrive at the destination in Canada which they chose when they were selected abroad. This would be a change from the present practice of granting landing at the port of entry, which more often than not is an airport in one of our major cities. This change may, we believe, operate as a modest factor in encouraging immigrants to stick to the destination they gave during the selection process, rather than changing plans and settling immediately elsewhere.

Secondly, it is the government's intention that the revised selection standards—the points system—which will be the subject of regulations under the new act, will include selection points which may be awarded an immigrant who is destined to a designated community. The application of the selection criteria in this respect, and the priorities which will be applied to facilitate the movement of certain categories of immigrants, are matters which I assume will be discussed in detail when the legislation is in committee.

Thirdly, clause 14 will allow an immigration officer to attach such conditions as may be prescribed in detail under the act to the grant of landing. In so far as the question of settlement is concerned, for example, this would allow a residence requirement of up to six months in the case of an immigrant who has been selected as a result of the additional points received for the designated community factor, and who benefits from priority processing as a result.

It may also be found advantageous to prescribe conditions in certain other areas. For instance, an immigrant selected because he or she agreed to take up a specific prearranged job could be granted landing on the condition that this specified employment undertaking was fulfilled. The bill provides that any such conditions in the case of immigrants would expire automatically after six months, and affords ample opportunity, if reasonable grounds exist, for the immigrant to seek relief from or changes to the conditions imposed.

● (2030)

Immigration law must regulate the admission, not only of the immigrant but also of the millions of people who visit Canada each year for some short-term purpose. Clause 3 of the bill acknowledges that one of the purposes of immigration policy is to facilitate the entry of visitors into Canada for the purpose of fostering trade and commerce, tourism, cultural and scientific activities, and international understanding. At the same time it is important to ensure that the welcome Canada extends visitors is not abused.

The special joint committee was impressed by the need to prevent our immigration system being circumvented by people coming to Canada as visitors with the intention of residing and working here illegally. The bill, I believe, meets the concerns

expressed by the committee on this score. It makes it a specific offence for an employer knowingly to hire a person who is not authorized to work here. This provision ties in with the new social insurance number system, which identifies persons who are not Canadian citizens or permanent residents, and thus alerts the employer that he must verify that the person concerned is in possession of a valid employment visa.

Again following a recommendation of the special joint committee, the bill requires every visitor who wishes either to work or to study in Canada to obtain the requisite authorization from a visa officer overseas before seeking admission. With few exceptions, which will be specified in regulations, visitors already within Canada will not be eligible to apply to take temporary employment or to enrol in educational institutions. Any visitor who, without the necessary authorization, takes employment or enrols in a course of study becomes liable to deportation.

There are other provisions in the bill which complement this scheme and reinforce the basic principle that visitors enter and remain in Canada as a matter of privilege.

To balance the measures designed to combat illegal immigration, the bill introduces new bonding and security deposit provisions designed to facilitate the admission of those visitors who may find it difficult to satisfy the examining officer at the port of entry as to the purpose of their visit. Under the present law an officer is empowered to take a cash bond from the person concerned in such cases as a guarantee that he or she will leave Canada when the authorized period of the visit expires. This bill extends the type and source of security which may be deposited to cover security, other than cash, which may be deposited either by the person seeking admission or by a third party, such as a friend or relative in Canada. In brief, the bill provides for greater control over potential illegal migrants, without adding to the requirements which must be met by the genuine visitor.

As I indicated at the beginning of my remarks, the bill introduces a number of significant procedures designed to guarantee the fair treatment of those persons who may become subject to exclusion or removal from Canada. In the first place, it eliminates the present distinction between persons coming from overseas, who enjoy inquiry and have the right to counsel, and those coming from the United States or St. Pierre and Miquelon who are subject to a truncated procedure, known in the present law as a "further examination", with no right to counsel. The bill makes the full inquiry a universal procedure, regardless of the country from which the person seeks admission to Canada.

A very important change concerns the restructuring of the inquiry process itself. The special inquiry officer will be replaced by an adjudicator who will be entirely removed from the process of developing the case against an individual subject to inquiry. The adjudicator's role will be to weigh the evidence adduced by the departmental presenting officer on the one hand and the person subject to inquiry or his or her counsel on the other. The duty of the adjudicator will be to act solely as an objective and impartial judge, to hear all the evidence, and to reach a decision according to the law.

I should also mention that the bill introduces new provisions with regard to detention which will afford individuals who are detained under the Immigration Act safeguards similar to those found in the Bail Reform Act.

Finally, I should draw attention to the alternatives to deportation which the bill provides. At a port of entry where the grounds for exclusion are relatively minor, the adjudicator will be able to issue an exclusion rather than a deportation order. The effect of the exclusion order will be to bar the return of the person to Canada for 12 months only; a deportation order, which will be used in more serious cases, will continue to constitute a permanent bar to admission unless the minister gives consent.

Similarly, if a visitor already in Canada is found at inquiry to be removable, the adjudicator may issue a departure notice rather than a deportation order when only minor infractions of the immigration law are involved. Once the person has left Canada in accordance with the terms of the departure notice, it has no further effect and the person needs no consent to apply for admission at a later date.

Included in the statement of objectives in clause 3 is the recognition that immigration policy must protect the safety of Canadian society, and should deny the use of Canadian territory to those who may engage in criminal activity. This objective is implemented in revisions to the inadmissible classes which will enable us to deal more surely with the risks presented by the contemporary phenomenon of international terrorism, highjacking, kidnapping and the like. These revisions will also enable us to deal effectively with persons seeking to enter Canada who are known to be involved with organized crime but who may have eluded conviction.

It is a characteristic of cases in the categories I have just mentioned that problems arise because evidence at the government's disposal cannot be divulged at a normal inquiry for security reasons. It will be recalled that parliament, through the passage of the Temporary Immigration Security Act, acknowledged that there were loopholes in the law in this area which needed to be closed. This bill rationalizes the manner in which these difficult cases will be handled in the future, and provides as many procedural safeguards for the individual concerned as are consistent with the overriding need to protect the safety of Canada and Canadians.

Where it is a security case involving a permanent resident, the bill establishes very special procedures. The current law provides for the deportation of a landed immigrant through the inquiry process, but does not adequately cover those very serious security cases which preclude resort to that procedure. Accordingly, the bill makes provisions for a special advisory board which will consider evidence submitted by the Minister of Manpower and Immigation and the Solicitor General (Mr. Fox). The individual concerned will be given an opportunity to be heard in accordance with regulations which will resemble those set out in the Public Service Security Inquiry Regulations. If the board is satisfied that grounds for removal exist, it

will report to the governor in council which may make the necessary deportation order.

There are several important aspects of this legislation which deserve more attention but which it is impossible for me to cover adequately at this time. Because of the complexity of some of these issues, I believe that their detailed examination had best be reserved for the Standing Committee on Labour, Manpower and Immigration, to which I hope it will be possible to refer the bill after appropriate debate, and where it would be my intention to discuss the substance of the more important regulations. One complicated area which I know the committee will wish to discuss in detail is the regime the bill provides to protect refugees.

Another less complex area, but about which some concern and misunderstanding have become evident, is the provision in the bill which can require persons other than Canadian citizens to be fingerprinted under certain circumstances. Many immigrant-receiving countries routinely require applicants for visas to be fingerprinted. We certainly do not intend to go that far. Fingerprinting will be the exception rather than the rule, used only where there is doubt about a person's identity or his possible involvement in criminal activity. For persons in Canada we will fingerprint as a matter of routine only those who have been ordered removed from Canada. The two other situations in which we will require fingerprints are when a person is arrested under the Immigration Act, or when a visitor requests a change in or extension to his status, and, in either case, the person is unable to satisfy the immigration officer of his identity. It will therefore be a rarity for a permanent resident to be fingerprinted. In all cases, when the fingerprints have served their immigration purpose, they will be disposed of under the normal file retirement program.

● (2040)

Another complicated area which the committee will wish to study in detail is the revision of the selection standards which, of course, will be a matter for regulations. On this subject I will only say now that the recommendations of the special joint committee appear to provide a very solid basis for a new points system.

I cannot neglect to mention at this time the strident criticism of the bill put about by a few small groups in Toronto and Montreal, claiming that the bill is racist, discriminatory, repressive, and reduces the civil rights of visitors, immigrants and citizens alike. I have examined those accusations in some detail, being alarmed by their shrillness. I am satisfied that the groups concerned have not only misinterpreted the bill's provisions, but I have also been forced to the sad conclusion that their reports constitute a deliberate and shocking attempt to discredit the bill. I propose, if the committee has any interest in pursuing the matter, to demonstrate to the members the exaggerated and frequently completely invalid nature of those criticisms.

In these remarks I have not addressed the question of family immigration, since the government's present intentions with respect to the expansion of the family class and the admission of more distant relatives were the subject of a communication addressed to all members at the time I introduced the bill. In brief, the new family class will include those relatives who are now sponsorable, plus parents of any age when sponsored by Canadian citizens. Additionally, the government proposes that those relatives eligible for nomination will continue to receive under the new regulations the same level of preference they now enjoy.

It only remains for me to say that I am convinced that this legislation will provide a strong and imaginative foundation on which to conduct Canada's immigration program in the future. I wish again to express my appreciation to those members on both sides of the House who have already made a significant contribution to this bill through their participation in the special joint committee. I trust that the standing committee can complete its examination of the bill during the first months of the new year to enable the House and the Senate to pass the legislation by the middle of 1977.

I would also be remiss if I did not comment on the splendid work and service performed on behalf of that committee by one of its co-chairman, the hon. member for Scarborough East (Mr. O'Connell).

Some hon. Members: Hear, hear!

Mr. Jake Epp (Provencher): Mr. Speaker, it gives me pleasure to represent my party today in opening debate on Bill C-24. I intend to direct some of my remarks to the speech of the minister, but primarily I will leave some of the areas he touched for debate at committee stage.

Public affairs tend to concentrate on immediate problems and very often address themselves only to short-term solutions. The attention of the public and the attention of the public media generally focus on the immediate. As a result governments and public officials frequently are seen to lurch from crisis to crisis. The accusation that we do not spend sufficient time and thought on issues which require long-term solutions is frequently made. The issue before us today addresses itself to Canada's future, and I believe the minister was correct in stating that it will have long-term implications for many generations to come.

As the official representative of my party I intend to outline our position on Canada's demographic policy. In order to do that I believe it is essential that we review the process by which we have arrived at this point. It is only in the historical context that we are able to evaluate Canada's development. It is the lessons of history which enable us to project possible future developments.

Canada is a land of immigrants. This phenomenon dates back to our colonial history. Not only were France and England concerned about development of Canada's economic resources and population base, but even more so in more modern times administrations of both Conservative and Liberal political affiliation saw the need for the development of Canada's population. They were also concerned about the enrichment of that population. As we make plans for Canada's future and established population goals, we as Canadians

should view this task with enthusiasm rather than fear. It is a task filled with great potential. It is a task which will affect the lives of our children and grandchildren. To put it in simple terms, the policies we establish today will affect the future of our children.

What kind of Canada do we want to see developed? Before one can answer that question, Canadians and the government must have a clear sense of national priority. Just as Canada's history is marked by periods when national priorities gripped the attention and captured the enthusiasms of Canadians, so the time has come for us once again to establish a national goal. This national goal must be to develop a demographic policy which will ensure a future for all Canadians in which not only economic opportunities will exist but, more important, where principles of freedom, racial equality, and justice will prevail for everyone.

While these goals are high sounding and by their very nature nebulous, this is a task to which we must address ourselves. It is of utmost importance that the process of consultation between the federal government, the provincial governments, and Canadians generally takes place. Not only must this consultative process be on a regular and ongoing basis, but it must be meaningful, and the consultation must take place in the open. If we fail in this task, we fail in the greatest challenge facing us today.

At the time the green paper on immigration was tabled in the House indications were given by the government that Canada's immigration policy would be examined as an integral part of the larger demographic policy. At that time our party called for a select committee to be established, the responsibility of which would be to do the following: first, to examine immigration policy up to the present time; second, to examine the main principles of Canadian demographic policy of the future; and third, to conduct hearings across Canada, thus ensuring the input of Canadians in this all-important question. As I look around the House tonight it is with interest that I see many members of parliament who sat on that committee as it travelled across Canada.

I believe all of us admired people who had come to this country, and we were filled with admiration when we saw the loyalty and the love they held for this country. We were particularly impressed with their determination to make Canada a better place in which to live.

At the time the green paper was tabled our party criticized the government because we felt that insufficient attention had been paid to Canada's demographic policy. Further, we stressed that Canada's immigration policy could not be examined without first establishing our demographic goals. That accusation was valid in 1973, and I suggest that it is still valid today in 1977. Again the government has failed to follow that advice. Instead, we are faced with an immigration bill, and while reference is made to demographic policy, and while the minister addressed himself to that question superficially tonight, it is our view that demographic principles are again taking secondary importance to that of amending present immigration legislation.

The government has attempted to create the impression that it is dedicated to a demographic policy. It has taken great pains to stress that demographic considerations are extremely important. The bill states demographic studies as one of its objects in clause 3, and stresses provincial consultation regarding demographics in clause 7. Yet when the minister is asked to table the report on demographic studies so that members of parliament can make an educated assessment of the bill, the minister's response is that he will consider it. I was under the impression that at second reading the minister would table demographic projections. He had an opportunity to do that today, but he failed to do so.

I suggest to the minister, as forcefully as I can, that we want the regulations before us during second reading debate, and also the principles upon which his demographic projections were based. If in fact demographic and population policy is to be one of the major factors affecting the determination of immigration levels, and perhaps even the points system, then all these factors must be evaluated as an integral part of the new immigration legislation. I must reiterate that the entire selection system by which immigrants will come to Canada is not part of the bill. This means that it is not open for debate. It is our intention to place the selection system, the points system, in the bill through an amendment in order that all future Canadians may clearly understand the manner in which they would have to qualify to come to Canada.

● (2050)

At the present time world population stands at approximately four billion, with an annual growth rate of approximately 2 per cent. World population, if this trend continues, will be doubled in approximately 35 years. Even if the fertility rate were to decrease to replacement levels by as early as 1980, the world would still have an increase in population to 6.3 billion in 75 years time. In order to appreciate the enormity of the problem, if the replacement level were reached by the turn of the century, a goal which is more possible than the 1980 supposition, the world's population would number approximately eight billion by the year 2050.

The average net increase on a world basis today is 200,000 people per day. Further, adding to the world pressure is the fact that over 90 per cent of any future growth will take place in the underdeveloped countries. This increased pressure on the world population adds to the task of finding sufficient resources. Despite the tremendous increase in world population, world energy conversion is increasing three times faster than the world's population. We all speak of energy conservation, but still the fact remains that in spite of rapidly developing world population, the conversion of world energy supplies is increasing three times more rapidly than the world's population.

Mr. Caccia: What is your immigration policy?

Mr. Epp: The hon. member for Davenport (Mr. Caccia) is again in fine form. He has chosen to make a speech sitting flatly on his seat. If he wants to speak I suggest he rise like the

rest of us. When the rabble is through, we will continue. I think we have given more than sufficient time to the hon. member for Davenport already.

When speaking of energy conservation one has to look at land resources and the use of non-renewable natural resources. It seems to me that the Canadian public, or western society in general, is not yet ready to put its house in order and critically examine its use of energy and land resources and how they can be conserved for future generations.

Mr. Caccia: What would you do?

Mr. Epp: Again I am asked what we would do. I can tell the hon. member that what we would do would be a sight better than they have ever done.

The 1960's saw marked increases in the development of the world's food supply. The so-called green revolution spelled hope for millions of persons in underdeveloped countries that they might at least look forward to the day where they would receive daily nourishment. Unfortunately the race to increase food production more rapidly than the world's population increase is now also being lost. Today we are faced with the fact that despite tremendous gains in agricultural production, the world's population is again growing faster than the increase in food production.

As a partial response to an ever-increasing world population and the need to provide basic food and shelter, the world plan of action which was adopted at the Bucharest conference urged national governments to develop population policies, keeping in mind the need to develop policies which would result in some hope for the world's teaming millions. In the developed countries, opposite trends have been taking place.

Hon. members opposite ask what we would do. This is another case where they have not looked at the facts but rather rushed in with the hope that the public would buy arguments not based on present trends. Assuming that Canada's fertility rate will remain at 1.8 as is presently the case, we already are below our replacement level which is placed at 2.3, which is the average number of children a woman will bear during her child-bearing lifetime. While fertility rates are presently below replacement levels, the birth rate of 15 per 1,000 population is still double our mortality rate. With this rate plus the fact that an imbalance exists in our age structure, namely, that the postwar baby boom has resulted in a higher percentage of women of child-bearing age, it is projected that even without any immigration at all Canada's population by the year 2000 will rise to some 26 million. Having said that, one fact becomes startlingly evident, namely, that immigration will become an ever-increasingly important component in any future demographic policy.

At the present time immigration accounts for roughly half our population increase. We have to go back to the 1920's to find another trend in which immigration resulted in 50 per cent of Canada's population increase.

The joint committee travelled throughout Canada, and representations varied all the way from a closed-door policy to one which would allow large numbers of immigrants to enter Canada yearly. Our party has opted for neither extreme. Rather, based on the principle that immigration is a privilege, we opted for moderate growth. The joint committee on immigration put that figure at approximately 125,000; tonight the minister put it at from 140,000 to 150,000. What are the results if we look at these figures, Mr. Speaker?

If the figure of 100,000 immigrants per year was to be used in the next five years, and assuming that the fertility rate remains at 1.8, we have already indicated that our population would rise to 26 million without any immigration by the year 2000. With immigration in the area of 100,000 per year, combined with net emigration of some 50,000 per year—and I want to say to the minister that we have no adequate emigration figures in Canada at the present time—the result would be that by the year 2001 our population would be 29 million or 30 million.

Demographers project that if these trends were to continue, in the first half of the twenty-first century our population will rise to approximately 33 million before stabilizing around that figure. If one were to accept immigration figures of 200,000 per year, as is generally done by those who argue for a more open immigration policy, the higher immigration flow would result in Canada's population rising to approximately 33 million by the year 2001. The rationale for adopting a figure such as I have indicated is based on the observations I gave earlier.

A number of Canadians have also expressed the view that Canada should virtually stop all immigration. Let me point out at this time that our party applauds the contribution immigrants have made to the development of Canada. As Canadians we have prided ourselves that we have created a pluralistic society. While we favour the belief that all immigrants should have the opportunity to enter the main stream of Canadian life we have been the beneficiaries of their enthusiams, their vision, their culture, and possibly most important, Mr. Speaker, their love for their adopted country.

• (2100)

Those of us born in Canada often take the freedoms we enjoy in this country for granted. Those who count themselves among the members of Canada's ethnic communities cherish their Canadian home, cherish it in a way which is a lesson to all of us. Therefore we say Canada is the better for the immigrants we welcomed to our shores. We say that we need a continued flow of immigrants. Our country is going through a period of economic difficulty, going through a period of inflation and unemployment. We say that these conditions always make it more difficult for immigrants to integrate into Canadian society, but it is important that Canada should retain an immigration flow. Demographic projections indicate that if Canada's fertility rate remains low, below replacement levels, Canada will need additional people to enter the labour market by the early 1980's. By the 1980's we shall experience a sharp decline in the annual growth of the labour force, a decline between 2 per cent and 3 per cent.

The former chairman of the Economic Council of Canada, appearing before the joint committee on immigration, said this:

This decline to a lower and more normal rate of entrance into the labour force could mean that, without immigration, future economic development might actually be held back by labour shortages.

In its 1975 study entitled "Looking Outward" the Economic Council of Canada said:

Council projections suggest therefore that the labour force including net immigration will grow by about 2.7 per cent per annum between 1975 and 1980 compared with about 3.4 per cent from 1969 to 1974, and barely 2 per cent per annum from 1980 to 1985. This slowdown is likely to continue into the 1990's. The priorities of Canadian economic policy are in consequence also likely to shift steadily to emphasize less the number of jobs available in the economy than the quality of employment provided.

As we look ahead to the 1980's and 1990's, it becomes evident that we are justified in opposing a closed door policy. Rather, we ought to encourage immigration in moderate quantities.

Some hon. Members: Hear, hear!

Mr. Epp: The second factor which emphasizes this relates to Canada's welfare system. Since World War II, Canada has developed a comprehensive program of social welfare benefits. These benefits have long-term implications for Canada's economic growth. They are based on the assumption that not only will economic activity be able to maintain the increased costs of social welfare benefits in place, but that the growth in the labour force will be large enough to support those receiving social benefits. Consideration of this factor, more than any other, has led us to the conclusion that moderate growth is necessary. If we were not growing, or if our population growth were approaching zero, future generations in Canada would be hard-pressed to pay the cost of continuing social benefits.

Owing to the post-war baby boom, a large percentage of women now living in Canada are of child-bearing age. If the population does not increase, as the dependency factor on the population grows, that is to say, as the population grows older, a smaller percentage of people working will be asked to pay for social benefits. Surely it becomes self-evident that one of two options remains: either social benefit programs must be reduced, or continued growth of the population must take place.

Having said that, I make this point: demographers generally agree that even though additional points are provided for immigrants entering the labour force, only a natural increase will make a significant difference to Canada's age structure. One might ask why does Canada not opt for more immigrants, possibly in excess of 200,000 or 250,000 per year? The first reason relates back to a matter to which I have already addressed myself, namely, the increase in world population.

At present world population is increasing by 200,000 per day. It is evident that at no time can Canada develop an immigration policy which could significantly reduce the world's over-population problem. Rather, it is incumbent on us, as Canadians, to help in the development of agricultural techniques and resources in the developing world, in order that those countries may develop the capacity to increase their own food production.

Further, an ever-decreasing number of countries are willing to take in significant numbers of immigrants. In the past Europe, Australia, New Zealand and North and South America were designated as receiving areas. In the latter part of the 1970's not only has the number of receiving areas been reduced, but those countries willing to receive immigrants are reducing the numbers they will allow to enter. This fact, along with the desire of much of the world's population to emigrate to countries such as Canada in the hope of economic betterment, will put additional pressure on Canada in the last quarter of the century to accept more immigrants. This trend is already evident in that Canada is receiving over 750,000 immigrant applications per year from persons expressing a desire to emigrate to Canada. It remains unclear how many more would be received if potential immigrants were not told that their chance of emigrating to Canada is virtually non-existent.

An additional argument militating against larger population increase is the question of economies of scale. Generally, it has been argued that large populations result in a larger domestic market and it therefore follows that increased economic growth is the result. The joint committee on immigration studied at length the question of economies of scale. Recent studies indicate that if significant shifts in economies of scale are to be achieved, Canada's population growth must be significant, since in developing societies every individual places additional pressures on non-renewable resources, transportation, housing, education, etc.

Traditional arguments concerning economies of scale have become less valid in today's society. One could say that Canada is the beneficiary of economies of scale—economies of scale not relating to our domestic population. I say this simply because we are a major exporting nation. Unfortunately an examination of 1976 figures reveals our trade deficit, reveals part of the reason for our economic slump. That slump has led to a loss of jobs and economic hardship in Canada. And there is hardship when a trading nation is in a deficit position.

A Canadian ecomonist, Spencer Star, wrote one of the most significant papers I have seen on this subject. After studying economies of scale he concluded that population growth is an insignificant factor in the annual growth of income per person. He also wrote that it is safe to say that population and immigration policy discussions may proceed without being concerned that a policy directed toward a relatively low population growth rate will have any measurable net loss to Canada in terms of foregone economies of scale. Similarly, there is no reason to expect a relatively high population growth rate to confer any measurable net benefits through realized economies of scale.

A further reason which militates against excessive population growth is the trend toward urbanization. Our pattern of distribution in this country can best be described as a failure. We have increased the size of our three major urban areas, Toronto, Montreal and Vancouver. Historically, immigrants

have tended to settle in large metropolitan areas. For example, Ontario receives in the neighbourhood of 55 per cent of all new immigrants to Canada, but this is only half the story. The other side of that coin is internal migration.

• (2110)

Internal migration has also resulted in rapid increases in the growth of Canada's urban areas. This trend again shows that the government's policies, such as those of the Department of Regional Economic Expansion, have had little or no effect on significantly changing the rural to urban movement.

It is incumbent upon the government to establish policies whereby Canada's rural areas are able to attract secondary industry in order to develop a more mature economy. This would not only reduce pressure on Canada's urban areas, but would allow Canadian citizens in rural areas to develop the potential that is now only available in Canada's urban areas.

It is essential if our regions of Canada are to remain in Confederation that a more equitable distribution on a regional basis be undertaken immediately. It is self-evident why persons are attracted to Canada's urban areas. Surely it goes without saying that the main reason is employment and with it the opportunity to advance one's economic well-being. The Progressive Conservative party would develop a consultative process with the provinces and municipalities to develop policies which would allow for the same economic opportunities to be existent in Canada's less urbanized areas that presently exist in our larger urban areas.

Some hon. Members: Hear, hear!

Mr. Epp: For some time today in my speech I have dwelt on our general projections on population growth. I believe that this really is the central question that should be discussed by members on both sides of the House, but as I stated before, it is a question that many members shy away from because of the obvious pitfalls one can get into as one discusses demographic policy.

As one reads Bill C-24, one must agree with the general objectives as stated in clause 3. Let me draw specific attention to some with which we completely agree. We are pleased that they are incorporated into a bill and will now have the power of law rather than be simply good intentions.

This is a day of which we should all be proud, a day in which we are getting a bill which clearly states that Canada's immigration goal is, and I quote:

(c) to facilitate the reunion in Canada of Canadian citizens and permanent residents with their close relatives from abroad;

(d) to encourage and facilitate the adaptation of persons who have been granted admission as permanent residents to Canadian society—

Also, we finally have a refugee policy that is included in the legislation. The joint committee clearly stated that these objectives should be in legislation. I commend the minister, and possibly even more so his predecessor, on those objectives being included in the bill.

It is our view that much more openness must exist between the federal and provincial governments in discussion of immigration policies. This is possibly where we have our greatest objection to the minister and Bill C-24. While the minister gives lip service to openness, there is not much more openness in Bill C-24 than in the 1952 act. Why do I say this?

The minister says there will be a consultative process with the provinces. The minister has indicated that immigration is a shared responsibility with the provinces but the prime responsibility rests with the federal government. The minister has not placed before us any projections, or agreements that have been made between the federal government and the provinces. The minister might say that that is impossible at this time. While that might be the case and we can possibly accept that, the mechanisms and the consultative process are not before us once again. It goes without saying that if the provinces have to bear the cost of additional housing, transportation and education, it is incumbent that the provinces have input in this consultative process. We are not interested in balkanizing the various regions of Canada, but we are interested in recognizing the special needs that immigrants have and the special problems immigration resettlement programs bring to the provinces.

Further, Mr. Speaker, I want to indicate that as a party we do not feel it is sufficient that the minister should simply announce the annual level. Rather, we are proposing an amendment whereby the minister not only will have to announce the annual level, but will table a report in the House of Commons, and further that this report will be referred to the Standing Committee on Labour, Manpower and Immigration for debate and review, thus enabling the committee not only to question the appropriate minister as to the reasons the level was established in quantitative terms, but also on the projections the minister has for the future of the demographic policy.

When my colleague from Hamilton West (Mr. Alexander) spoke of immigration, he had a favourite phrase to describe Canada's immigration policy. He called it legislation by regulation. Bill C-24 follows in that tradition. To a great extent it is legislation by regulation. Having said that, there is not much disagreement with what the bill says in its philosophy. But Bill C-24 is even more important in what it does not say. For one, the regulations are not written into the bill. While I recognize that all regulations cannot be written into the bill, I believe that selection criteria, annual targets, demographic targets, mechanisms and how they are to be modified, should be included in the bill. This is of particular significance in terms of the points system.

In other words the minister has structured the bill in such a way that there will be no opportunity for meaningful debate on the mechanics of immigration. Therefore it is the view of my party that the government has been dishonest in its public portrayal that the bill is open. The bill is grossly lacking in that it gives no indication as to the selection system. In fact if any meaningful debate is to take place, I want to stress again

that the regulations must be made available during second reading debate and in committee.

The very nature of the immigration department indicates that it is regulatory in nature. It is essential that those regulations be placed before us. As one reads the act, one can only conclude that in some ways it is more arbitrary than the previous one in that it places even more power in the hands of the minister and the bureaucrats.

If one wants to look at the bureaucratic jungle created by Bill C-24, one comes to the conclusion that immigration policies will become more confusing and therefore more discriminatory and more unfair. I simply cannot accept that persons in the department who are generally manpower oriented have the same perception for immigration needs as persons who would be responsible to a department of immigration and citizenship, as opposed to the monstrosity the minister is now proposing.

I base that on the white paper on immigration which the government tabled in 1966. That report was tabled after two years of study to review all aspects of immigration. As one reads that paper of some years ago, one notices that the government's observation of Canada's economic future was expansionary in nature. The philosophy was one of a great future. It stressed the traditional reasons to encourage immigration. While it concerned itself with a selection system as it pertains to immigration, its message was clear: Canada's economic future was bright, and immigrants not only would contribute to that economic future but would share in it.

● (2120)

That was in 1966, and 10 years later, with the same government, what has happened? The government's economic policies are in a shambles and the government has to retreat. I say to the bureaucrats in the manpower area that again their projections in 1966 have not been found to be factual in 1977.

Now, Mr. Speaker, what about the selection criteria? This is one of the objections that we have to Bill C-24. At the present time three categories exist for immigrant classification, namely, the sponsored, nominated, and family class. Clause 115, while designating the classes, indicates the manner in which persons will now be selected based on future regulation. Therefore one has to look at the minister's press release that accompanied the tabling of Bill C-24 in order to discover the new selection system. The special joint committee, after reviewing the selection system at length—and I repeat, Mr. Speaker—at length—generally agreed that the sponsored class should remain, or rather that it now be called the family class.

In fact the committee said, to quote from the committee report:

> To ensure this all committee members except one recommend that the present class of the nominated immigrant be dropped and that the ties between members of a non-dependent extended family be recognized a different way.

After lengthy debate in the committee, the committee recommended, based on the principle of family reunification, that the family class should remain and that parents of any age could be placed in the sponsored class, as presently they must be at least 60 years of age before they can be sponsored. It was on that basis that the committee recommended expansion of the sponsored class and also recommended the removal of the nominated class.

It is our recommendation that the present sponsored class be expanded to include parents at any age; but when one reads the press release of the minister, not only is it parents of any age but grandparents as well. I do not know if the minister or his officials have in fact studied the ripple effect of that change, but I suggest to him that if he sets annual targets at between 100,000 and 140,000 per year, the ripple effect could be such that hardly any independent immigrants, or what he prefers to term "others", will have an opportunity to come to Canada.

Mr. Cullen: You are referring to nominated?

Mr. Epp: The minister asks if I am referring to nominated. The present bill has a family class which has now been expanded, or which the minister says, if we are to take his word, will be expanded to include parents of any age and grandparents. The committee also recommended that the nominated class be removed. Now, Mr. Speaker, the minister has done that, but he has not. He has retained the points for the nominated class. The committee, after lengthy discussion of this question, indicated that new seed immigration would be severely hampered if annual targets were established, and that most immigrants who came to Canada would qualify to come to Canada through prior family connection.

It is new seed immigration, Mr. Speaker, which longitudinal studies indicate will more readily move to areas outside our metropolitan cities. While the minister has reduced the nominated class or eliminated it, he has retained the points which are presently in the nominated class, and I believe that that is something that must seriously be looked at by the committee.

As to the second class, Mr. Speaker, we favour the inclusion of a refugee class. It is the first time, I believe, in Canada's immigration policy that, by legislation, Canada confirms its obligations which we have undertaken as a signatory of the United Nations Convention and Protocol on Refugees. As a party we favour this inclusion in the bill. As refugee situations frequently demand immediate and direct attention, one has to ask whether Canada should establish a policy whereby we are a country of first asylum. A number of representations were made that Canada accept the principle of being a country of first asylum. This would mean that persons who claim refugee status could enter Canada and remain here on a minister's permit until such time as we could determine whether in fact they were refugees under the terms of the UN charter.

Proponents of this concept generally refer to the Swedish experience, but the point must be made that Sweden only accepts 1,000 refugees per year, and Canada's record is much more exemplary than that of Sweden. Therefore, we see no reason why Canada should accept the proposal that it be designated as a country of first asylum. It is our view that in a world where increased tensions will take place, especially

within countries, pressures to accept increased refugee flows will remain with us for some time.

Lastly, Mr. Speaker, regarding selection, the category of other immigrants, as the minister's press release describes them, would be comprised of all applicants who do not qualify under the family class or as refugees. Again, Mr. Speaker, these people ought to be judged on the points system, which again is not included in the bill. Therefore it becomes difficult to assess the manner in which the so-called independent immigrant will be selected. It would be my view—and I hope the minister will see the wisdom of this suggestion—that these persons should not be designated as other applicants but rather as independent applicants.

I have therefore served notice on the minister and the government that we intend to move a significant number of amendments to improve Bill C-24. It is our thinking that it is the only way that changes to the points system, and therefore to the selection criteria for immigrants, can in future be debated in parliament. We have seen in the last two or three years that significant changes to regulations have taken place without any debate in the House of Commons, and therefore without any input by Canadians or their representatives.

Regarding the so-called inadmissible classes, I am pleased to note that exclusion of potential immigrants will be based solely on danger to public health or safety, or excessive demands on health or social services, to quote the bill. In the past, as the House knows, the 1952 act barred epileptics and those suffering from mental disease. Many of the provisions in section 5 of the 1952 act were, as the minister has already said, archaic. There is agreement that members of families should not be separated because one member of a family suffers from mental retardation. Therefore the special joint committee recommended that sponsored dependents who are mentally retarded should be admissible. Further, Mr. Speaker, I am pleased to note that those suffering from epilepsy will not be placed in the prohibited class any longer.

A matter a deep concern to our party, though, is the question of illegal aliens. I have already stated that additional pressures will be placed on Canada in that persons view Canada as a land of opportunity. Generally, there are two types of illegal aliens seeking to enter Canada. The first category we have seen, for example, arrive at our major airports having left their home under the impression that they can enter Canada as visitors and also find work, in many cases. Having arrived in Canada many of them find themselves bitterly disappointed. When these persons arrive at Canada's international airports, frequently they have little or no financial resources with which to maintain themselves for the period of time they intend to stay in this country. The result is that they are detained and placed in detention centres until a special inquiry takes place the next day or so, and they are then sent back to their country of origin. Many of these people are unfortunate victims of misinformation or, even worse, of travel agencies who indicate to them that if they have a return ticket in their pocket they will automatically be allowed to remain in Canada.

Those of us who have seen these detention centres know that a better method must be developed in order to reduce the heartbreak of these persons and their relatives and friends in Canada. The excessive amounts of money that are needed for them to travel to Canada add additional hardships on these persons. Therefore a visitor visa system must be developed whereby a person must attain an entry visa before being allowed into Canada. These visas would be made available at Canadian embassies abroad. As a starting point, I suggest this be done on a reciprocal basis with countries which themselves presently require an entry or exit card system. The same system might be adopted with respect to visitors from those countries to Canada.

• (2130)

The second group of illegal entrants are those who have been able to escape the secondary line of inspection and enter the mainstream of Canadian life. Estimates as to their number vary, but range as high as half a million. I do not know how many there are, and the minister keeps saying there are no projections. If a visa system were devised we would at least have some idea as to the number of visitors present in Canada at any time.

It is the view of my party that the government has lost control of the illegal alien question. Examining the situation, especially in Canada's urban areas, immigration officers indicate they do not possess the resources to enable them to cope with the illegal alien who is able to escape immigration controls. Studies in Toronto indicate that many illegal aliens who are eventually detained have already worked in Canada for an average of one year. Officials indicate that they lack the proper training or equipment to do the job they are required to do. Also, a number of these illegal immigrants are engaged in criminal activity.

It goes without saying that the illegal immigrant has often been a victim of extortion. I was pleased to hear the minister state that Canadians who knowingly employ illegal immigrants will also be subject to prosecution. There is a feeling abroad in Canada that another amnesty program will be undertaken, possibly at the time the new bill is proclaimed. In 1972 when the amnesty program was announced, that program received support from my party. I want to say very clearly this evening that an amnesty program to make legal that which is illegal will not receive support at this time from the Official Opposition. I also wish to stress that additional steps must be taken to screen out persons engaged in organized crime. Immigration officials have expressed fears to me that this is an ever-increasing problem.

I do not have time to go into the substance of the bill at this point. Other members of this party will do so, but in conclusion, let me say this: as Canadians we have always prided ourselves on the development of a pluralistic society. The Immigration Act clearly states that our immigration policy is not to be discriminatory. The Bill of Rights confirms it as well. These are the principles upon which this party wants to see any future immigration policy based.

Having said this, our party must stress the need for the federal government to show leadership and devise policies which will promote inter-racial harmony, in consultation with the provinces, and explore how best we can develop racial understanding in our communities. This could go a long way to ensure the fair and just treatment of racial minorities. It is our view that education and the development of understanding are essential if racial harmony is to exist. Such a development of understanding is essential if racial unrest is not to become part of the Canadian urban scene.

Finally, we hope the minister will be forthcoming in the presentation of regulations during the committee stage. The hon. gentleman nods his head, and I take it that is an affirmative answer.

Mr. MacFarlane: No. He is just falling asleep.

Mr. Baker (Grenville-Carleton): At least he is not reading his paper like you.

Mr. Epp: We look forward to studying the basic regulations at that time.

Immigration will remain a major factor in the determination of Canada's population and economic wealth. We welcome immigrants who are challenged by the opportunities this country affords and, especially, those who cherish the freedom we too often take for granted. Many of them came as refugees. They did not have a choice in a real sense; they went to whatever country was willing to accept them. A large number who came here under the most dire conditions have become leading citizens. Approximately three million immigrants have come to Canada since 1945. They look upon this country as a new home and, once established here, they ask that they be judged not by their background, not by the accent with which they speak one of Canada's two official languages, but rather by the fact that they are simply being "good Canadians". This, Mr. Speaker, is their legacy and our heritage. We hope Bill C-24 will go a long way toward perpetuating that tradition.

Mr. Caccia: Would the hon. member permit a question?

Some hon. Members: No!

Mr. Paproski: Ask it during the question period.

The Acting Speaker (Mr. Ethier): Is the hon. member seeking the floor on a point of order or a question of privilege?

Mr. Caccia: I am asking the hon. member if he would permit a question—if he is not afraid to answer a question.

An hon. Member: There is another speaker to come.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I hope the hon. member for Davenport (Mr. Caccia) will in due course ask me a question. By "in due course" I mean late in my speech, not immediately.

An hon. Member: Tomorrow!

Mr. Brewin: This is a highly important bill. It deals with matters which concern the economy of Canada as a whole; it also deals with the lives and rights of human beings.

I want to make it clear from the beginning that we have two major objections to this bill. First, we see in some of its clauses a threat to civil liberties. We hope this threat can be removed during the passage of the bill through the House. The second thing we deplore is an almost total reliance on the system of regulation, which, as the House well knows, is a means of evading full discussion in parliament. I shall deal more fully with these aspects later but I suppose I ought at this point to say that these two matters do concern us.

The minister is right in saying that the bill has been the subject of much study. As long ago as 1966 the government of the day produced a white paper suggesting certain changes. They were not, in fact, made. Indeed it is interesting to see some of them brought forward again, ten years later, with some kind of fanfare. It is true that new regulations were passed at that time, so the effect of the white paper of 1966 was not totally negative.

Later we saw a green paper produced by the department. It contained much information and the results of many studies related to the subject. Then on November 6, 1975, as has been mentioned, a joint committee of the Senate and the House of Commons, after travelling across Canada and hearing a good many witnesses, produced a report on immigration policy.

• (2140)

Then, on top of that, voluntary organizations representing, as I happen to know, churches and civil liberty groups, have presented their views on the act to some of us and, I presume, to the minister. I wish that I could say that out of all this the bill, which is now being presented, should get the unreserved and wholehearted support of parliament, but I regret that this is not the case. The bill, as I have said, is marred by serious threats to civil liberties. However, it does—and I say so because I wish to be fair—contain some worth-while provisions with which I will deal in greater detail later.

One of the basic complaints we have about this bill is that most of the important provisions of our immigration policy are not contained in the bill but will be dealt with by orders in council or by regulations. I am well aware, as all members of the House are, that this method is a convenient way of legislating, and indeed it is partly excusable when the subject matter is such that flexibility is required, and when changes have to be made from time to time without going through the full process of bringing legislation into parliament. However that may be, the present bill goes far beyond what is either necessary or desirable in leaving matters to be disposed of by the governor in council.

Let me go through some of the provisions. Clause 115 of the bill contains subclauses (a) to (x) giving wide and sweeping powers to legislate by regulations providing for the application and establishment of selection standards based on such factors as family relationships, education, language, occupational experience and other personal attributes, together with demo-

graphic considerations—I promised the hon. member for Timiskaming (Mr. Peters) that I would only use the word "demographic" once, and I used it this time, but I will not use it any more.

Mr. Knowles (Winnipeg North Centre): I heard it 20 times tonight.

Mr. Brewin: But, Mr. Speaker, all these things are to be the basis for selection standards, including labour market conditions. One would have thought that parliament would be asked to lay down in a broad way the selection criteria, but that is not the case. It is to be done by regulations. Furthermore, the regulations are to set out rules whereby the immigrant will be allowed to come to Canada if he shows he can be successfully established in this country.

When we come to the sponsored classes, precisely the same is true. As hon. members know, those who are sponsored are close members of a family. But the rules on who can be sponsored, under what conditions, and so on, are again left to the regulations. For example, the minister has made clear, or I think he did, that parents under 60 years of age of Canadian citizens may be sponsored, and we welcome this provision.

Mr. Lee: Hear, hear!

Mr. Brewin: I do not think the spokesman for the Conservative party did, but we do. We think that the right to bring in one's parents is a reasonable provision in a bill which says that one of its principles is to reunite families, but the minister is asking us to discuss this legislation without seeing the regulations.

I have mentioned only a few of the subjects which are to be dealt with by the regulations. The whole points system, setting out the qualifications and attributes for independent or nominated applicants, appears nowhere in the act. I do not know whether there will be nominated applicants. I thought I heard the minister say at an earlier date that there would be, but if so, we do not know. We do not know whether or not that will be true. We have had, and I presume we will continue to have, a points system without qualifications and attributes, but we do not know what changes have been made in that.

The joint committee, as I remember, included amongst its recommendations the suggestion that more points be given for working experience and fewer points for academic successes. I perceive these to be good provisions, but we do not know whether they will be in the regulations or not, and yet we are asked to give approval to the bill.

The minister has pointed out—and I want to say something about it later in approval—that clause 3 of the bill in fact sets out immigration objectives, but these are put in a general way. They would not take effect over the specific rules contained in the regulations. They are useful, perhaps good for assisting in the interpretation of the act and of the regulations, but in no way enforceable by law. They are just a series of well sounding and very justifiable objectives, and I am glad to see them there, but let us not fool ourselves that they take the place of actual, concrete legislation dealing with these matters.

The regulations may exempt any groups from the requirements of the regulations. Persons to be admitted on compassionate grounds are to be designated by regulations, not by parliament, and when we come down to the question of refugees we find that there again the standards that they are required to achieve are to be spelled out in the regulations and are not clearly enunciated in the bill. I want to say something about the refugee system later.

We provide for students coming here, but the regulations decide what educational institutions can receive students. Parliament is not asked to deal with this and to say what students from abroad should come and what type of education we think we can afford and should afford to give to people coming from outside this country.

All questions related to required documentation in respect of any visitor can be dealt with by regulations. The regulations prescribe the factors to be considered as to whether any person is likely to be a danger to public safety or whether he would be expected to cause excessive demand on health and social services. As I read clause 19(1) of the bill, a medical officer is given the ultimate right to determine whether an excessive demand on the health and social service exists.

In clause 115(1)(n) I find entirely different meaning in the words and the language. I do not know how some people manage to read into perfectly clear words limitations that are in no way stated. Clause 115(1)(n) requires any person or class of persons to report to an immigration officer before leaving Canada and the appropriate regulations will prescribe the information to be provided and the manner in which such reports shall be made to the immigration officer by any such person. It is true that there is a note in the yellow document at the side which says that this will only be done when it is necessary for proper identification and control of the illegal immigrant. I think the minister has something to say on this. I want to impress upon him and upon members of the House that it is the act and the regulations that will count, not side notes and observations by the minister, and we should not be fobbed off with these vague, general statements.

This is a radical, new proposal—I use the word "radical" in an uncomplimentary sense—which somehow or other will require what might well be Canadians of long standing to go to an immigration officer to provide information. It is not made clear in the legislation whether the immigration officer is bound to or can refuse to give a person leave to depart from Canada. In any event, this may well be a restriction on the rights of Canadian citizens to freedom to travel, and runs counter to the declarations signed by Canada as to the right to such freedom of travel. It is a backward step, moving in the direction of a police state, to have to report to immigration officers whenever people want to leave the country, and if parliament passes this bill in this form it is not parliament which will control this matter but the regulation-making authority.

● (2150)

Clause 115(1)(o) is equally, if not more, objectionable. It enables the regulations to set out the circumstances under which a person other than a Canadian citizen seeking admission to Canada may be required to be fingerprinted and photographed. For myself, I would not feel it necessarily a serious invasion of rights if all Canadians were required to be fingerprinted for the purpose of keeping records, but I think it is wrong to select a particular group.

Hitherto we have gone on the assumption that once a person is admitted to Canada for permanent residence, he has the same basic rights as other Canadians. This clause will cause extremely hard feelings amongst ethnic groups affected and will alarm all those who believe in civil liberties.

Clause 14 provides that if an immigration officer is satisfied that it would not be contrary to the legislation or the regulations to grant admission, he may grant admission and impose terms and conditions. What kinds of terms and conditions? Are they spelled out in the legislation? No, they are not. They are terms and conditions of a prescribed nature, which is another way of saying prescribed by regulations and not by parliament. Once again the government has the power to impose these terms and conditions through an order in council and without interference by parliament.

It might be said that to object to provisions because the bill contains regulations rather than incorporating the law in the main legislation is a question of formality and without substance, but the truth is different. The effect of transferring powers of legislation to the governor in council means that the basic rules as to immigrants can be dealt with through the normal bureacratic process in an almost secretive way, and very often without adequate public notice.

On a matter as sensitive and as important as immigration, the basic rules should be made and set out by parliament itself. I want to illustrate the sweeping nature of these regulations. There has been a very substantial decline in the number of people admitted to Canada as immigrants. That is not due to any will of parliament, and it was not discussed in parliament. It is due to a regulation passed on October 22, 1974, which said that independent applicants, in some cases nominated applicants, must not only arrange definitive employment, which is defined, but what was even more important, they must arrange to obtain from the national employment service—in other words, the manpower branch—a certificate saying that no Canadian citizen is willing, able or qualified for the employment in which the applicant is willing to engage in Canada.

The Standing Committee on Regulations and Other Statutory Instruments, of which I happen to be a member, in its recently filed report referred to the secretive nature of many immigration directives. I am not making this up out of my head because of some degree of hostility toward the Department of Manpower and Immigration. Far from it; I am quoting what a committee of this House representing all parties says is the fact.

[Mr. Brewin.]

When we do these things in this way the directives to which I referred are not available to the public or to the would-be immigrant. The picutre is one of great secrecy. In many cases neither the applicant nor his advisers can discover what the rules are by which their admission is being considered, and if refused, why they were refused. Under the old act and under the decisions given by the courts, an applicant was entitled to a hearing, and at the hearing the reasons for refusal of admission had to be stated. The trend has now fully developed toward the department answering all such questions with generalities such as "you do not meet the requirements" or "you are not able to establish yourself successfully in Canada." This tells the applicant absolutely nothing of the basic reasons why his application is refused.

I suggest that the whole bill be withdrawn and that there be inserted in the bill all the minor basic provisions which are necessary. As it stands, there is an ample indication by parliament that it will accept its legislative responsibilities. True, many detailed procedures can indeed be left to regulations.

An hon. Member: Ten o'clock.

Mr. Brewin: The law which affects Canadian residents and citizens seeking to bring in their relatives must be open and above board. Parliament should re-assert its authority.

I hear a plaintive voice saying ten o'clock, so I will call it ten o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A Motion to adjourn the House under Standing Order 40 deemed to have been moved.

HEALTH—ALLEGED REFUSAL OF CONNAUGHT LABORATORIES TO SUPPLY GAMMA GLOBULIN TO MALTA

Hon. Stanley Haidasz (Parkdale): Mr. Speaker, during the question period on Friday, March 4, of this year I appealed to the Minister of National Health and Welfare (Mr. Lalonde) to use his office to make available 60 vials of human gamma globulin on an emergency basis to our fellow Commonwealth country, Malta. On Wednesday, March 2, at 6 p.m. I received from the office of the Malta Trade Commission in Toronto an urgent request to help find some gamma globulin which was urgently needed in Malta. This followed a negative response from the Connaught Laboratories in Toronto.

Immediately following this urgent call I telephoned the office of the Minister of National Health and Welfare conveying this request. Forty-two hours later, after no positive response, I was compelled to raise this matter in the House by way of a question to the minister. With great disappointment I have to state this evening that my telegram of March 4 to Mr.

Hampson, Chairman of the Canadian Development Corporation, which acquired the Connaught Laboratories, has not yet been answered as of this moment.

However, I am grateful that the blood transfusion service of the Canadian Red Cross answered my telegram within a few hours informing me that a gift of human gamma globulin was in the hands of the representative of the Malta Trade Commission in Toronto by 3 p.m. on Friday, March 4. On this occasion I want to thank the Canadian Red Cross for responding so quickly and so generously to this request.

However, I want to obtain some kind of explanation from the Parliamentary Secretary to the Minister of National Health and Welfare (Mr. McRae) as to why Connaught Laboratories have shown such a negative attitude toward an urgent request for a biological product which was so urgently needed by our fellow Commonwealth country, Malta.

Mr. Paul E. McRae (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, the question raised by the hon. member for Parkdale (Mr. Haidasz) is certainly an important one. I am pleased that he has taken the action he has and that he has received a response from the Canadian Red Cross.

I would like to give him the following brief explanation. After the hon. member's intervention in the House on March 4, the minister told his officials to investigate the matter immediately. According to Connaught Laboratories, the agent of Connaught in Malta was approached by Maltese officials in December to request the price of immune serum globulin. On February 3 an order was mailed by Maltese officials to Connaught Laboratories without explaining any urgency of the delivery of the order. Since it is common practice to submit a letter of credit with an order, Connaught Laboratories waited for the letter of credit. Although there was no urgency indicated in the order, I am informed that Connaught Laboratories decided to ship the 60 vials on March 8 regardless of the letter of credit because of the apparent urgency indicated by the hon. member. It was the hon. member's intervention which produced these results and also ensured the support of the Red Cross.

● (2200)

NATIONAL DEFENCE—ALLEGED NECESSITY OF SENDING PARACHUTES OF AIRBORNE REGIMENT FROM OTTAWA TO EDMONTON FOR REPACKING

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, as far as can be ascertained, no component of Air Command was consulted to examine the implications of the move of the Canadian Airborne Regiment from Edmonton, and the effect this would have on air operations in Edmonton, and the effect on air operations in Trenton. Associated with the air transport support implications will be a brand new series of costs associated with the transfer of the bulk of the Airborne Regiment from an all-weather air base to Canadian Forces Base Petawawa.

In the light of what appears to be the latest decision not to move the airborne training facility and the parachute packing facility from Edmonton, it is clear that significant additional costs must be faced in terms of transporting personnel and cargo parachutes from Edmonton to eastern Canada and to increase the number of such parachutes to take the place of those that will be tied up in transportation east for use, and west for packing.

In addition, the joint training use of the C-130 Hercules aircraft of 435 Squadron when they are performing their own tactical air training will be impossible when the units are separated. In other words, the degree of close co-operative air training now possible when all units share a common air base will be impossible except at prohibitive expense with the split of the Airborne Regiment and its separation from the air base.

As a direct result of the move of the Canadian Airborne Regiment into Petawawa and Ottawa, there will be a requirement for significant new construction programs at both bases to provide adequate accommodation and training facilities. In addition, there will be a ripple effect on units in Ottawa and Petawawa that will be crowded into existing accommodation, or in the case of Petawawa some units may be forced to move to Gagetown, adding appreciably to the expenses connected with the replenishing of the Airborne Regiment.

In addition to the costs of the move, new and refurbished accommodation, new training areas, additional parachutes, additional and unknown transport support costs, there are the not inconsiderable costs associated with finding new and suitable drop zones, as the minister mentioned to the news media in North Bay. He is quoted as saying that North Bay is being considered as a jumping off point for their exercises and that North Bay, Trenton and Uplands are all being considered as transportation sites for the regiment. He said that the regiment would be trucked to one of these sites so they would board large aircraft to take them to deployment areas. Also to be considered are the additional costs in air transport hours to get exercises launched into the Canadian sub-Arctic and Arctic.

The most puzzling aspect of the entire redeployment plan for the Canadian Airborne Regiment lies in the fact that at no time has there been a clear and logical explanation of the military appreciation that led to such a questionable military decision. There is ample evidence to indicate that little or no consultation took place with the Air Command side, which in any airborne operation is probably the most important component in the airborne capability. In addition, there is considerable evidence to show that the current configuration of the Airborne Regiment has, for the first time in the history of the Canadian armed forces, led to the development of a truly effective land/air team which is capable of carrying out its operational missions effectively.

The puzzle to any objective military thinker or any informed layman is that on the surface there seems to be no military justification whatsoever for the move and separation of the Canadian Airborne Regiment.

Adjournment Debate

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I point out to the hon. member that the jump training school will remain at Edmonton for the foreseeable future. All parachutes are used daily when the school is conducting courses. The regiment jumps, on average, two or three times per month. It is also essential to point out that each person in the Airborne Regiment does not have a parachute with his name on it. It is not as if an individual's parachute were the only parachute in the armed forces. Further, it is not unusual to have a parachute-packing unit remote from the para-airborne units or regiments which use parachutes.

Prior to the formation of the Airborne Regiment the parachute-packing unit was located at Shilo, Manitoba, while the jump school was at Rivers. Parachute companies of the mobile strike force were located at Valcartier, Calgary and at London, Ontario. The parachutes were shipped to Shilo, at that time, for repacking, and the same process will be followed now.

I was somewhat surprised to hear the hon. member raise certain issues this evening, since they had been raised this morning.

Mr. Paproski: No, they were not.

Mr. Dionne (Northumberland-Miramichi): I suggest they were raised this morning in the standing committee, and answered by the Chief of Defence Staff.

Mr. Paproski: We sure cannot air the issue in seven minutes.

Mr. Dionne (Northumberland-Miramichi): I was amazed to hear the hon. member suggest that there was no consultation with Air Command, or that there is no military justification for this move. The decision was recommended by the Chief of Defence Staff, and only this morning I heard the hon. member heap elaborate praise on the Chief of Defence Staff for his competence, dedication, and brilliance.

Mr. Paproski: I still feel that the minister does not know why this is happening.

Mr. Dionne (Northumberland-Miramichi): The minister took the advice of the Chief of Defence Staff. He made his decision on the basis of that advice. Therefore the hon. member's logic is as faulty as his facts are faulty.

Mr. Paproski: You are sucking and blowing at the same time.

FARM CREDIT CORPORATION—ALLEGED DENIAL OF LOANS TO FARMERS GETTING LESS THAN FIFTY PER CENT OF INCOME FROM FARMING

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I first raised the matter I raise this evening on November 29 last. The question relates to a young farmer who wishes to obtain a loan from the Farm Credit Corporation. I asked the Minister of Agriculture (Mr. Whelan) the following question, as reported at page 1454 of *Hansard* for November 29:

> Is it government policy that the Farm Credit Corporation should deny young farmers, who are temporarily employed and not necessarily getting 50 per cent of their income from farming, loans as a result of their extracurricular work in an effort to try to make ends meet?
>
> At the same time, would he also indicate whether a father who is retiring would be denied a grant from the Small Loans Assistance Program . . .

Mr. Speaker ruled the question as not acceptable. I rose on a point of order, in which I tried to elaborate on the matter, but Mr. Speaker again denied me the right to pursue it. I then took it upon myself to write to the Farm Credit Corporation about the matter I raised. The Corporation wrote back to me.

Before dealing with that, let me tell the House some of the circumstances of the case. A young man wanted to apply for a loan from the Farm Credit Corporation. He had been farming the land in question for two years. His father had retired and was receiving the old age pension. This young farmer had been renting the land and the father offered to sell it to him on good terms. When the father went to the Farm Credit Corporation asking for a grant, he was told that he could not get it, but that if he sold the land to the provincial land bank, he could qualify. That was the gist of the response I received. I was not satisfied with it and took the matter up in the Standing Committee on Agriculture. Would you believe me, Mr. Speaker, when I tell you that the chairman allowed me only five minutes to put my case? How many questions can you ask in five minutes? How can you ferret out government policies in five minutes?

What is more, five minutes ago I saw the Minister of Agriculture (Mr. Whelan) behind the curtain. But the Minister of Agriculture is not in the Chamber opposite me, to answer my inquiry this evening. He will delegate that obligation to someone else. Mr. Speaker, this involves a matter of policy. I do not want to hear a lot of words or phrases. I want to hear some clarification of the policy. It is not good enough to hand me a lot of junk, as he did the other day. When discussing matters pertaining to the secretary of agriculture in the United States, he handed me a bunch of junk to do with storage.

I asked if that boy could get a loan, and why that father could not get a grant, if it was available and if he sold the land directly to his son. I also asked the minister in the Standing Committee on Agriculture whether he was in favour of state owned land. He said, no; yet he is not here to answer my question.

● (2210)

I have a letter from a branch manager of the Farm Credit Corporation which reads in part, and I quote:

> That is why a vendor is not eligible for a grant unless he sells to someone who adds it to other land or sells it to the Saskatchewan Land Bank—

The minister cannot tell me he is not in favour of state owned land when the Farm Credit Corporation writes a letter like that to me.

I cannot get any information. I tried to get it this morning in the Agriculture Committee by continuing the questioning. Would you believe the chairman said he would allow me one question? Can you imagine that situation?

The minister ran out of the House. I do not want a second-hand answer from anyone who has been delegated. I have a right on behalf of that young man to know the government's policy. If I cannot get that information in the House or in the Committee discussing the estimates, I do not want someone else giving me a bunch of junk such as statistics about how many loans were made, in what areas, for what purpose, and so on.

I want to know the policy. I cannot get it from somebody who has been delegated. It has to be from the minister. Only a minister can enunciate policy as far as the government is concerned. It is a futile effort to try to get information from this government.

The minister was here five minutes ago. It is a shame that he could not stay. I warned him in committee about the question I would raise tonight. For him to tell me that he is not in favour of state owned land is a lot of baloney. He pulls manure wagons all over the country and he wants me to believe that he is in favour of small farms.

Mr. Paul E. McRae (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I cannot reply for the minister in terms of his favouring state owned land. He has not shown any indication of this.

I am told that in the case of the young gentleman applying for the loan that he was not working as a farmer at that time. As a matter of fact, he is still not working as a farmer. There is money available if the farm units are going to be viable farm units. This seems to be the problem, that the units may not be viable. If they are traditional farm land, certainly money can be made available. That is the understanding I have.

The Acting Speaker (Mr. Ethier): Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow morning at 11 o'clock a.m.

Motion agreed to and the House adjourned at 10.16 p.m.

HOUSE OF COMMONS

Friday, March 11, 1977

The House met at 11 a.m.

ROUTINE PROCEEDINGS

[*English*]

THE CANADIAN ECONOMY

PROPOSAL THAT FOOD POLICY BE IMPLEMENTED—MOTION UNDER S.O. 43

Mr. James A. McGrath (St. John's East): Mr. Speaker, in view of the sharp increase in the price of food in today's consumer price index, showing a steady increase in food prices for the year, and given the fact that this situation will be seriously exacerbated by a continual drought, I move, seconded by the hon. member for Grenville-Carleton (Mr. Baker):

That the government implement a co-ordinated food policy as recommended by the Special Committee on Trends in Food Prices (1973), the chairman of the Food Prices Review Board, and the special interdepartmental committee known as the DM-10.

Mr. Speaker: The presentation of such a motion for debate pursuant to Standing Order 43 can be done only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

MANPOWER

SUGGESTED REASSESSMENT OF COMMUNITY EMPLOYMENT STRATEGY PROGRAM—MOTION UNDER S.O. 43

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I rise on a matter of urgent and pressing necessity pursuant to the provisions of Standing Order 43. In view of the failure of the community employment strategy program to date to accomplish its objectives and the continuing need for measures to alleviate unemployment and in view of the high priority placed on the program by the former minister of manpower and immigration who said, on April 9, 1976 in Halifax, Nova Scotia, "anything goes for CES", I move, seconded by the hon. member for Fundy-Royal (Mr. Fairweather):

That the Minister of Manpower and Immigration reassess the community employment strategy program and expedite its imposition in view of the failure of this program to achieve its goals and to alleviate, in a meaningful way, the need for the creation of new jobs in distressed areas of the country.

Mr. Speaker: The presentation of such a motion pursuant to Standing Order 43 can be done only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

HEALTH

PROPOSAL TO DENY GRANTS TO PLANNED PARENTHOOD ORGANIZATION—MOTION UNDER S.O. 43

Mr. Dean Whiteway (Selkirk): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of extreme urgency and great importance. In light of the findings of the Badgley report that the organization known as Planned Parenthood is the leading abortion referral agency in Canada as stated at page 151 of the report, and that Planned Parenthood has had virtually no success in promoting responsible birth control, page 368, and that the majority of Canadians do not support the pro-abortion policies of Planned Parenthood, page 257, I move, seconded by the hon. member for St. John's East (Mr. McGrath):

● (1110)

That this House direct the Minister of National Health and Welfare to refrain from extending Canadian tax money to the organization known as Planned Parenthood.

Mr. Speaker: Pursuant to the Standing Order the presentation of such a motion can be made only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

REQUEST FOR STATEMENT TO ALLEVIATE CONCERN OVER BANNING OF SACCHARIN—MOTION UNDER S.O. 43

Mr. Bruce Halliday (Oxford): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of the lack of direct evidence of any carcinogenic effects of saccharin on humans, in view of the general consternation among diabetics and others which the banning of saccharin will produce, and particularly in view of the statement on television this morning by a cardiologist in a New York coronary care unit that this ban will lead to alarming weight gains and increases in heart attacks among Americans and presumably among Canadians, I move, second-

ed by the hon. member for Parry Sound-Muskoka (Mr. Darling):

That this House call upon the Minister of National Health and Welfare to announce at the earliest possible time his plans to relieve the anxiety which many tens of thousands of Canadians will have as a result of his recent announcement.

Mr. Speaker: The presentation of such a motion for debate can be made pursuant to Standing Order 43 only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

THE CANADIAN ECONOMY

LEVEL OF INFLATION BY END OF YEAR—RESTRAINT ON SPENDING BY ALL LEVELS OF GOVERNMENT

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Finance. With this morning's disappointing inflation figures showing a three-month CPI rise of 8.4 per cent, a rate considerably in excess of the second year target of the anti-inflation program and even above the first year target, would the minister indicate if he is still confident that we will achieve a 6 per cent inflation level based on the implicit price index and the C.P. index by the end of this year?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, as I previously indicated to the House, we were anticipating the event which occurred both this month and last month; that is to say, an increase in food prices in the country. It seems to me that more than ever this is the reason we should seek greater success in the non-food price element of the consumer price index, while even further restraint in that area is necessary. If we can maintain additional restraint and achieve a further reduction on the non-food price side, then indeed the target can be attained.

Mr. Stevens: Mr. Speaker, I note that the most recent three-month rate of increase in the consumer price index exceeds the second year target of the anti-inflation program, but more importantly, the implicit price index was actually 9.4 per cent in 1976. That is a much more comprehensive measure of inflation in this country. Statistics Canada makes it clear that the single most inflated ingredient of that index was government-incurred expenditures, which were up 13.4 per cent in 1976. Would the minister indicate if any further restraint at the federal level is planned in the expenditure field to ensure that a further inflationary impact will not be felt? Second, does he intend to take up with the provinces the matter of trying to get them to restrain their spending?

Mr. Macdonald (Rosedale): The federal government will continue to exercise restraint on the rate of increase of expenditures, although I must say I find it rather odd that that plea should come from the hon. gentleman who just a week ago was asking for a big increase in federal government expenditure on urban transit.

[Mr. Halliday.]

Some hon. Members: Shame.

Mr. Stevens: Mr. Speaker, I suggested to the minister where he could get funds to help with urban transit. It is a question of priorities.

Mr. Macdonald (Rosedale): It is still an expenditure.

* * *

ANTI-INFLATION PROGRAM

REQUEST FOR STATEMENT ON DATE OF TERMINATION

Mr. Sinclair Stevens (York-Simcoe): As the minister himself has noted, the only truly effective method of controlling inflation is monetary and fiscal restraint. Bearing in mind that the minister has stated that the controls are hardly a tonic for capital investment, which the minister knows is seriously lagging in Canada and is contributing to our relatively high unemployment rate, and while the anti-inflation program does not appear to be achieving the price targets which were set, would the minister indicate if prior to March 31 he will make a statement as to the government's current position on terminating the anti-inflation controls?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would like to make several comments on the hon. gentleman's brief speech. Whatever the source of funds for urban transit, the fact of the matter is that that would be an increase in expenditures which, if I understood the hon. gentleman, is something he is against. Second, with regard to the hon. member's urging us to tighter fiscal and monetary policy, we have, of course, been maintaining a strict monetary control through the Bank of Canada on the increase in the money supply. His advocacy for a tighter fiscal policy falls on my ears in an interesting way as well. I guess he is suggesting a more restrictive rather than stimulative budget. With regard to the statements about the timing of the anti-inflation program, I expect to be able to make some statements in that regard in the budget context.

* * *

THE CANADIAN ECONOMY

MEASURES TO GIVE CONSUMERS RELIEF FROM HIGH FOOD PRICES—POSSIBLE IMPLEMENTATION OF A FOOD POLICY

Mr. James A. McGrath (St. John's East): Mr. Speaker, a supplementary question. Given the fact that today's consumer price index shows a two percentage point increase in the cost of food, the highest over-all monthly increase since July, 1975, and given the declining value of the Canadian dollar and the prospect of drought conditions in the west, we can expect that

this condition will get considerably worse thereby throwing out the entire controls program or make it almost inoperable. May I ask the minister what steps he is prepared to take to provide some relief to Canadian consumers who are controlled on the one hand and so have to experience the continuing phenomena of rising prices?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would just remind the hon. gentleman that there has been a dramatic drop in the cost of food over the past two year period. In that sense, while there has been some recovery in the food component, the rate of increase in the consumer price index in comparative terms remains very much lower than the over-all cost of living in Canada two years ago. With regard to the impact of climatic changes such as drought—

Mr. Stanfield: We are back to the weather.

Mr. Macdonald (Rosedale): —I acknowledge that this may indeed cause difficulties from a consumer and price point of view. Even the hon. member for Halifax should be capable of understanding that from time to time weather may have an impact on agriculture.

Mr. Stevens: Always the weather; never the Grits!

Mr. Macdonald (Rosedale): Yes, Mr. Speaker, the weather does have an impact on crops.

An hon. Member: That is what Turner used to say.

Mr. McGrath: A final supplementary question, Mr. Speaker. Given the serious competitive situation that exists in the cabinet between the Minister of Agriculture and the Minister of Consumer and Corporate Affairs which is thwarting any effort to have a co-ordinated food policy which would bring some element of relief to the Canadian consumer, may I ask the Minister of Finance if he is prepared to take a hard look at the recommendations of the interdepartmental committee known as DM-10? Is he prepared to undertake the co-ordination of policies within the government which would serve the best interests of both producers and consumers?

Mr. Macdonald (Rosedale): Mr. Speaker, the allegations of the hon. gentleman about conflict in this regard are simply without foundation. I would have to point out to him that the question of whether there will be a drought in this particular year or frost in the food supply areas of southern United States are obviously not something that can be resolved within the context of a Canadian food policy.

* * *

HOUSING

MEASURES TO REDUCE COST AND INCREASE SUPPLY OF LOW-COST AND LOW-RENTAL UNITS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is directed to the Minister of State for Urban Affairs in charge of housing. Considering that the cost of home ownership has increased by more than 12 per cent in each of the past three months over the cost of home ownership in the previous year, and considering the fact that with more than 30 items on the order paper there is not one new proposal from the minister, would the minister spend less time politicking in Quebec and give some thought to new proposals that would bring down the cost of housing for Canadians?

[*Translation*]

Hon. André Ouellet (Minister of State for Urban Affairs): Mr. Speaker, the hon. member surprises me by his remarks. There was a debate in the House in recent days and the figures stated show quite well the extremely dynamic action taken by the government in housing construction.

[*English*]

Mr. Broadbent: A supplementary question. In view of the fact that some statistics show that the average price of a home sold in metro Toronto last year was $61,000, thus ruling out 80 per cent of income earners from any thought of buying a home in that city, and that both Montreal and Toronto have said they are only meeting 50 per cent of the need for low income rental units, I ask the minister to be specific and tell the House what the government plans in order to increase the supply of (a) low-cost housing and (b) low-income rental units?

● (1120)

[*Translation*]

Mr. Ouellet: Mr. Speaker, the Assisted Home Ownership Program has been developed to help middle or low income earners to own a house. This is one of the most popular programs in Canada and I remind the hon. member that an unprecedented number of new houses were built in Canada last year.

[*English*]

Mr. Broadbent: May I ask a supplementary question? Mr. Speaker, the minister has just confirmed that he does not really know what his department is doing. Considering that the Canadian Council of Social Development, for example, has pointed out that almost all the money has gone into such government programs as AHOP, which helps out middle-income people, and has stressed that there has actually been a decline in the amount of money for low-income Canadians, I ask the minister precisely what he plans to do about that important sector of the population not now having their needs met with low-rental units or low-cost housing which they can afford to buy?

[*Translation*]

Mr. Ouellet: Mr. Speaker, I do not need to wait for the hon. member's question before acting. Two weeks ago we announced, with the cooperation of the province of Nova Scotia, a cooperative housing construction program designed exclusively for very low income earners. We just signed an agreement with the government of Ontario for home ownership at a reasonable cost by reducing the income standards applied to individuals who want to buy those houses. We are

holding discussions with other provinces on the establishment of joint programs which would help very low income earners to own a house.

RRAP—POSSIBILITY OF EXTENDING REGULATIONS TO GREATER NUMBER OF MUNICIPALITIES—MINISTER'S POSITION

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, my question is directed to the Minister of State for Urban Affairs.

As part of the federal residential rehabilitation program in rural areas, could the minister tell the House whether regulations will be amended or extended to enable more rural municipalities to make use of that program, which is quite interesting as a matter of fact?

Hon. André Ouellet (Minister of State for Urban Affairs): Mr. Speaker, we hope that the provinces, which are responsible for selecting municipalities this year, will increase the number of such selections. We substantially increased that budget to meet the many applications throughout Canada, especially in the province of Quebec, so that people can make use of that program.

Mr. Lambert (Bellechasse): Mr. Speaker, on a supplementary.

In view of the minister's reply, perhaps he could tell us whether he has had consultations with the new Quebec minister so that the department in charge of designating municipalities can give a favourable answer to the requests the municipalities have made; in addition, would he agree to having the municipalities advise his department of the requests they have made and will make to Quebec?

Mr. Ouellet: Mr. Speaker, the suggestion of the hon. member is very helpful. I would like to say two things: first, meetings have been held at the civil servant but not the ministerial level.

Second, to facilitate the implementation of that program, this year, in the case of already designated municipalities, we will let them know ahead of time how much money they can bank on spending in their area.

With regard to the other municipalities, I encourage the hon. member, if he has some in mind, to suggest to their authorities that they advise their provincial government and so facilitate the designation of the new ones.

[*English*]

REQUEST FOR EXTENSION OF PROGRAM TO PROVIDE GRANTS FOR INSULATION OF UNITS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, may I direct a supplementary question to the Minister of State for Urban Affairs? My question relates to RRAP, which provides for grants for insulation. The Minister of Energy, Mines and Resources did not see fit to extend grants for insulation and for conserving energy to other provinces. We have been hearing for four years that the funds are going to be extended to those provinces where the need is greatest, where low income earners who own their own homes cannot afford to maintain or insulate them. Will the minister take the initiative to get that program on a broader base?

[*Translation*]

Hon. André Ouellet (Minister of State for Urban Affairs): We know that RRAP is very popular, particularly in Newfoundland. Specifically to meet the demand more adequately, for the coming fiscal year the amount allotted for expenditures in that province will almost be doubled.

* * *

[*English*]

VETERANS AFFAIRS

PROGRAM SUBMITTED BY NEWFOUNDLAND TO HELP VETERANS INSULATE THEIR HOMES—REASON FOR DELAY IN IMPLEMENTATION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I will direct my supplementary question to the Minister of Veterans Affairs. The province of Newfoundland submitted a very adequate program to help veterans on low incomes insulate their homes and repair them under the emergency repair program. There has been a delay of two or three years since they were promised by the minister, the former Minister of Veterans Affairs and the former minister in charge of housing that they would implement that program which has been presented. Why has there been this delay?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, as far as the program is concerned, a lot of responsibility lies with the province. I am not prepared to say at this time the reasons for the program not being implemented. I know it is a two way plan, federal and provincial.

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CANADIAN BROADCASTING CORPORATION

ALLEGED LACK OF FUNDS TO BROADCAST LIGHTING OF BONFIRES FOR QUEEN'S JUBILEE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Secretary of State. It arises out of a report this morning emanating from "Canada A.M.", which I did not hear but which has been reported to me. It has to do with the Queen's Jubilee on June 6. On that date in the United Kingdom and in the self-governing dominions that acknowledge her as Queen, there will be satellite broadcasting of bonfires that will be lighted. Is it a fact, as stated this morning, that when a request by the CBC was made to the hon. gentleman's protocol office, the reply was that it could not be done because of a shortage of funds?

Some hon. Members: Oh, oh!

Hon. John Roberts (Secretary of State): Mr. Speaker, I did not hear the broadcast either. I remember that we did have some discussion on the feasibility of lighting bonfires. How-

ever, I will have to check to see exactly what decision was taken and the reasons for it. I will report to the right hon. member.

Mr. Diefenbaker: Mr. Speaker, I know that the question of cost and the reducing of expenditures is something that worries this government tremendously. However, to have a bonfire on Parliament Hill on that date would be the first time in history that Parliament Hill has been so lighted up. Surely, the government is not going to follow so niggardly policy like this and place Canada in the invidious position of being the only country acknowledging the Queen as Queen which in order to save a few dollars, will not put on a celebration on that date.

Mr. Roberts: Mr. Speaker, when the right hon. member talked about bonfires, I had a hard time envisaging him as a latter day Guy Fawkes, particularly when he talked about bonfires on Parliament Hill. I will have to consider not only the cost of starting the fires, but the cost of putting them out. I will look into the question and report back.

* * *

WEIGHTS AND MEASURES

METRIC SYSTEM—LETTER FROM SASKATCHEWAN WHEAT POOL DATED FEBRUARY, 1977, STATING NO OPPOSITION

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, my question is addressed to the Minister of State in charge of small business. I have already provided him with the document and I think he has the answer to this question. Did the minister receive a letter from the secretary of the Saskatchewan Wheat Pool dated February 25, signed by J. O. Wright, secretary, stating that, and I quote:

—no resolutions were received from the 800 active Wheat Pool local committees or from annual meetings held, or from other membership meetings held throughout the province to discuss issues dealing with the operations or farm policies—

That is referring to Bill C-23, the metric bill.

Hon. Len Marchand (Minister of State (Small Businesses)): Mr. Speaker, I did receive this letter from the Saskatchewan Wheat Pool. However, there is perhaps some discrepancy in the interpretation. If you read the particular paragraph which the hon. member quoted, it starts:

During all this period, no resolutions were received—

If you go to the top paragraph on page two of the same letter, you will find that "during this period" referred to the period, meetings held and so on during 1974, 1975 and 1976. This particular letter was dated February 25, 1977.

● (1130)

METRIC SYSTEM—POSSIBILITY MEMBERS OF WHEAT POOL SENT RESOLUTIONS OPPOSING SYSTEM

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): In view of the fact that this letter is dated February 25, and since the minister now has in his possession official copies of the resolution sent in by members of the Saskatchewan Wheat Pool to their Board of Directors, would the minister consider, in his reply inquiring whether the locals themselves have sent any letters opposing the metric system?

Hon. Len Marchand (Minister of State (Small Businesses)): I would hope to do that. I know there has been a good deal of concern among farm groups about this program but I also believe there has been a lot of misinformation, too. I hope that when giving information to farm groups hon. members will point out that Bill C-23 has nothing to do with land measurement. Land measurement is in the hands of the provinces. Anything having to do with changes in land measurement is in the hands of the provinces.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, I shall raise this further as a question of privilege at the time set for that purpose.

METRIC SYSTEM—SUGGESTED DELAY OF LEGISLATION OR ACCEPTANCE OF AMENDMENTS

Mr. Don Mazankowski (Vegreville): In view of widespread and growing protest among rank and file producers in Western Canada regarding metric conversion and the failure of producer organizations to consult with the actual producers, would the minister be prepared to reconsider his intention to proceed with this bill and has he given any thought to accepting the amendments which have been advanced by members on this side of the House to preserve the acre and bushel?

Hon. Len Marchand (Minister of State (Small Businesses)): We have heard the representations which were made in committee and the representations made by the organizations which appeared before us. The advice I have received is that if we are to go metric we must do so in its pure form. If we mix it, we would be creating unnecessary confusion. Either we go metric, or we don't, and the advice I am getting is that we should go forward with the system in its pure form.

Mr. Mazankowski: Might I preface my supplementary question by stating there is not a pure metric system in the world of which I am aware.

Some hon. Members: Hear, hear!

* * *

AGRICULTURE

REQUEST THAT VIEWS OF PRODUCERS BE CONSIDERED IN CONVERSION TO METRIC SYSTEM

Mr. Don Mazankowski (Vegreville): My supplementary is directed to the Minister of Agriculture. In view of the fact that he speaks for the producers of Canada—

Mr. Stanfield: Oh, no he doesn't!

Some hon. Members: Oh, oh!

Mr. Mazankowski: Well, he may not, but he is supposed to—will the Minister of Agriculture undertake to ensure that the views and opinions of the producers, the grass roots producers in this country, will be taken into consideration since there is a strong desire by the producers of this country to maintain the bushel and the acre? Will he urge his colleague in charge of this bill to see that those views are taken into consideration? Would he impress upon him the importance of accepting the amendment advanced from this side of the House?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I am in favour of the metric system which the government is proposing and in answering every letter I am getting from anyone I am explaining the advantages of the system. I will even have a meeting with the hon. member and try to explain the advantages to him so that he can explain them to the producers in his area.

* * *

FINANCE

POSSIBILITY OF MERGER OF PROVINCIAL BANK OF CANADA AND UNITY BANK

Hon. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to ask the Minister of Finance whether he is in a position this morning to give some information about any merger or take-over involving the Unity Bank?

Hon. Donald S. Macdonald (Minister of Finance): I cannot make a comment in this regard. As the hon. gentleman may have read, there have been discussions between the Provincial Bank of Canada and the Unity Bank about a possible merger. At this stage, proposals are being put to the respective shareholders of the two companies. I cannot give any indication this morning whether or not they have been accepted. I have indicated in a preliminary way that, subject to further examination and the approval of the shareholders, that kind of merger would be approved by myself as Minister of Finance.

* * *

AGRICULTURE

SCHOOL MILK PROGRAM—CONSULTATION WITH PROVINCES ON POSSIBILITY OF FEDERAL AID IN FINANCING

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is to the Minister of Agriculture. On several occasions we have asked the hon. gentleman about a school milk program. I should like him to note that the government of Quebec in the inaugural speech announced the other day the introduction of a school milk program in that province. Would the minister meet with his provincial counterparts and set up a program under which the federal government would jointly finance school milk programs?

[Mr. Stanfield.]

Hon. E. F. Whelan (Minister of Agriculture): The hon. member has stated what is being done. I hope he realizes it is the governments that are doing this, it is not the farmers or the ministers of agriculture who are doing it. It is the governments under the leadership of the Liberal leader of Nova Scotia which was one of the first provinces to initiate such a program; it has been very successful in the province of Nova Scotia. The Province of Quebec announced a similar program in the speech from the throne. It is a social program which the province intends to instal. As I said the other day, the farmers of Canada have proven their ability to produce if somebody wants to pay for the product.

Mr. Nystrom: As usual, the minister has missed the point of my question. I asked whether he will make a commitment that the government of Canada will co-finance or jointly sponsor such a program. I ask this in view of the fact that the consumption of milk has dropped in Canada while the consumption of soft drinks is rising.

Mr. Whelan: We are sharing with the industrial milk producers of Canada the cost of a program of advertising as a result of which the consumption of cheese rose by 15 per cent last year while the consumption of fluid milk in Ontario, Quebec and Nova Scotia has been maintained at a steady level, indeed, consumption has actually increased. These programs are in place. Yes, I do support a school milk program. I think it is a wonderful idea.

* * *

ENERGY

SUGGESTED DEBATE ON PIPELINE TO TRANSPORT ARCTIC GAS

Mr. Doug Neil (Moose Jaw): A question to the Minister of Energy, Mines and Resources, Mr. Speaker. In view of the fact that the question of a pipeline to transport natural gas from the Arctic is of such importance to the people of Canada, would the minister take into consideration the possibility of arranging a full-scale debate on the subject in this House before a final decision is taken?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): I have indicated that there will be plenty of opportunity in committee for debate. I hope there will also be an opportunity in the House, but that is a matter which the House leader would have to arrange. I stated in another answer earlier that I would refer this matter to him.

* * *

TRANSPORT

STUDY OF COST OF DEVELOPING LNG TANKER TO TRANSPORT NATURAL GAS FROM ARCTIC—DATE OF COMPLETION AND POSSIBLE TABLING

Mr. Doug Neil (Moose Jaw): My supplementary question is directed to the Minister of Transport. Can the minister con-

firm that his department has commissioned a study of the costs involved in developing the LNG tanker system to transport natural gas from the Arctic and, if so, when does he expect such a study to be completed? Is he prepared to table the results of the study in this House?

Hon. Otto E. Lang (Minister of Transport): Work is being done on the feasibility of this form of transportation. I am not sure at this point whether this is the kind of study the results of which could be tabled, but I will look into that aspect.

* * *

NATIONAL DEFENCE

NEW UNIFORMS FOR CADETS—NAMES OF CONTRACTORS AND VALUE OF CONTRACTS

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, may I direct a question to the Minister of National Defence? I should like to ask him whether the department has awarded a contract for new uniforms to replace the uniforms traditionally worn by cadets of the three armed service elements.

Hon. Barney Danson (Minister of National Defence): Yes, Mr. Speaker. I understand that a number of contracts have been let to several sub-contractors.

Mr. Scott: Can the minister tell us to whom the contracts were awarded? Can he give us the dollar value involved?

Mr. Danson: I will be pleased to answer those questions if they are placed on the order paper, or by way of a letter to the hon. member.

SUGGESTION "BRAS D'OR" BE DONATED TO MUSEUM

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of National Defence. It has to do with the experimental hydrofoil *Bras d'Or,* built at a cost of some $52 million, which has been mothballed for more than five years at an annual cost of about $500,000 and which, due to the cracks in its foils, cannot be used either for defence purposes or for fishery surveillance. I should like to ask the minister whether he would give consideration to offering this ship as a museum piece either to some local museum or to the Alexander Graham Bell Museum at Baddeck, where the concept of the hydrofoil originated?

● (1140)

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, I think the hon. member's figures regarding the annual storage costs are considerably higher than those I am aware of, but we will continue to do some checking work on the *Bras d'Or* until decisions are made on the new ship program. Certainly, his suggestion is one I would consider very seriously.

Oral Questions

REGIONAL ECONOMIC EXPANSION

ALLEGED UNDERTAKING OF NOVA SCOTIA UNION TO MAN CRUISE SHIP "MERCATOR ONE"—GOVERNMENT POSITION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question that I will direct to the minister responsible for regional economic expansion. It arises out of a meeting yesterday of the Maritime Advisory Committee of the Canadian Labour Congress at which the national presidents of the Canadian Merchant Service Guild, the CB of RT and the Seafarers' International Union undertook in response to Mercator Enterprises' charges that there are not enough Canadian seamen to man the cruise ship *Mercator One*, and at which they said "we can assure the company, the Nova Scotia government and MAGI that these crew members will be residents of Nova Scotia". Has the minister received that communication and, if so, what response can he make to it?

[*Translation*]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, I do not have here the communication the hon. member is referring to, but yesterday I received a telegram from him telling me about the steps taken by this group of fishermen of the Atlantic coast. Therefore I took immediate action to see what could be done so that some preference be given at least to the fishermen who are prepared to take the available positions.

* * *

[*English*]

MANPOWER

CANADA WORKS PROGRAM—REQUEST FOR DELAY OF DECISION ON APPLICATIONS AFFECTING METIS AND STATUS INDIANS

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. Following on the exchange in the House on March 1 initiated by the hon. member for Lambton-Kent pertaining to the allocation of funds for status Indians, particularly as it applies to communities with a high Métis population and with an equally high or higher unemployment rate, will the decision on the Canada Works application in those areas be deferred until this dilemma is resolved?

Hon. Bud Cullen (Minister of Manpower and Immigration): No, Mr. Speaker. Typical of the Métis population, when they saw the situation they put together what I thought was an excellent brief. They made an appointment with me, came down and discussed the situation as it existed on the site. We have made a pitch to them about a compromise for the next phase of the funding which I think they will find acceptable.

Mr. Korchinski: A supplementary question, Mr. Speaker. When will a decision on the second phase be made?

Mr. Cullen: Well, Mr. Speaker, I do not want to prejudge the situation. Frankly, I am awaiting for a response from the Métis to find out if my compromise suggestion is acceptable to

them. When I have that I will probably be able to make a comment.

* * *

FINANCE

REASON FOR FAILURE TO GIVE TARIFF PROTECTION TO SCISSORS INDUSTRY

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, may I address my question to the Minister of Finance. In view of the fact that in the last number of months representations have been made to him regarding the scissors industry in this country and the government has not responded to the fact that Brazil has a 150 per cent tariff on imports of scissors whereas Canada lets Brazil's scissors in for nothing, is there any chance that the minister could explain why the Canadian government would not protect the fledgling scissors industry in this country?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, along with other members of the developed world Canada has entered into an undertaking to accord a general preferential tariff to the developing countries so that by building up their trade they may replace the kind of development assistance they are now receiving from us with economic advantage. It is for this reason that Brazil has been accorded general preferential tariff treatment on imports of this kind, and it is for this reason that the government has concluded that it should not reverse the GPT with regard to scissors from Brazil and will continue to offer this assistance to the developing world.

Mr. Dick: A supplementary question, Mr. Speaker. In view of the fact that other leading countries in the western world which are also trying to adapt to the GATT resolutions, particularly the United States, still have a 20 per cent tariff on hot-forged scissors, which is exactly what was requested in the case of Canada which lets in cold-stamped scissors free of duty, is there any change the minister can foresee in the near future?

Mr. Macdonald (Rosedale): No, Mr. Speaker.

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POLYSAR

SUGGESTION DIRECTORS BE TOLD WITNESSES SHOULD BE FORTHCOMING IN THEIR ANSWERS TO PUBLIC ACCOUNTS COMMITTEE

Mr. James Gillies (Don Valley): Mr. Speaker, my question is also for the Minister of Finance but in his capacity as minister representing the shareholders of the Canada Development Corporation, the shares held by the government of Canada. Has the minister instructed or at least passed on to the chairman of the board of Canada Development Corporation for communication to subsidiaries, particularly Polysar, that it is the position of the government of Canada, as repeated by the Prime Minister many times in this House, that witnesses before the Standing Committee on Public Accounts should be forthcoming in their answers in order that that committee is able to draw conclusions respecting the charges which have been made by the Auditor General? Has the minister requested that that position be put forth?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I am not in any doubt that witnesses, either from Polysar or from any other company in which the government has an investment, would do their very best to assist the committee. I have not really felt it necessary to tell the directors or to ask the directors nominated by the government in CDC or other corporations to co-operate. I believe the assumption is that they will so co-operate.

The particular question has arisen as to whether or not, by his appearance before the public accounts committee, a particular employee could be put in legal jeopardy in his place of employment or in his own country. That, obviously, is a very special problem. It seems to me that it is a difficult situation in which to put an employee, where he could be compelled to answer questions in this country which might then result in severe legal implications for him in Switzerland. That is a problem which I have asked the government directors of the Canada Development Corporation—that is to say, the public service directors, to take up with the executive committee of the CDC to see whether some satisfactory resolution can be achieved.

Mr. Gillies: Mr. Speaker, I have a supplementary question for the Minister of Finance. I certainly understand the answer the minister has given and I can understand the concern, but my question arises from the fact that a witness before the committee refused point blank to supply information to the committee which would make it possible, and only possible, for the committee to discover whether or not Polysar was engaging in activities which allowed it to avoid, or at least to minimize, taxes it should have paid in Canada. I should like to know whether or not the minister would in fact direct, or if he cannot direct at least pass on to, the CDC and through the CDC to Polysar that in issues which are very pertinent to considerations going forth, and which do not put in jeopardy the legal status of any employee of the corporation but which are essential if the investigation is to make progress, he should indeed be instructed to answer questions?

Mr. Macdonald (Rosedale): Mr. Speaker, with the general principle I would have no argument; but I am sure that the hon. member understands that I could not ask the directors of the CDC to require an employee to break the law.

[*Translation*]

INDUSTRY

POSSIBILITY OF GRANTING FURTHER AID TO SHIPBUILDING—GOVERNMENT POSITION

Mr. Florian Côté (Richelieu): Mr. Speaker, I would like to ask a question of the Minister of Industry, Trade and Commerce.

Can the minister tell the House whether the government is going to improve the shipbuilding assistance legislation to make our Canadian shipyards more competitive and more able to maintain the employment level in this industry?

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I had a number of representations on this matter from both sides of the House, particularly from the hon. member, and I am glad to announce that the government has decided to increase by 12 to 20 per cent the subsidy granted to shipbuilding in Canada so as to help this industry which is going through a difficult period because of the low level of foreign orders and also perhaps the very strong competition of some countries.

* * *

● (1150)

[*English*]

CANADA DAY

REQUEST FOR STATEMENT ON PLANS FOR CELEBRATION

Mr. Dean Whiteway (Selkirk): Mr. Speaker, my question is for the Secretary of State and it arises out of a motion that I presented last June under Standing Order 43 and a motion put yesterday by my colleague, the hon. member for Surrey-White Rock. It has to do with celebrations on Parliament Hill which the government cancelled last year and which are symbolic of national unity and pride which we all feel on Canada Day. Would the minister inform the House what specific plans he has to restore those celebrations to a level that would be symbolic of the kind of nationalism we all feel to give every Canadian a change to show his patriotism?

Hon. John Roberts (Secretary of State): Yes, Mr. Speaker, we have been working on such plans for several months, including not only celebrations in Ottawa but in other parts of Canada as well. I am not in a position to make any specific announcement, but I hope to be able to do so very shortly.

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EXTERNAL AFFAIRS

REASON FOR FAILURE TO IMPLEMENT POLICY ON BOYCOTT OF TRADE WITH ISRAEL—POSSIBLE INTRODUCTION OF LEGISLATION

Mr. David Orlikow (Winnipeg North): My question is for the Secretary of State for External Affairs. Would he indicate in the House why the Canadian government has not yet implemented the policy announced in the House regarding Canadian government action on the Arab boycott related to Canadian firms doing business with Israel?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, we have started to implement the policy. It took considerable time to draw up the guidelines and to distribute them to our embassies and other organizations abroad, but I am satisfied with the arrangements that are now in place, and I believe the guidelines have been made public. If not, my colleague, the Minister of Industry, Trade and Commerce, will be glad to do so. I repeat that the program will be effective.

Mr. Orlikow: Mr. Speaker, I have a supplementary question for the Secretary of State for External Affairs. In view of the fact that the hon. member for Windsor West indicated the other night that because there is no legislation backing up the guidelines they will not really be effective, is it the minister's intention to introduce legislation in the House, similar to that now being contemplated in the U.S. Congress, which would clearly spell out that our Canadian firms and banks are prohibited from going along with the Arab boycott as they have been until now?

Mr. Jamieson: It is not our intention at the moment to introduce legislation. I repeat what I have said earlier, that I believe our present provisions will be effective, and I think the hon. member knows there is considerable difficulty being experienced in the U.S. with precisely this question of the form of legislation to be used. We will monitor the policy that was introduced last fall to see how effective it is, and after a reasonable period has elapsed, we will see what steps, if any, are necessary.

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HER MAJESTY'S JUBILEE

PARTICIPATION OF ROYAL CANADIAN MOUNTED POLICE MUSICAL RIDE

Hon. Donald C. Jamieson (Secretary of State for External Affairs): While I am on my feet, may I just add to an answer which was given to the right hon. member for Prince Albert to tell him that in terms of Her Majesty's Jubilee I am delighted to inform him—and I know he will be pleased and the House will be pleased to know—that we have made arrangements for the RCMP musical ride team to accompany Her Majesty in the procession for the Jubilee celebrations in London.

Oral Questions

MANPOWER

COMMUNITY EMPLOYMENT STRATEGY PROGRAM—MEASURES TO IMPROVE PERFORMANCE

Mr. Elmer M. MacKay (Central Nova): My question is for the Minister of Manpower and Immigration. It is about a program in his department which I know concerns him as it concerns most areas of the country, namely the CES program which, because of bureaucratic impediments appears not to achieve the high hopes that were once held by his predecessor for its success. Can the minister tell us whether he has particular measures under way to cut through some of the red tape and present a better picture in terms of performance for this program?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I thank the hon. member for his support for this program that was an initiative this government embarked upon in 1975. It still remains a very high priority with the government. In the hon. member's region or area there is a technical problem which we are working on and with which we will press ahead. This is a commitment to the area concerned and it remains a high priority. Within the limits of fiscal responsibility we intend to press ahead.

Mr. MacKay: I am sure the minister is aware of the fact that a large proportion of the budget of CES in Nova Scotia—the approximate budget is slightly over $1 million—appears to be devoted to administrative costs and to topping up other programs. About $750,000 out of approximately $1 million appears not to be going for the primary purpose of producing jobs. Does the minister intend to look into the situation and to try to make the program more efficient in this respect?

Mr. Cullen: When we have an excellent program and we can make it better, we most assuredly will look into it.

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[*Translation*]

REGIONAL ECONOMIC EXPANSION

BUILDING OF ACCESS ROADS TO MINES IN NORTHERN QUEBEC

Mr. Gérard Laprise (Abitibi): Mr. Speaker, my question is directed to the Minister of Regional Economic Expansion.

Since he has had recent talks with his Quebec counterpart, could he tell us now whether he has received a request for financial aid from the Quebec government for the construction of a road leading to mines north of LaSarre, mainly to the SELCO and AMOCO mines in that area?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): No, Mr. Speaker, I do not remember having discussed the matter in such terms as mentioned by the hon. member. It is possible that the proposal was made to Quebec officials, more particularly to OPDQ officials, but for the time being at least I do not think that specific requests were made to my department or myself.

[Mr. Jamieson.]

[*English*]

GENERAL DEVELOPMENT AGREEMENT WITH BRITISH COLUMBIA—LACK OF FUNDS FOR KOOTENAY DISTRICT—REQUEST FOR ACTION

Mr. Bob Brisco (Kootenay West): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. In view of the fact that the General Development Agreement between British Columbia and DREE specifically spells out the northwest, the northeast and the Kootenays in British Columbia, and in view of the fact that there has not been any notification of any funding for the Kootenays, has the minister had recent discussions with the provincial government on funds specifically earmarked for the Kootenays in British Columbia under the GDA as spelled out?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, no, I have not had any specific discussions about the Kootenays. Our discussions were about the whole province in light of the kind of assistance we might be able to put together to provide support for industrial activities in the remote parts of British Columbia. But this is still under discussion and I hope within a few months, if not weeks, we will be able to conclude our discussions and propose something to help that region in particular.

Mr. Brisco: In view of the fact that the federal government has already spent more on MAGI and the cruiseship than has been spent on the entire province of British Columbia, and in view of the fact that the minister now says it will be several months before a decision can be made, is he not prepared to take departmental initiatives under the agreement and spend some money and make some progress under the DREE agreement in British Columbia?

[*Translation*]

Mr. Lessard: Mr. Speaker, I do not accept the premises of the hon. member's question concerning MAGI, but as for the other part of his serious question, I am now considering the possibility of some intervention by my department, for lack of an agreement which I still hope to conclude with the British Columbia government. However should such an agreement fail to materialize, we will have to consider other means of giving a new impetus to the economic conditions in British Columbia.

* * *

[*English*]

HEALTH

SACCHARIN—REASON FOR BANNING RATHER THAN ISSUING HEALTH WARNING—GOVERNMENT PLANS TO OVERCOME DETRIMENTAL EFFECT OF BAN

Mr. Bruce Halliday (Oxford): Mr. Speaker, in view of the absence of the Minister of National Health and Welfare, perhaps I could direct my question to his parliamentary secretary who, I think, will be knowledgeable about a matter which his department has had under review for some three or four years. Can he tell us why the minister and his department chose to be inconsistent with respect to the policy of banning

saccharin as compared to its policy on tobacco under which he chose to have an appropriate warning placed on the consumer package?

Mr. Paul E. McRae (Parliamentary Secretary to Minister of National Health and Welfare): I am not so sure I see the connection between saccharin and tobacco on this point. The banning of saccharin, except for diabetics under certain conditions, is the result of one of the best studies that has been done by any group in this country. It has been accepted in the United States. I would like to say that some time during the next week we hope to have a briefing by department officials for all members of the House who would like to go into this in more depth and to understand its implications.

● (1200)

Mr. Halliday: Mr. Speaker, acknowledging what the parliamentary secretary has said, acknowledging the concern and apprehension which people in general have about cancer and acknowledging also the concern expressed today by a New York cardiologist which, if translated into Canadian terms suggests that as a result of the ban on saccharin Canadians will gain an extra 60 million pounds of weight and as a result have an extra 2,500 heart attacks per year, could the parliamentary secretary tell the House what plans the minister has to combat both the psychological hazard and the cardiovascular hazard in addition to the unknown cancer hazard which Canadians will now face?

Mr. McRae: Mr. Speaker, the decision to ban saccharin was not arrived at lightly. There will be constant consultation with medical officials and people representing medical associations. Perhaps other sweeteners will come along, but we have to accept the fact that there has been consultation, and these concerns have been discussed. We will always be trying to develop alternatives.

* * *

CROWN CORPORATIONS

REQUEST FOR LEGISLATION CLARIFYING STATUS AND AUDIT REQUIREMENTS

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I have a question for the President of Treasury Board. The Standing Committee on Public Accounts has heard evidence that the Auditor General was dropped as auditor of Polysar because Polysar ceased to be a Crown corporation, in spite of the fact that the Auditor General presently audits some non-Crown corporations. Polysar still appears in the schedule of Crown corporations in the Financial Administration Act, in spite of the fact that the Minister of Justice stated that the government's position in 1973 was that Polysar was no longer a Crown corporation. I would like to ask whether the Minister of Justice can make such action official without the approval of parliament, and will the minister indicate when legislation will be introduced to clarify what are and what are not Crown corporations, how many there are and what the audit requirements of Crown corporations are.

Hon. Robert K. Andras (President of Treasury Board): Mr. Speaker, I will have to read the seven or eight questions which were just asked in *Hansard*. However, I can give the hon. member the assurance that clarification of what a Crown corporation is, the number of Crown corporations and those which are to be brought under the Financial Administration Act will be made to the House in the very near future by way of some proposed amendments to the FAA and probably to the Crown Corporations Act.

* * *

CENTRAL MORTGAGE AND HOUSING CORPORATION

AUTHORITY FOR LOAN TO OWNERS OF QUAI D'ORSAY HOTEL

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, yesterday at the end of the question period the Minister of State for Urban Affairs offered to be forthcoming with respect to a question put to him earlier by the hon. member for St. John's East. Unfortunately that occurred after the question period. The minister and the hon. member for St. John's East are here, so I wonder if the minister is in a position to answer that question today.

[*Translation*]

Hon. André Ouellet (Minister of State for Urban Affairs): Mr. Speaker, I shall answer the hon. member for St. John's East by saying that a loan guarantee has been granted under paragraph 6(1) of the National Housing Act. This paragraph gives the corporation authority to issue an insurance policy concerning a loan granted by a lender to promote the construction of a rental housing project.

* * *

[*English*]

PRIVILEGE

HON. ALVIN HAMILTON—ANSWERS TO QUESTIONS REGARDING METRIC CONVERSION

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, I rise on a question of privilege. The Minister of State for Small Businesses (Mr. Marchand)—whether deliberate or not, I do not know—was guilty of misinforming the House in answering questions I asked him this morning. I thought the questions were well put. Yesterday I showed the minister a letter from the secretary of the Saskatchewan Wheat Pool. I showed him Saskatchewan Wheat Pool documents which proved that he was being misinformed. When I asked the minister a second question about whether he would inform the Saskatchewan Wheat Pool that he and parliament did not take lightly the fact that they were being misinformed, instead of answering my question either by saying "yes" or "no" he went on to say that the matter of land measurement—

in other words, hectares—was a provincial and not a federal responsibility.

I maintain that this was either a deliberate or unwitting misleading of the House. I would like to quote from the third paragraph of a letter dated February 25 to the minister from the secretary of the Saskatchewan Wheat Pool, as follows:

> Canadian policy, unanimously adopted by the government of Canada in a white paper, 1970, calls for a planned conversion to the international system of standards known as the metric system.

That statement was made in the letter by the secretary of that organization placing upon the federal parliament the responsibility for passing a law which provides that conversion to the metric system is the law of the land. Mr. Speaker, you know, as well as I do, that no government white paper means anything until it is passed in this House by a vote of the parliamentarians present. It is a legislative proposal. In fact, before the metric system can become effective across Canada, 90 statutes of this parliament will have to be amended, and as yet not one has been amended.

The secretary of an organization wrote a letter to the minister and sent copies to members of parliament saying that this is an unanimously adopted federal law. The secretary of the Saskatchewan Wheat Pool went on in his letter to say:

> At the annual meetings of the elected delegates who represent the shareholders of Saskatchewan Wheat Pool, held in 1974, 1975 and 1976, reports on metric conversion and displays to assist elected leaders to understand the metric conversion process in agriculture, and particularly in the grain industry, were presented.

The secretary states the following in another paragraph:

> During all this period, no resolutions were received from the 800 active Wheat Pool local committees or from annual meetings held, or from other membership meetings held throughout the province to discuss issues dealing with the operations or farm policies of this organization.

That paragraph was meant to tell the minister that the farmers were not objecting to the metric system. Yesterday, I sent six Saskatchewan Wheat Pool documents to the minister pointing out that local rank and file members at the district level and subdistrict level had submitted resolutions opposing the metric system. When I asked the minister this morning if he would defend parliament by writing to this secretary and telling him that there was misleading information in his letter and asking for an explanation, his answer to me was that the system of measurement of land in the prairies and all across Canada is a matter of provincial jurisdiction, which begs the question and in effect the minister is supporting that misrepresentation in this House.

Parliament has not passed any laws dealing with the metric system, yet officials of the minister went out to the provincial governments, to these grain companies to private businesses and to consumers' associations and said that this was the law and that they should get ready to put the law into effect by February 1, 1977. I simply point out that federal officials are misinforming the public through grain companies and private companies. The minister has the gall to tell me in this House that the federal government has nothing to do with land measurement in the provinces. I wonder who persuaded the governments of the provinces that this is the law of the land, if it was not the minister's officials. What I am trying to say is that not only are the minister's officials misinforming and imposing upon my privileges as a member of parliament and on the privileges of every other hon. member. The minister is not informing us truthfully because the federal government got this whole thing going without passing a law to make it legal.

I would like to conclude my question of privilege by asking the minister to reconsider his answers and defend this parliament. I would like him to point out to the secretary of the Saskatchewan Wheat Pool that as parliamentarians we expect to be told the whole truth, and nothing but the truth—and not to be faced with this type of answer.

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

● (1210)

Hon. Len Marchand (Minister of State (Small Businesses)): Mr. Speaker, it will, of course, be up to Your Honour to determine whether there is a question of privilege, but I could answer the hon. member's question very quickly. I think he will find in the record that I said I would write to the secretary of the Saskatchewan Wheat Pool and determine whether there had been some misrepresentation. It is my view, however, that there was not any deliberate misrepresentation by the Saskatchewan Wheat Pool or any kind of misrepresentation at all. It is important to note that in the answer I gave, I stated very clearly that if one read the letter in its context there was no misrepresentation in my view. There is no way I would want to see this parliament misrepresented by anyone. I am sure that Mr. Wright, secretary of the Saskatchewan Wheat Pool, was not trying to misrepresent their position to this parliament or anyone else.

I should like to put on the record again the third paragraph of the letter, on page 2, which begins as follows:

> During all this period, no resolutions were received from the 800 active Wheat Pool local committees—

The significant part of the letter refers back to the first paragraph on page 2, which reads:

> At the annual meetings of the elected delegates who represent the shareholders of Saskatchewan Wheat Pool, held in 1974, 1975 and 1976, reports on metric conversion and displays to assist elected leaders to understand the metric conversion process in agriculture, and particularly in the grain industry, were presented.

That is the reference back. But to satisfy hon. members and myself on the point I will write to the secretary of the Saskatchewan Wheat Pool for further clarification and pass the information along to the members concerned. On the second part of the question, I must say I do not think anyone is trying to misrepresent anything in this House. Bill C-23 does not refer to land measurement. Land measurement does not lie in the hands of the federal government; it is clearly a provincial responsibility. Any bills to change that would have to be drawn by provincial governments. I repeat, Bill C-23 does not deal with land measurements.

Mr. Speaker: Order, please. The question of privilege raised by the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) does not have attached to it a motion which would ask direction of the Chair other than the request put through

the Chair to the minister who appears to me adequately to have responded to that request at least for the moment.

ROUTINE PROCEEDINGS

[*Translation*]

JUSTICE AND LEGAL AFFAIRS

Third report of Standing Committee on Justice and Legal Affairs—Mr. MacGuigan.

[*Editor's Note: For text of above report, see today's Votes and Proceedings*]

* * *

[*English*]

FOREIGN INVESTMENT REVIEW AGENCY

TABLING OF REPORT RESPECTING ACQUISITION OF CANADIAN BUSINESS ENTERPRISES

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, pursuant to Standing Order 41(2) I wish to table, in both official languages, regulations respecting the acquisition of Canadian business enterprises and the establishment of new businesses in Canada, from the Foreign Investment Review Agency.

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT

MEASURE TO CHANGE NAME OF CONSTITUENCY

Mr. Howard Johnston (Okanagan-Kootenay) moved for leave to introduce Bill C-406, to amend the Electoral Boundaries Readjustment Act (Kootenay East-Revelstoke).

Some hon. Members: Explain.

Mr. Johnston: Mr. Speaker, when the redistribution of 1952 divided the Okanagan to form two new constituencies, it was thought the city of Revelstoke was sufficiently removed from the Okanagan to be designated in the name of the new riding—Okanagan-Revelstoke. The most recent redistribution in 1976 added Revelstoke to the Kootenay East part of Okanagan-Kootenay, but omitted adding the name of the city to the constituency name, even though Revelstoke is more removed from Kootenay East than it was from the Okanagan. This bill corrects that oversight.

Motion agreed to, bill read the first time and ordered to be printed.

Order Paper Questions

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 1,342 to 1,347 inclusive, 1,349 to 1,352 inclusive, 1,454, 1,504 and 1,563.

I ask, Mr. Speaker, that the remaining questions be allowed to stand.

[*Text*]

AMENDMENTS TO RDIA—TRANSPORTATION

Question No. 1,342—**Mr. MacDonald (Egmont):**

1. Is (a) DREE (b) the Department of Transport aware that Austria, Finland, France, Germany, Italy, Norway, Sweden and Switzerland offer some form of transport concessions or subsidies to industry in designated development areas?

2. Are the Departments aware that the Atlantic Provinces Chamber of Commerce in its *Statement of Policy* for 1975-76, repeated in 1976-77, calls for changes to RDIA to better reflect the transport charges paid by Atlantic firms and, if so, what action does the government propose to take in this regard?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and Transport as follows: 1. (a) DREE, through liaison arrangements with the Organization for Economic Co-Operation and Development and other contacts with individual nations, obtains information about programs in effect elsewhere which may have relevance for its activities, including measures such as those mentioned here. Any consideration of such measures for application in Canada would require an assessment of both their effectiveness in their own domestic environment and their potential applicability to the Canadian scene. (b) Yes.

2. Yes. In fact, the basic intent of these recommendations is implemented by DREE in current RDIA practice. The present value of additional transportation costs over the estimated life of the project is taken into consideration in determining an equitable level of incentive for larger projects. In the case of smaller projects, where the level of incentive is normally determined by a guideline formula, the formula level was preset at a higher rate in the Atlantic Region, in part to offset the effect of higher transportation costs. While the RDIA is administered by DREE, the more general subject of freight transportation assistance programs is being reviewed by Transport Canada in full co-operation with the four provinces concerned.

COMPENSATION TO FIRMS EMPLOYING INEXPERIENCED WORKERS

Question No. 1,343—**Mr. MacDonald (Egmont):**

1. Is (a) DREE (b) the Department of Manpower and Immigration aware of measures in effect in Finland to compensate firms employing inexperienced workers in designated development areas?

2. Are any such measures now in effect at the federal level in Canada and, if so, what are they?

3. What success have such programmes had in Canada in terms of (a) the average length of time which workers remain at their assisted jobs once the

assistance is terminated (b) the number of workers involved (c) the average cost per worker?

4. Are any strengthenings or modifications to such programmes being considered and, if so, what are they?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Manpower and Immigration and Regional Economic Expansion as follows: 1. (a) DREE is aware of many of the measures in effect in Finland to assist firms in designated development areas, including measures such as those mentioned. (b) Yes.

2. No such measures are in effect under DREE programs. Yes, in so far as the Department of Manpower and Immigration is concerned. Under the recently announced Job Experience and Training Program (JET) it is the intent of the winter component to compensate firms when they employ inexperienced young workers. This compensation will be in the form of a partial wage subsidy to offset their low productivity. Three pilot projects are now in process in the Montreal, Oakville, and Vancouver areas. In addition, although the Department's Industrial Training Program does not have this specific objective, it does include this type of program within its framework.

3. As far as the JET program is concerned it is too early to assess the success of the program as it has been operating for only a few weeks. (a) Not available, (b) 150, (c) not available. With regard to the Canada Manpower Industrial Training Program: (a) The program is in its second year of operation and the first evaluation has not yet been completed. (b) Number of workers trained in the DREE designated development area; i.e., the designated development area is all of Canada including the Yukon and Northwest Territories but excluding British Columbia and Alberta since these two provinces are not in DREE's designated area: 50,272. Number of workers trained in all of Canada: 61,389. (c) $841.

4. Yes. If the pilot phase of JET proves successful, it will be expanded to additional locations in October, 1977. Under the Employment Strategy announced on October 21, 1976 the total funding level of the Industrial Training Program will be expanded from $63,692 in 1976-77 to $70,146 in 1977-78.

SHAREHOLDING BY GOVERNMENT IN ENTERPRISES

Question No. 1,344—**Mr. MacDonald (Egmont):**

1. Is (a) DREE (b) the Department of Finance (c) the Department of Industry, Trade and Commerce aware of measures in effect in Belgium, Finland, France, Ireland, the Netherlands, Sweden and the United Kingdom which permit shareholding or equity participation by government in enterprises in designated development areas?

2. Are the Departments aware that recommendations for such measures in Canada have been made by the Atlantic Development Council in its report *Regional Development Incentives Program—Atlantic Region*, where it states that "consideration should be given to the establishment within the incentives program of arrangements which would enable the government to take an equity position in new ventures"?

3. Are any such measures (a) now in effect in Canada (b) under study or contemplated for the future as encouragement to more balanced industrial development between Canada's regions and, if so, what are they?

[Mr. MacDonald (Egmont).]

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion, Finance and Industry, Trade and Commerce as follows: 1. (a) DREE, through liaison arrangements with the Organization for Economic Co-Operation and Development and other contacts with individual nations, obtains information about programs in effect elsewhere which may have relevance for its activities, including measures such as those mentioned here. Any consideration of such measures for application in Canada would require an assessment of both their effectiveness in their own domestic environment and their potential applicability to the Canadian scene. (b) Yes. (c) The Department of Industry, Trade and Commerce is aware of measures in effect in the countries mentioned which permit shareholding or equity participation by government in enterprises in designated development areas.

2. Yes.

3. The Department of Finance does not administer programs directed specifically towards regional development and does not offer, nor is it presently studying, this type of regional development instrument. As embodied in the programs of DREE, Canada has its own particular set of regional instruments, suited to the Canadian context, which are viewed and modified as appropriate in the light of experience. The Department of Industry, Trade and Commerce participates in equity financing under the General Adjustment Assistance Program and through the Federal Business Development Bank. (a) Although DREE does not operate programs in which it takes a direct equity position on behalf of the federal government, it does provide financial support to federal-provincial development corporations which have the authority, among other activities, to make such equity investments. An example is the Newfoundland and Labrador Development Corporation which at December 31, 1976, had an equity position in 23 companies doing business in that province. (b) Although DREE has no immediate plans to introduce measures of this kind, it maintains an on-going review of possible program initiatives in an effort to assess their potential effectiveness in the Canadian context and to develop new measures which will contribute to the goal of more balanced industrial development between Canada's regions.

ACCELERATED DEPRECIATION ON CAPITAL INVESTMENT

Question No. 1,345—**Mr. MacDonald (Egmont):**

Is (a) DREE (b) the Department of Finance aware of measures permitting accelerated depreciation for tax purposes on capital investment in designated development areas in 15 out of the 24 member nations of the OECD and, if so, are any such measures (i) now in effect in Canada (ii) under study or contemplated for the future as encouragement to more balanced industrial development between Canada's regions and, if so, what are they?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and Finance as follows: (a) DREE, through liaison arrangements with the Organization for Economic Co-Operation and Development and other contacts with individual nations obtains information about pro-

grams in effect elsewhere which may have relevance for its activities, including measures such as those mentioned here. Any consideration of such measures for application in Canada would require an assessment of both their effectiveness in their own domestic environment and their potential applicability to the Canadian scene. (i) No such measures are now in effect under DREE programs. The earlier Area Development Incentives Act did provide for accelerated capital cost allowances, but this provision was replaced by the more generous cash grants available under the Regional Development Incentives Act. (ii) Although DREE has no immediate plans to introduce measures of this kind, it maintains an on-going review of possible program initiatives in an effort to assess their potential effectiveness in the Canadian context and to develop new measures which will contribute to the goal of more balanced industrial development between Canada's regions. (b) Yes, the Department of Finance is aware of the accelerated depreciation measures for tax purposes in member OECD countries. Canada provides a two-year write-off for property included in Class 29. While this does not distinguish between various regions, it does provide incentives for new investment in manufacturing and processing machinery and equipment in all regions of Canada. As a matter of policy, the capital grants program, authorized by the Department of Regional Economic Expansion under the Regional Development Incentives Act, which has totalled $581 million since inception of the Act in 1969 has been considered as a more effective mechanism for stimulating regional capital investment.

INVESTMENT RESERVE FUNDS

Question No. 1,346—**Mr. MacDonald (Egmont):**

Is (a) DREE (b) the Department of Finance (c) the Department of Industry, Trade and Commerce aware of measures in effect in Sweden which allow corporations to set aside investment reserve funds from their pre-tax profits for investment in designated development areas and, if so, are any such measures (i) now in effect in Canada (ii) under study or contemplated for the future as encouragement to more balanced industrial development between Canada's region and, if so, what are they?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion, Finance and Industry, Trade and Commerce as follows: (a) DREE, through liaison arrangements with the Organization for Economic Co-Operation and Development and other contacts with individual nations, obtains information about programs in effect elsewhere which may have relevance for its activities, including measures such as those mentioned here. Any consideration of such measures for application in Canada would require an assessment of both their effectiveness in their own domestic environment and their potential applicability to the Canadian scene. (i) No such measures are in effect under DREE programs. (ii) Although DREE has no immediate plans to propose measures of this kind, it maintains an on-going review of possible program initiatives in an effort to assess their potential effectiveness in the Canadian context and to develop new measures which will contribute to the goal of more balanced industrial development between Canada's regions. (b) Yes. Swedish companies, economic societies and savings banks may allocate a portion of their pre-tax profits to an investment reserve. However, between 40 per cent and 46 per cent of the allocated amount must be deposited at the Swedish National Bank. These reserves are controlled by the Swedish Government, which directs their use. There are no such measures in effect in Canada, nor are any currently contemplated. As a matter of policy, the capital grants program, authorized by the Department of Regional Economic Expansion under the Regional Development Incentives Act, which has totalled $581 million since inception of the Act in 1969 has been considered as a more effective mechanism for stimulating regional capital investment. (c) Yes, the Department of Industry, Trade and Commerce is aware of measures in effect in Sweden which allow corporations to set aside investment reserve funds from their pre-tax profits for investment in designated development areas. (i) No such measures are in effect under ITC programs. (ii) No such measures are contemplated at the present time.

EXPORTED GOODS, TAX EXEMPTION ON PROFITS

Question No. 1,347—**Mr. MacDonald (Egmont):**

Is (a) DREE (b) the Department of Finance aware of measures in effect in Ireland which exempt from taxation the profits on exported goods which are manufactured in designated development areas and, if so, are any such measures (i) now in effect in Canada (ii) under study or contemplated for the future as encouragement to more balanced industrial development between Canada's regions and, if so, what are they?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and Finance as follows: (a) See question No. 1,346 answered this day. (b) Yes. There is an abatement of the income tax and corporation profits tax otherwise payable by companies who manufacture in and export from the Republic of Ireland. This relief applies only to the profits earned by an increase in export sales over corresponding export sales in a standard period. No such measures currently exist or are contemplated in Canada.

FAVOURED STATUS IN PROCUREMENT POLICIES

Question No. 1,349—**Mr. MacDonald (Egmont):**

1. Is (a) DREE (b) the Department of Supply and Services aware of measures in effect in Greece, Switzerland and the United Kingdom which give favoured status in government procurement policies to firms in designated development regions?

2. Is (a) DREE (b) the Department of Supply and Services aware of measures in effect in Italy which require the government, public enterprises and enterprises with state participation to reserve 30 per cent of their supply contracts to enterprises in designated development areas?

3. Are any such measures referred to in Parts 1 and 2 (a) now in effect in Canada (b) under study or contemplated for the future as encouragement to more balanced industrial development between Canada's regions and, if so, what are they?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and Supply and Services as follows: 1 and 2. (a) DREE, through liaison arrangements with the Organization for Economic Co-Operation and De-

velopment and other contacts with individual nations, obtains information about programs in effect elsewhere which may have relevance for its activities, including measures such as those mentioned here.

1. (b) Greece, No. Switzerland, No. United Kingdom, Yes.

2. (b) Yes.

3. No such measures are in effect under DREE programs. The Department does, however, co-operate closely with the Department of Supply and Services in ensuring that slow-growth regions are able to benefit from government procurement activities.

LOANS AT SUBSIDIZED RATES TO INDUSTRIES

Question No. 1,350—**Mr. MacDonald (Egmont):**

Is (a) DREE (b) the Department of Finance aware that 14 of the 24 member nations of the OECD have enacted measures allowing loans at subsidized rates to industry in designated development areas and, if so, are any such measures (i) now in effect in Canada (ii) under study or contemplated for the future as encouragement to more balanced industrial development between Canada's regions and, if so, what are they?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and Finance as follows: (a) See question No. 1,346 answered this day. (b) The Department of Finance is aware of the existence of these measures in certain OECD member countries. The Department of Finance itself does not administer programs directed specifically towards regional development and does not offer, nor is it presently studying, this type of regional development instrument. As embodied in the programs of DREE, Canada has its own particular set of regional development instruments, suited to the Canadian context, which are reviewed and modified as appropriate in the light of experience.

RELIEF FROM STATE-GENERATED EMPLOYMENT COSTS

Question No. 1,351—**Mr. MacDonald (Egmont):**

Is (a) DREE (b) the Department of Finance aware that Greece and Italy offer relief to employers in designated development areas from state-generated employment costs such as social security contributions and, if so, are any such measures (i) now in effect in Canada (ii) under study or contemplated for the future as encouragement to more balanced industrial development between Canada's regions and, if so, what are they?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and Finance as follows: (a) See question No. 1,346 answered this day. (b) The Department of Finance is aware of the existence in Greece and Italy of these measures. The Department of Finance does not administer programs directed specifically towards regional development and does not offer, nor is it presently studying, this type of regional development instrument. As embodied in the programs of DREE, Canada has its own particular set of regional development instruments, suited to the Canadian context, which are reviewed and modified as appropriate in the light of experience.

[Mr. Goodale.]

FISCAL CONCESSIONS ON CERTAIN PROFITS

Question No. 1,352—**Mr. MacDonald (Egmont):**

1. Is (a) DREE (b) the Department of Finance aware that Finland, France, Greece, Ireland, Italy, Portugal, Spain, Switzerland and Turkey allow fiscal concessions on certain profits of enterprises in designated development areas?

2. Are the Departments aware that the Minister of Development for Nova Scotia stated at the October 1976 APEC Conference that "it may well be time for the Federal Government to consider new incentives to new companies establishing in the Maritimes—perhaps continuing income tax benefits to improve the cash flow in early years"?

3. Are any such measures (a) now in effect in Canada (b) under study or contemplated for the future as encouragement to more balanced industrial development between Canada's regions and, if so, what are they?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Regional Economic Expansion and Finance as follows: 1. (a) DREE, through liaison arrangements with the Organization for Economic Co-Operation and Development and other contacts with individual nations, obtains information about programs in effect elsewhere which may have relevance for its activities, including measures such as those mentioned here. Any consideration of such measures for application in Canada would require an assessment of both their effectiveness in their own domestic environment and their potential applicability to the Canadian scene. (b) Yes.

2. Yes.

3. In so far as Finance is concerned Canada provides a two-year write-off for property included in Class 29. While this does not distinguish between various regions, it does provide incentives for new investment in manufacturing and processing machinery and equipment in all regions of Canada. (a) No such measures are in effect under DREE programs. (b) Although DREE has no immediate plans to propose measures of this kind, it maintains an on-going review of possible program initiatives in an effort to assess their potential effectiveness in the Canadian context and to develop new measures which will contribute to the goal of more balanced industrial development between Canada's regions.

SHIPPING SUBSIDIES

Question No. 1,454—**Mr. Clarke (Vancouver Quadra):**

1. Has the Northland Navigation subsidy been discontinued and, if so, what measures does the government intend to take to improve ferry transportation on the west coast of British Columbia?

2. Is the estimated expenditure for subsidized shipping on the west coast $2,450,601 and, if so, what criteria were used by the government to decide allocations of ferry subsidies for 1976-77 amounting to $107,820,698 to the east coast?

Hon. Otto E. Lang (Minister of Transport): 1. The subsidy previously paid by the Canadian Transport Commission to Northland Navigation for operating certain services on the B.C. coast ceased on 31 October 1976. Officials of the Department of Transport are working closely with provincial transportation authorities to ensure necessary services are provided, with federal contributions, if any, being made in accordance with the Water Transport Assistance Policy.

2. While the figures quoted are not exactly the amounts expected to be provided to subsidized shipping services on each coast, they do indicate the order of expenditure in each area. It should be noted, however, that the payments for east coast services arise primarily from the support by the Federal Government of services rendered under the Terms of Union and Terms of Confederation with Newfoundland and Prince Edward Island respectively. The difference between the amounts paid on each coast reflects the different priority placed on shipping services by British Columbia at the time of signing its Confederation agreement.

DISPUTE—TILDEN RENT-A-CAR

Question No. 1,504—**Mr. Mazankowski:**

1. Was the recent dispute between Tilden Rent-a-Car and the Department of Transport settled and, if so, on what terms and conditions?

2. What is the total amount of money payable to Tilden, with respect to legal fees and other matters, with the settlement of this dispute?

Hon. Otto E. Lang (Minister of Transport): 1. Yes, the dispute with Tilden has been resolved. It was agreed that the company would be given 4th ranking for counter and car parking space and that all counters at Winnipeg International Airport would be grouped in the same general area. Tilden agreed to withdraw their suit and waive all legal action in this matter.

2. Substantiated legal costs attributable to this matter up to a maximum of $5,000 are to be allowed.

LAND SURROUNDING WESTMINSTER HOSPITAL, LONDON, ONTARIO

Question No. 1,563—**Mr. Marshall:**

1. Has the land surrounding Westminster Hospital in London, Ontario, been declared surplus by the Department of Veterans Affairs?

2. What responsibility does the Treasury Board Advisory Committee on federal land management have in regard to the land surrounding the Hospital?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Veterans Affairs and Treasury Board as follows: 1. No.

2. In the event that the Westminster Hospital property, in London, Ontario, would be declared surplus, the Treasury Board Advisory Committee on Federal Land Management would ensure that all relevant interests and factors are taken into account in making a recommendation to the Treasury Board on a new use for the property.

[*English*]

Mr. Orlikow: I rise on a point of order, Mr. Speaker. On October 12, the day parliament opened, I put a series of 60 questions, beginning with No. 216, on the order paper. These were very specific questions asking for very significant information on the number of classified positions existing in each department in certain categories and the number of occupied positions in the same category for the year 1975. These questions have been on the order paper for five months, and I hope the parliamentary secretary can promise some action.

Mr. Goodale: Mr. Speaker, I would point out to the House and to the hon. member that I am aware of that series of questions. As the hon. member pointed out, he is seeking rather detailed and complicated information about job positions within the public service. We are making progress in collecting the information, and I anticipate it will not be much longer before it is available.

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT, 1976

AMENDMENTS TO IMPLEMENT CHANGES IN IMMIGRATION POLICY

The House resumed, from Thursday, March 10, consideration of the motion of Mr. Cullen that Bill C-24, respecting immigration to Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, last night I explained in some detail why we thought this act was defective. One of the main reasons was that it permitted nearly all the questions to be dealt with by subordinate legislation or by regulation. I want to deal with the principle outlined in section 5 of the act which asserts that no person other than a Canadian citizen or resident has a right to come into or remain in Canada. This is linked with section 14 which provides that if the immigration officer is satisfied that it would not be contrary to the act or regulations to grant admission, he may grant admission after imposing terms. I would call the attention of the House to the permissive word "may" which, taken with section 5, may indeed be the means of depriving the would-be applicant of rights. In the previous act, section 27, which otherwise corresponded exactly with section 14, used the word "shall" and thereby said that an immigration officer, satisfied that all the rules had been complied with, "shall" grant admission. The new bill says that he "may" grant admission.

• (1220)

Couple that with the general statement that no person other than a Canadian citizen or resident has the right to enter Canada and I say it is clearly erroneous to assert that no immigrant has any rights, since he will have rights until this new legislation passes. It is true that Canada as a sovereign nation has the right to exclude or accept whatever immigrants

it chooses; but parliament has legislated, and where it has legislated it has conferred statutory rights, rights which indeed may be withdrawn but which are nonetheless real. The Supreme Court of Canada has frequently referred to these statutory rights. Therefore, clause 5 as presently set out in the bill is not only bad in principle but is erroneous in law. Nor is this merely an academic matter. Immigration officials and perhaps the courts may treat immigrants as if they had no rights. I find it strange that Canada, a country built on immigration, a country most of whose inhabitants came here as immigrants under unlimited right of entry, should seek to remove all such rights.

The repeal of provisions with regard to domicile is a backward step. A person living in Canada for five years acquired Canadian domicile and was, generally speaking, not subject to deportation. That is to be changed. It is true that the Citizenship Act has shortened the period of required residence before an application can be made for citizenship, and once one is a Canadian citizen one's status with respect to deportation changes entirely. But I remind the House that there is no absolute right to citizenship and there may be good and sufficient reason why some long-time residents of Canada do not wish to obtain citizenship. The effect of removing the concept of domicile from the act will be this: long-time residents of Canada who have established their homes, businesses and residence in Canada will have no assured protection against deportation on a wide number of grounds set out in the bill.

In the bill there are extremely broad and dangerous provisions with regard to admissibility and inadmissibility. For example, one is deemed to be inadmissible if there are reasonable grounds to suspect that one is likely to engage in criminal activities. How can one tell this? It is true that there is a note to the act which says that this provision will apply to those who, although never convicted, may perhaps be associated with organized crime. But the bill itself does not mention organized crime in this connection; there is no mention of it. It merely talks about people who are likely to engage in criminal activities. That is a matter of opinion. In whose mind will the opinion be? I presume it will be in the mind of immigration officials. Would-be immigrants may be suspected of such activities.

I say that a provision which penalizes a person because that person may be guilty of something, whereas he may be guilty of absolutely nothing, does not fit into our concepts of justice or into the rules of justice as we know them. Indeed, such language suggests guilt by association. If we are going to exclude people from entry, we should at least make sure they have committed some crime or offence which renders them not suitable for admission to Canada.

Clause 19(1)(f) provides that a person cannot enter Canada if there are reasonable grounds to believe that it is likely such person will engage in or instigate the subversion by force of any government while in Canada. The language of the law used to talk about subverting any democratic government. Now it talks about subverting any government: any government now falls within the ban. Subparagraph (g) on page 14 of the bill extends the prohibition to those classes of persons likely to engage in acts of violence which may endanger the lives or safety of persons or who are associated with an organization that is likely to engage in such acts of violence. It is possible that a person might be a member of an organization but not be aware of all its activities; they may not know that in some parts of the world it is involved in acts of violence and therefore would be entirely free from any taint of violence or violent action. If we are introducing the principle of guilt by association and banning such people, or not allowing them to enter Canada, I say that we are introducing a novel and dangerous doctrine.

I come now to clause 39 which provides that a certificate signed by the Minister of Justice (Mr. Basford) and the Solicitor General (Mr. Fox) is in itself proof of the matter stated in the certificate. Thus, the minister and the Solicitor General are given the ability, without trial, to determine if a person is to be in one of the prohibited classes. It is true that there is power to report to a special advisory board, but it is notable that this language seems to be permissive rather than obligatory. This sounds to me very much like the state of siege mentality which in many countries has resulted in the imposition of repression. I suggest that provision deprives people of their basic rights. No one, myself included, would pretend that Canada is on the verge of reaching the state of repression in respect of security matters which has deprived many peoples throughout the world of their fundamental human rights. I say that we should not start down that path by conferring on the Minister of Justice and the Solicitor General, however admirable we think they may be, such vast and ill-defined powers.

At this stage I should like to deal with some parts of the new legislation which I think deserve commendation and should be incorporated in the final version of the bill. I believe that the spelling out of objectives in clause 3 is a good idea. That clause refers to facilitating the reunion of Canadian citizens with close relatives from abroad. I think that ought to be one of our fundamental objectives. It is said in the bill that any person who seeks admission to Canada is subject to standards of admission which do not discriminate on grounds of race, ethnic origin, colour, religion or sex. It is true that much remains to be done to give greater meaning to those words. One could give illustrations; unfortunately I do not have time to do so at present. However, it is useful to have the policy of non-discrimination outlined in the bill.

It is also stated that one of the objectives of immigration is to fulfil Canada's obligations with respect to refugees and to uphold its humanitarian tradition with respect to the displaced and persecuted. With those excellent sentiments we heartily concur. Indeed, I want to be sure that the statute law which will give effect to those sentiments will enable people in that position to come to Canada. I wish some way could be found to link some of the new objectives with specific provisions to enable their enforcement. It is all very well to include excellent objectives in the bill, but unless those objectives are supported

with specific, clear legislation and machinery for enforcement they will not mean much.

Clause 109 of the new legislation is most important. It provides for consultation and agreement with the provinces on the settlement of immigrants in Canada. It seems to me that the final authority in matters of immigration, if we are to preserve the federal structure, should be the federal parliament. However, there is a very great need for far closer consultation with the provinces so that immigration policies may be in line with the planning and cultural needs of the provinces of Canada.

• (1230)

I believe an improvement to the act is that instead of having special inquiry officers decide on the making of deportation orders, a new class of adjudicator will be appointed. Therefore, we will not have in the future the strange spectacle of an immigration officer preparing and presenting the case against a would-be immigrant and then going around the table and deciding the case, sometimes against the immigrant. There is an old saying that no person should be a judge of his own case. I hope every effort will be made to separate the function of the adjudicators from that of their immigration officials. They should be judicially removed from the departmental administration.

There have been improvements with regard to the definitions. The previous act contained antiquated and unworkable language with regard to health and mental illness as a ground for exclusion. This has been altered. Although, as I mentioned, we question leaving the judgment to a medical officer, this represents a very real, considerable and humane improvement in the law. Another improvement is that we have got rid of the term "commits a crime involving moral turpitude" as a ground for inadmissibility. No two persons I have ever met have agreed on what are crimes involving moral turpitude. One person's moral turpitude is another person's pleasant privilege.

Some hon. Members: Hear, hear!

Mr. Brewin: I am glad that that phrase, which I think we borrowed from the United States, is to be eliminated from the act. I am not at all happy about the provisions in the act as they relate to appeals. At this stage, a right of appeal to the Immigration Appeal Board should be granted in all cases for deportation where removal orders are made or people are refused admission. I am well aware, of course, that there was a time when we had a great backlog of cases, but the classes of those admitted have been restricted. Visitors cannot apply in Canada. There is no danger of a repetition of the bottlenecks and backlogs, and the right of appeal should be clear and simple instead of involving, as it does in the present act, a whole series of semi-intelligible phrases.

We welcome the reference to refugees. We think the provisions in the act leave much to be desired. We believe this process should be simplified and that there should be a refugee claims board to which cases of refugee status should be referred. I have not found the present methods of dealing with the matter by the immigration appeal board and the advisory board satisfactory in cases of refugees. Some members of the board seem to have very little concept of what is going on in other parts of the world. We suggest that the refugee appeal claims board should contain a senior representative of the Immigration Department, a senior representative of the Department of External Affairs and a representative of the ethnic groups and of the churches which have taken great interest not only in the admission of refugees but their cases after they have arrived here.

Let us state with absolute clarity that applicants with refugee status still have an open and full hearing. Refugees should be treated as ordinary immigrants and not be required to make their cases on economic grounds. If they are treated exactly the same as other applicants, they get no special recognition of their status as refugees. That means people fleeing from political persecution, and often very great danger, from the countries in which they live and the countries to which they belong. It may be reasonable to say there should be some plan to look after refugees in Canada, either by relatives or ethnic groups, but the normal points system and the fact they should have to establish themselves successfully in Canada should not be required.

Where there are a large number of refugees such as the Chileans and those in Argentina, Canada should be prepared to send special teams to deal quickly with those cases. This worked well in the case of the Hungarians, the Ugandans and other refugees to Canada and it is working well in other countries to get people from Chile. From the experience of some of us who travelled recently in the Argentine, it is badly needed now. I regret the fact that the minister preferred to accept the advice of certain officials—and I believe they were rather junior officials—handling the present flow of immigrants and ignored the pleas of his colleagues in three of the major parties who carefully studied the matter and reported their views to him.

In conclusion, the question of immigration is closely connected with economic problems in Canada. It is clear that if we are to maintain our present level of population—and this would indeed seem reasonable in a country of Canada's resources—we will have to provide for a regular flow of immigrants. We do not recommend an open door policy, nor do we recommend a closed door policy. We propose a moderate assessment with reasonable numbers to be admitted which would be true to Canada's past as a country built by immigrants.

We are well aware that where there are high levels of unemployment and serious economic stagnation, immigrants are often blamed and demands arise for their exclusion. The answer to that is not a rigid exclusion of immigrants but the building of an expanded economy in Canada. We are a nation in an interdependent world. Our reaction to the problems of immigration will be an important test of our acceptance of this fact.

I have made it clear that we are disappointed with this legislation, particularly because of its threat to the principles

of civil liberties. Perhaps, even more so, because of the wholesale acceptance of regulations and subordinate legislation as the primary means of making the laws in this field, a means that I explained yesterday is totally unsatisfactory. We will do our best to get the act amended in committee in the way we think makes sense. We will have to consider, and are considering very carefully, whether it would be consistent for us to vote for a bill which conceals as much as it discloses.

Mr. Art Lee (Parliamentary Secretary to Solicitor General): Mr. Speaker, it is with a deep sense of appreciation of the progress that Canada has made in the creation of a just and humanitarian immigration policy that I rise today to take part in this debate. I come from immigrant stock. With the exception of only two members of this House, we are all the sons and daughters of immigrant forefathers, although some of us are aware that our ancestors had a more difficult time than others in gaining entry to Canada. It is because of that awareness of history that I wish to applaud the government for rejecting the recommendation of both the green paper and the special joint committee that the nominated category be eliminated. By that rejection, the principle of family reunification is maintained in this bill.

I noted with interest the remarks of the hon. member for Provencher (Mr. Epp) who spoke on behalf of his party. I have read his comments and have come to the unavoidable conclusion that he and his party do not give much importance to the principle of family reunification. He is against grandparents of any age sponsored by a Canadian citizen being included in the family class and the retention of the nominated category. His rationale for rejection of the nominated category is that they congregate in the urban areas but independents do not. I am at a loss to understand this reasoning. Immigrants and Canadians go where the jobs are, and that is why this government is placing much more emphasis on its stated policies of decentralization and regional economic expansion. As a Canadian of Chinese descent who is conscious of the story of Chinese immigration to this country, I know how important the principle of family reunification has been to so many families.

● (1240)

Before I address the specifics of this Bill I would ask your indulgence, Mr. Speaker, in allowing me to rehearse for this House some of the facts of that story which may be of interest particularly to those hon. members who are not fully conversant with the history of the west. Following confederation, Canada's immigration policy was that of the open door. Chinese workers were recruited in large numbers to work on the railroad that was to bind this nation together. My greatgrandfather was one of those nation builders. But by 1885, while a promotional campaign was being carried out in Britain, and to a lesser extent in other European countries, to lure settlers to Canada with subsidized transportation and cheap land, the government brought down an act to restrict and regulate Chinese immigration. The act imposed a head tax of $50 on each Chinese immigrant. Not very many Chinese peasants could afford that. A further restriction was that no vessel was allowed to carry more than one Chinese immigrant for each 50 tons of its tonnage.

In the early years of this century, the immigration boom was on and promotion of immigration to Canada among farmers in Britain, France, and the United States was a major concern of the government. When not enough response was seen to be coming from northwestern Europe, the campaign to woo farmers from their own countries to ours moved into southern and eastern Europe. In 1900, however, a Chinese farmer wanting to emigrate to Canada would have found that the head tax had been doubled to $100: and to be sure of its effectiveness the tax was raised in 1903 to $500, at which level it remained, for the next 20 years. Similar restrictions were contemplated for the Japanese, but were prevented by diplomatic considerations.

It is now only 70 years—the span of one lifetime—since the 1907 anti-Asiatic race riots in Vancouver. Although the head tax on Chinese immigrants had drastically curbed the number of Chinese emigrating to Canada further action was deemed necessary to discourage the influx of other Asians. So an order in council disallowed the admission of any Asian immigrants who did not come to Canada "by direct and continuous journey" from their country of origin. A further regulation required that no Asian immigrant could land on Canadian soil without $200 in his pocket. This provision did not apply to Chinese or Japanese immigrants. The former were deemed to be sufficiently deterred by the $500 head tax, and the latter were to be limited in their numbers entering Canada by their own government. One could sum up the policy of this period and the ensuing 40 years as a closed door to any nationalities which it was felt would not be easily assimilated into the dominant culture.

The restrictions eased slightly in 1923, when regulations on Asian immigrants were changed to allow entry of farmers, domestic servants and the wives and minor children of residents of Canada provided they carried $250 in landing money. It was also provisional on there being no contrary legislation. This meant that Japanese immigration was still regulated by an agreement between the Canadian and Japanese governments. Chinese immigration was controlled by the Chinese immigration act passed that same year. This act, which remained in force until 1946, limited Chinese immigration into Canada to the following categories: diplomats and their families and staff; children born in Canada of Chinese parents who had left the country to receive their education; merchants, defined as those with $2,500 invested in a business in which they had been engaged for three years and who intended to invest the same amount in a Canadian business; and students.

Those who gained entry under these regulations could not change their status. They could be deported if they engaged in manual labour. They could not land at any other port than Vancouver or Victoria. Any transportation company which carried an immigrant subsequently denied entry had to re-transport that person and pay for his maintenance costs at immigration stations. A vessel could bring to Canada only one Chinese immigrant for every 250 tons of its tonnage.

When these new regulations were in place, the $500 head tax was dropped as no longer necessary. One student of the history of Chinese immigration to Canada, Dr. Wallace Chung, has estimated that if the government were to repay the $26,500,000 taken under the head tax law, the debt—having accrued at a modest interest rate of 4 per cent per annum, compounded—would now be in the neighbourhood of $159,-000,000. As a Canadian of Chinese ancestry, I think I can say that the sons and daughters of those who paid the tax would today count it a fair price for the benefits of being members of our society.

The Chinese immigration act was repealed in 1947 and Chinese became eligible for sponsored immigration in the same way as other Asians. The continuous journey regulation in effect since 1908 was also dropped. But through the 1950s, despite an economic boom that resulted in relaxation of many laws, discriminatory regulations against Asians continued to be enforced. In 1951, Canada signed agreements with India, Pakistan and Ceylon to admit only a limited number of their citizens over and above those eligible under the regulations governing Asiatics. In 1957, when the economic boom died, the rules governing occupational criteria were tightened. At the same time, however, there was a loosening of some regulations governing Asian immigrants to permit citizens of Canada to sponsor their spouses, minor children and elderly parents.

It was not until 1962 that unsponsored immigrants from all over the world became admissible under the same criteria, so that finally Asians, Africans, Latin Americans, and Caribbean peoples could gain admittance as unsponsored immigrants. The effect of this opening of the door was not felt for some years since preference went to professionals, skilled and technical workers. But all residents could now sponsor spouses, parents, grandparents, fiancés and unmarried children. Asian and African nationalities thus gained several categories under which their loved ones could be sponsored that had always been denied them before.

In 1967, the principle of non-discrimination on the basis of race or nationality was explicitly affirmed in immigration regulations for all classes of immigrants. That principle is reaffirmed in this bill, and the government's commitment to that principle and to the principle of reuniting separated families is illustrated by the agreement between Canada and the People's Republic of China on family reunification which was obtained by the Prime Minister (Mr. Trudeau). For that, the Prime Minister will have the gratitude of many Canadians of Chinese ancestry.

Mr. Speaker, I prefaced my remarks on this bill with a brief history of Chinese and Asian immigration to Canada because I wanted to illustrate how far we have come in Canada in buttressing and developing the rights of all peoples in a nation founded on respect for the diversity of the cultures of mankind. A lot of the credit must go to those Chinese and other Asian immigrants who were pioneers in more than one sense of the word. I know that many of my ancestors met hardships in making their lives in Canada, often because of a misunderstanding of their way of life. By perseverance and patience, and by the strength they could draw from their culture, they won their right to full participation in Canadian society.

● (1250)

The three doctors of Chinese origin practicing in Vancouver in 1940 had become 76 practitioners by 1974. The one lawyer and one dentist had become 29 lawyers and 32 dentists. In 1940 there were no Chinese accountants or architects in the city; but by 1974 there were 18 accountants and nine architects of Chinese origin. Let no one imagine that this growth was an easy process. At the same time as they were growing up with the country, the country was growing up with them. The days of the "yellow peril" are not only gone; they are now unthinkable within the enlightened Canadian context. Canada can now address itself to the consideration of an over-all immigration policy without calling up the spectre of racism or national chauvinism. I think we have all come a long way, and we have come that way together.

I had the honour to serve as a member of the special joint committee which took the debate on the government's green paper out to the country at large. I am pleased that the government has seen fit to accept the majority of the committee's recommendations. I remember at the time that the committee was formed that some cynics—and some of them were fellow members on the committee—decried the travelling hearings as a public relations circus. Our recommendations would count for nothing, these cynics said, because the government had already made up its mind what would be in this bill we are now considering. We were nothing but window dressing, they said. The majority of our recommendations are now proposed as law. That's some window dressing! I see that as a reaffirmation of the worth of the parliamentary committee system and as proof of the government's commitment to its employment as a means of making the processes of government both accessible and responsive to the people. I therefore congratulate the Minister of Manpower and Immigration (Mr. Cullen) and his predecessor, the President of the Treasury Board (Mr. Andras), for the hard work and dedication they have demonstrated in responding to the committee's efforts with the formulation of this important piece of legislation.

As I said at the outset, almost all of us are of immigrant ancestry. We are all aware that this country owes its existence to the willingness of immigrants from all over the world to take a chance on Canada. It was the immigrants who opened the west, who pushed back the frontiers and who formed the agricultural basis for Canadian society after confederation. When the country developed into a modern industrial society, immigrant workers made the transition possible.

Today we have to consider the role of the immigrant in our new society. The first fact that we must acknowledge is that Canada is not facing a population problem. Nor are we facing an immigration problem, as some mini-demagogues might suggest. We are facing, instead, a problem of demographics as more and more of our people leave the rural areas for the large cities. This is perhaps one of the most important facts of modern Canadian life, and its future ramifications will be

immense. By the end of this century—only 23 years now—nine out of ten Canadians will live in the cities. We do not have a population policy to deal with the stresses and strains that this mass exodus from the farms will have upon society. I hope that this legislation may lay the groundwork for developing such a policy.

The determination of Canada's immigration policy must eventually intermix with the establishment of a comprehensive population policy which will address the country's demographic needs. We are now experiencing zero population growth, so that the role of immigration in our society takes on a new importance. I believe the economic considerations are not paramount in determining our optimum population, since the economy is self-regulating—we are all producers and consumers. With co-operation from all levels of government, particularly the federal government, the economy could be managed so that we could use immigration to offset a static or even a declining population figure. There is little evidence that immigration causes or exacerbates inflation or unemployment, or adversely affects our balance of payments situation or creates regional disparities; and there is no reason to believe that zero population growth is necessary to maintain our accustomed standard of living.

We can, in fact, manage our economy in order to ensure that we do not lose our equilibrium. We must have an appropriate savings rate, relevant capital output ratio, a sufficient rate of capital accumulation, and adequate technological enhancement.

One major area with which the green paper did not deal, and which should be of fundamental concern to a consideration of population policy on the large scale, is the effect of the present zero population growth on my generation when it grows old and grey. The post-war baby boom—of which I and a great many more Canadians are the result—has not produced a baby boom of its own. The base of the population pyramid is therefore no longer widening. That means a downturn in eventual capital investment, and no expanding work force to support me and my contemporaries when we reach pensionable age. A recent estimate predicted that whereas today about one person is on pension for every five in the work force, by 2020 that ratio will have changed to one person on pension for every three in the work force.

Immigration can have a determining effect on that prediction since the majority of newcomers to Canada are highly skilled and young. This was pointed out as one of the shortcomings of the green paper by Dr. André Raynauld, former director of the Economic Council of Canada, when he appeared before the special joint committee. I agree with Dr. Raynauld that the government should certainly take this consideration into account when determining the levels of immigration.

May I call it one o'clock, Mr. Speaker?

The Acting Speaker (Mr. Ethier): Order, please. It being one o'clock, I do now leave the chair until two o'clock p.m.

At one o'clock the House took recess.

[Mr. Lee.]

AFTER RECESS

The House resumed at 2 p.m.

Hon. Joseph-Philippe Guay (Minister without Portfolio): Mr. Speaker, I should like to ask for the unanimous consent of the House to withdraw Bill C-228, a private member's bill which, as you know, I can no longer put forward.

The Acting Speaker (Mr. Ethier): Is it agreed that Bill C-228, in the name of the Minister without Portfolio (Mr. Guay), shall be withdrawn?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Ethier): It is so ordered.

Mr. Lee: Mr. Speaker, before our noon adjournment I was discussing the importance of the relevance of immigration in today's context. There are significant non-economic factors to be considered, and the green paper places these issues squarely before us. Our immigration policy must be shaped by our over-all national aspirations, as well as by more narrow economic considerations. In the old days, immigration filled the west because this is where the land was for the taking. Today, immigrants go to the high-growth provinces—Ontario, British Columbia, and Alberta—because that is where the jobs are. Some people say this undermines national unity and they want immigrants to be controlled in their movements within Canada.

The ramifications of that kind of control on freedom of movement fill me with a sense of foreboding. What we need, instead, is decentralization of our industry, which I believe would not only do a great deal to ease friction over immigration but would be of great value to the economic health of confederation and thus to all aspects of our national life.

There is the question of Canadian nationalism. Do we need a larger population to assert our independence from the influence of the United States? There may be some truth to this argument, but I believe that Canada is certainly large enough to pursue its national goals. Our economy has undergone a profound structural change, according to some authorities, so that we are no longer dependent on the American industrial economic core and all the markets, capital, technological and other factors which this implies. Certainly, we have recently demonstrated a sense of renewed national spirit in many cultural and social spheres even without a rapidly expanding population.

• (1410)

This bill would enhance the role of the provinces in national immigration policy and thus ensure that the needs of all parts of the country are properly met. Each year the minister will consult with the provinces over government forecasts of the number of immigrants to be admitted. I am disappointed, however, that the government will not submit its forecasts to the scrutiny of the Standing Committee on Labour, Manpower and Immigration. I strongly urge the government to reconsider putting its forecasts under the committee's review. Too often

the special joint committee heard the voicing of mistrust of the Department of Manpower and Immigration because of allegations that officials abused their powers by setting internal levels of immigration based on race. That mistrust could be countered by the government's willingness to open itself to scrutiny by the standing committee so as to demonstrate to Canadians and prospective immigrants that our immigration policy is non-discriminatory, just and equitable.

Of equal concern to me is the overdependence upon regulation in this legislation. Decisions which are not subject to full public debate will always be subject to suspicion and mistrust. Immigration policy inherently demands openness, and that is why I strongly urge the government to lessen its dependence on legislation by regulation.

There is also some mistrust over the proposed setting of levels of immigration. To some, that means quotas. I can assure those people that that is not the intention of the government in controlling and managing immigration. In establishing annual or periodic forecasts, the commitment of the legislation to non-discrimination—to "first come, first served"—must be observed. Once established, a level of immigration—which is an order of magnitude or target figure—may be overshot or undershot. It will have no reference to specific countries or races. However, I urge the government to establish a more equal distribution of immigration posts abroad.

Some people seem to feel that by setting levels of immigration the government is lending credence to those who want to pin the blame on immigrants for all our social problems. I am sure that most hon. members of this House have heard the erroneous view that immigrants crowd our cities, cause housing shortages, steal jobs from Canadian citizens and abuse welfare provisions. There is no evidence for this kind of racist error. Immigrants are only a small part of the tremendous influx into the cities which is straining some aspects of our social fabric, a fabric which we know developed out of a Canadian society which no longer exists as the Canada of the 1970s. Of course immigrants are part of the problem, but we are all a part of the problem. As the special joint committee said:

> —immigrants should not be blamed for problems they have done little to cause, although they may have compounded them. Canadians worried about the quality of life in the cities should look elsewhere than to sharply reduced immigration for a solution to the problems of city living.

With regard to the false idea that immigrants have a disproportionate impact on social services such as welfare and health care, the committee heard no evidence to back up this popular fallacy. In fact, the impression was that immigrant use of such services is less than the national average since they come from cultures where these functions are traditionally within the realm of family responsibility. In addition, many immigrants come from cultures which have taught them to be too proud and independent to accept aid which they see as charity. Nor is there any evidence to support the notion that immigrants do not participate as actively as long-time residents in the work force. I am at a loss to square this idea with the equally prevalent and equally false assertion that immigrants take jobs from Canadians.

Some submissions to the committee alleged that immigrants, especially non-whites, contribute disproportionately to the crime rate. This in fact turns out to be true, but not in the way intended. A report prepared for the Department of the Solicitor General in 1974 showed that the crime rate for immigrants was approximately one half that for native-born Canadians. The inference one is tempted to draw from that statistic is that more immigrants could mean less crime, but I leave that to the "pop" sociologists. Moreover, it seems to me that those who argue that by setting levels of immigration the government is lending credence to those who want to pin the blame on immigrants for all our social problems, are playing with numbers. How is it a level of 150,000 immigrants is discriminatory, but a level of 400,000 is not?

The bill provides for three admissible categories: the family class, refugees and other applicants. The family class corresponds to the current sponsored category, but it will be expanded to include parents and grandparents of any age sponsored by a Canadian citizen. Under previous legislation parents and grandparents had to be over 60 or, if under 60, incapable of employment. The refugee class is, for the first time in Canadian law, defined according to the UN convention and specific provision is made for the admission of refugees. The bill also provides authority to establish when necessary, for humanitarian reasons, special admissible classes for people who are not refugees within the convention definition. The third category, "other applicants", is made up of immigrants who are selected on the basis of a points system which takes into account factors such as occupation, education, etc. "Other applicants" shall be independent and nominated applicants.

One category of the 1952 act which is now outmoded is the "inadmissible" category. The definition of those whose entry is prohibited has therefore been revised. Provisions such as the absolute bar against epileptics are removed. Instead of retaining a long list of health conditions governing admission, the new provisions allow for individuals to be judged on their total health profile. We have added provisions to meet the threat posed by terrorists and those associated with organized crime. Changes in the inquiry system to provide adjudicators, coupled with the new concepts of exclusion orders and departure notices, will ensure fair hearings.

In conclusion, as a Canadian whose immigrant ancestors experienced hardship because of an immigration policy based on discrimination, I am pleased that the government has brought before this House a bill which enshrines the principle of non-discrimination as a basic objective of Canadian immigration policy. As a member of the special joint committee which conducted hearings from coast to coast on the issues raised in the government's green paper, I am gratified to see the majority of the committee's recommendations accepted by the government.

I urge the government to give greater consideration to the formulation of an over-all population policy for Canada, and specifically I ask the government to consider a greater involve-

ment of the Standing Committee on Labour, Manpower and Immigration in the setting of forecasts under this legislation.

I urge all hon. members of this House and all englightened Canadians to continue their efforts to dispel the erroneous notions which some Canadians still retain about those who have chosen Canada as the place in which to fulfil their dreams of a better life.

As I said at the beginning, we are all newcomers to this country, but if immigrants can produce a nation like Canada, and if immigrants can become a great people like the Canadian people, we have little to fear for the future.

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, I would like to open my remarks by saying that it is difficult for me to believe that what we find in Bill C-24 is the best this government can come up with in the way of immigration policy. Our immigration policies have been under study for a number of years. The joint committee on immigration received scores of briefs on the subject, and it also received tens of thousands of words of testimony on immigration problems and policy from a wide range of interested parties. Many members provided excellent input on what we feel should be the direction of Canada's immigration policy. Therefore, I am disappointed and disheartened to find that we are no closer to a solution to our immigration problems than we were before those lengthy studies and hearings. In fact, if Bill C-24 passes and becomes our new immigration policy, we will be more confused about this issue than ever before. The bill before us does not lend itself to reasonable and rational debate. In fact, there are so many imponderables and unanswered questions that it defies debate. But we must try.

● (1420)

We were led to believe that Bill C-24 would indicate the direction that an immigration policy in Canada should follow. Instead, we are more in the dark than we have ever been. We were promised guidelines so that everyone would be able to understand it and follow it. Instead, we have a mish-mash, a patchwork quilt of confusing and conflicting policies.

The main problem with Bill C-24 is that it contains too many gaps, too many unanswered questions. Like most legislation tabled by this government, we are asked to approve the skeleton of a bill and allow ministers and bureaucrats to fill in the blanks later. For instance, just to name a few examples, we find that clause 115 begins with the words, "The governor in council may make regulations", followed by 24 subclauses for which regulations await the pleasure of the governor in council. Clause 116 begins with the words, "The minister may make regulations", followed by 12 subsections in which, in this case, we assume the minister will make the regulations at his pleasure. Clause 117 follows along the same lines, allowing the minister to establish the pertinent forms for purposes of administering this act.

Mr. Speaker, the regulations alluded to in those clauses are just the things that we should be debating. We in the official opposition have been protesting against these tactics for several years. We have been pointing out to this government that this is not the way parliament is supposed to operate. No government should expect this House to approve the principle of a legislative package and leave the government free to fill in the blanks later. It is not the principle of immigration policy that we are here to debate and approve; it is the specifics of immigration policy itself that we are expected to debate. The specifics are lacking, and I strongly resent being put into this position.

Mr. Speaker, we in the Official Opposition want to know, now, how the points system of assessing immigrants is going to work. We do not want this in general terms; we want to know exactly how it is going to work. It is obvious that we cannot approve or disapprove a policy when neither the government nor the opposition knows how the policy will work. We want to know exactly what powers will be delegated by the minister under the new policy, and we want to know exactly the level of public servants to whom the Minister of Manpower and Immigration (Mr. Cullen) will be allowed to delegate that authority and power. This is a potentially dangerous situation and we do not want that degree of authority vested in public servants below the level of deputy minister.

In a federal system, immigration must be a federal matter. While repudiating the view that each province should have its own immigration policy, it is imperative that the provinces be consulted. Immigration to Canada affects all Canadians and no one province should have special status in respect to admitting immigrants. Once immigrants reach Canada they are free to travel and settle in any area, and thus the province or provinces which receive most immigrants should have more input into policy. At present, Ontario receives the greatest number of immigrants and the large urban centres such as Toronto, Montreal and Vancouver become the eventual points of settlement. Consultation with the large urban areas is also advisable as they have to contend with the problems that result.

Traditionally, the spread of population in Canada has been a natural development. As our frontier has crept westward, jumping over the Canadian shield, it has taken with it the traditions and social customs of our eastern settlements. Thus, the traditional way of life and respect for law and order tempered the Canadian frontier and produced a less volatile civilization than in the American west, for example. This traditional and systematic development has continued. Instilled in all Canadians is an admiration for our traditions and law centred society. Today, however, there is an increasing concern that we are losing, to some extent, the way of life that made our country great in the past.

Perhaps one of many reasons for this change in outlook has been the influence of some immigrants whose lifestyle is often foreign to that which has been traditionally Canadian. Multiculturalism is all right in its place, but individuals who come to settle in our great country must become Canadians. The American experience has often been called a melting pot. We in this country, with our often garbled approach, might prop-

erly be termed a tossed salad. The contributions of various ethnic groups have enriched the Canadian heritage.

In the past, the Liberal government seems to have used immigration policy as a political tool. Canada is greater than the sum of its diverse parts, and in our efforts to formulate a coherent immigration policy we must bear this in mind. There is the myth that has to be exploded with regard to Canada's capacity for accepting an unlimited number of immigrants. Canada has an area of 3½ million square miles, and a population of 23 million people. The Northwest Territories alone is an area of 1.3 million square miles and has a population of less than 50,000 people. Some countries assume that we are able to accommodate a few million immigrants comfortably, but there is more to this than appears on the surface. There are aspects to this that are not covered in the guidebooks.

At least two-thirds of the land mass of Canada is taken up with ice and snow, mountains, tundra, rivers and lakes and other natural restrictions on human habitation. It is true that more people can be accommodated in the far north than are at present living there, but there are few people who could survive in the north, and fewer still who would want to try it. In Canada, as in other countries, immigrants tend to settle in the larger urban areas, most of them in the cities that at the same time offer the best climate.

In light of the present energy crisis, not only in Canada but around the world, we must be more aware now than ever before of the problems and expense of living in the colder parts of our country. The plain fact is that the energy crisis has changed our whole outlook as far as concerns moving large numbers of people into our Canadian northland. No longer is this possibility a simple solution for relieving the congestion of our cities. One-third of the people in Canada at present live in the three cities of Montreal, Toronto and Vancouver. In every case those cities are experiencing serious growth problems, but the growth continues. We have problems with unemployment, pollution, crime and all the other problems that come from overcrowding of cities. In addition, we are experiencing the same after-effects of overcrowding which affect urban centres all over the world.

Cities are established generally where they can grow, and that means they should have access to water, jobs, transportation and good agricultural areas. If a city is close to sources of good it will be able to provide easily for its own needs; it will be able to generate jobs in the fields of food distribution, processing and marketing. Unfortunately, as the city grows the agricultural lands around it disappear. People have to go further afield to find their food, and therefore it gets more expensive. In the meantime, the demand for the same food from other areas places demands on available supplies, and we have found that this can result in undesirable situations. Assured of a ready market for their goods, suppliers will put up their prices. We have also found that some suppliers will hold back supplies, create artificial shortages and put their prices up still higher.

• (1430)

Major airports account for more land lost to agricultural production and industrial use. Large airports take up thousands of acres of land, and expansion programs take up still more. I think we can see, Mr. Speaker, that the relatively small percentage of the livable land space in Canada dwindles almost by the minute. This is not really new to us: we have known for many years that available land in the part of Canada considered generally as livable is fast disappearing. These things I have mentioned must be considered when we are formulating immigration policy. Plain common sense tells us that we have an obligation to consider the welfare and happiness of the people already living here.

We must take a close look at our own resources and measure them against the needs of our people. At present we have about one million people in Canada looking for jobs. Many of them have given up any hope of finding meaningful employment. If we cannot do better than that for our own people, we are holding out false hopes to untrained and undertrained people in other countries by representing Canada as the land of golden opportunity. Mainly for that reason, Mr. Speaker, I believe we are doing both ourselves and prospective immigrants a disservice if we lower the standards we expect people who want to live permanently in Canada to meet. If opportunities do not exist in Canada for people who cannot make it in their own countries, we have the responsibility to be frank and honest not only with them but with ourselves.

I do not know of another country which has an open door policy today. I do not know of another country which allows the wholesale immigration of unskilled people. That policy belonged to the past century, when North America was sparsely populated, when we had room for people and needed new skills and pools of unskilled labour. These conditions no longer apply either to Canada or the United States.

We must consider the aspect of foreign aid and our obligation to assist developing nations to look after their own people. In past years, before we tightened our immigration policy with regard to applications for landed immigrant status from within the country, we were training people from developing nations to go back home and assist their own people. Instead of sending them home, we allowed many of them to stay here as landed immigrants. Even today we are accepting people as immigrants who have been trained in their own countries with foreign aid funds, and this works against both the letter and the spirit of our foreign aid program.

We have an obligation to avoid draining the trained and skilled people from developing nations. Part of our foreign aid program should be directed toward enhancing the attractiveness of one's own country, instead of holding up Canada as a more desirable country than one's own native land. We are not doing anyone any favour by continuing that kind of immigration policy. The plain fact is that we do not need those people, and their own countries do need them. In the past we followed a policy of attracting skilled people to immigrate. Because of this policy, many of those left behind in their countries were uneducated, unskilled, often living in abject poverty, whereas

those who could and should have helped to improve the lot of their fellow countrymen left, looking for greener pastures.

Canada cannot attempt to solve all the world's population problems by accepting an unlimited number of immigrants. During March, April and May of 1975 the Canadian Association of Independent Businessmen polled their members for their views on immigration policy for Canada. Of those, 62 per cent who cast votes in the poll opposed a policy of high growth for Canada, while only 34 per cent opted for high growth. Those opposed cited congestion in metropolitan centres, housing shortages, lack of job opportunities and the further destruction of arable farm lands.

Surprisingly, there was a lot of support for the policy of telling new immigrants where they would be allowed to settle. Seventy per cent of those polled stated that there should be some degree of control over where immigrants could live, while 27 per cent expressed the view that there should not be any restrictions. The vast majority of those polled expressed the resounding view that Canadian citizenship is a privilege to be earned. It is a strange phenomenon that the federal government alone appears to take Canadian citizenship lightly.

In conclusion, Mr. Speaker, I must say that I am concerned about the way we are being compelled to debate immigration policy for Canada. Unless the government is willing to fill in a lot of gaps in this bill, and unless they are willing to accept amendments, we are going to end up with a real nightmare immigration policy. We are being asked to debate and approve a bill that indicates how the policy might work. We need a bill with specifics, a bill that indicates how it is going to work. No other approach can resolve this important matter.

[*Translation*]

Mr. Charles-Eugène Dionne (Kamouraska): Mr. Speaker, like most pieces of legislation the bill now before us includes ramifications that gave rise to a number of comments. I submit that when discussing a bill of this kind bringing improvements in the area of immigrant "accommodation", we should never lose sight of a basic fact, which is that economic conditions in this country must dictate the possibility of accepting immigrants. We must first ensure that Canadians themselves are certain of a decent living in each and every of our provinces. I have heard it said that by increasing population through immigration, taxes could be levied on a greater number of citizens and tax revenues could rise. This in my view is a preposterous assumption.

● (1440)

It might be better to improve the standard of living for all Canadians and then we could think of increasing the population through immigration. I think this must be the determining factor for immigration purposes.

Earlier I heard someone speaking of unemployment rates. We now have an unemployment rate ranging in some areas between 25 per cent, 30 per cent and even 40 per cent. We must then study the procedure used to accept immigrants. There are two aspects to take into account: first, those who would not be happy in Canada because they would not be able to earn a decent living; it could be prejudicial to some residents looking for nonexisting jobs, particularly in this critical period of the year. We can say that it has lasted too long already.

I recognize that since the beginning of our history French Canadians and later English Canadians have always been the two major cultures. But we should not forget that citizens from several countries have been settled in Canada for many years. It is quite difficult to say how many Indians were living in the territory forming today's Canada when Jacques Cartier was exploring the south coast. Today there are Indians in every trade and profession and they still have their traditional occupations like hunting, fishing and farming. Many are doctors, dentists, lawyers, teachers, nurses, clergymen, industrial workers or practicing any other profession.

History reports that the first Jews came to Canada around 1759 with the army of General Amherst commanding British troops in North America. We also know that Canada is home to a large number of citizens from all nationalities who, for the most part, made various contributions to the development of our country.

I understand that all those factors must be taken into account when we consider the possibility of amending an immigration policy generally, because many citizens of other countries who are in contact with relatives and friends here, of course, want to come and settle in Canada, and those are quite normal aspirations.

But, as I said earlier, the main point is that it is up to us as leaders and representatives of the Canadian people to orient the policy as a whole so as to make the economic situation for Canadians better, more livable. We may then view immigration in quite a different form from what it is now.

There are also people rightly referred to as refugees. In all countries of the world there are groups who suffer a great deal, and it would be most generous of Canada, with its vast territory, and if its economic situation were sound, I always add, to help those people.

I received late in 1976 a letter from a lay missionary who worked in Viet Nam and Cambodia for several years. I even rose in the House to allow well-intentioned families to adopt young Cambodians who were facing all sorts of hardships in their countries. I remember quite well the kind of representations that had to be made, the time it took before decisions were made. Yet every guarantee was given on both sides. I know three of them. I have here some photographs of young Cambodians who are living right now in the riding of Kamouraska and, to give an idea, I will read an excerpt from the letter I received from this lay missionary of my region who is completely devoted to the cause of disadvantaged people in other countries constantly threatened by all kinds of evils, mainly war. Let me read this paragraph which states:

Thousands of families were scattered in this way, and wandering children and teenagers managed to get to Thailand on their own, starving to death or ill, after walking sometimes several hundred kilometers and facing the worst dangers. All the evidence given by those refugees is consistent. Only 2 per cent of the Cambodian refugees managed to stay alive and reach Thailand, others were shot

like dogs by the red Khmer troops who still have a kind of shadow government in Phnom Penh. Those refugees have lost everything, their property, their land, often their family and their country. Those who fled wanted at least to stay alive.

Therefore, it is on behalf of these young people that we brought pressure to bear. A young man of 27 met with immigration officials. I was even contacted afterwards to learn whether he was satisfied with his interview because he had discussed all these problems. What is Canada doing in certain circumstances through its embassies? Let me tell you what is happening in our embassies in various countries. Only recently, we had another striking example with a young French-Canadian woman from Lévis who is facing tremendous problems in India. The attempts of the Canadian government have not been successful so far. It would seem this situation is not taken too seriously by our high commissions abroad, and too often, the money sent by the Canadian government through its embassies is not always directed to the poor who might need it, but it benefits others who could manage by themselves, because they are better off than those who are suffering in concentration camps.

I continue this quotation:

We do not understand why this country does not react in the face of such crimes against humanity. And why has Canadian immigration such selective regulations? Why do we not admit to Canada a simple citizen as easily as we admit a political or military personality? People with influence and those with financial means are always the first to be accepted as it can be proved in several cases. The destitute and the orphans stand practically no chance of being accepted as refugees even though they may have a worthy Canadian sponsor.

This young man knows the situation very well as he has worked several years in various sectors of European countries, in Thailand, Cambodia and elsewhere, as I mentioned earlier. He added the following and I quote:

We know that our country cannot welcome all refugees from Thailand or elsewhere, but why not practice fairer and more humane policies? Why does the government fail to denounce such abuses before the United Nations? Those who say nothing are just as criminal as those who perpetrate the crime. Killing innocent people is an odious crime but our country says nothing to denounce it.

Perhaps you will find that I have drifted away from the subject being dealt with in Bill C-24 but nevertheless these facts are indeed related to our immigration problems since it raises the question of the adoption of totally deprived children. For example, we have the case of a man from Ottawa who has been after the manpower and immigration department for the last six months trying to adopt a young child from Cambodia. Although he can give all possible guarantees, being a well known doctor, everything is blocked at the immigration department.

To come back to the bill, I should like to deal with some of the most repressive aspects of the legislation. Several new aspects of the law have provisions ensuring better controls at all stages over the immigration procedure, so as to protect Canada against terrorism and organized crime.

● (1450)

I am wholeheartedly in favour of that. We must also bar entry into Canada to all sorts of people who could create many problems. That is to say we must fight unlawful or unauthorized immigration. Basically, the Canadian government wishes to take advantage of the passing of this new law to introduce all the measures necessary to make immigration one of the most important socio-economic programs. This infers the possibility of controlling as best as possible the political and economic instruments pertaining to immigration. To do so, the bill introduces a series of repressive measures but we shall only mention the most important or dangerous.

I will therefore deal with the extent of discretionary powers. All the repressive measures are made even more dangerous by the fact that they are enforced by the minister but not necessarily because the minister himself will have complete control since, in practice, a great number of his officials will wield powers with a very wide margin of discretion and authority. Almost everything pertaining to immigration depends on the decisions of the immigration officer. The margin of personal evaluation and, therefore, of possible error is enormous. And, far from correcting the situation, the new law tends in fact to make it worse. For example, the most sensitive clauses, dangerous because of their consequences, clauses pertaining to national security, clause 19(1) subclauses (e), (f), (g) can be enforced when there is only suspicion of intent. These discretionary powers, whether used under the act itself or under the various regulations derived from it, have indeed presented problems and were the subject of specific recommendations by the Joint Standing Committee on Regulations and Other Statutory Instruments, set forth in its second report to the House presented February 3, 1977, pages 979, 981 and 987.

Let us now deal with the extent of regulatory powers. A great many clauses come into real focus only when they are completed by the regulations provided for in clauses 115 and 116. However, the present aspect and direction of the bill leads us to fear that the regulations will only add to the restrictive and forbidding character of Bill C-24. This business of regulations always create problems. There are several acts that we often come across when trying to solve problems. We find that such a section means such and such a thing. However, there are regulations, and often, they are longer than the act itself. This has disastrous results, makes the legislation difficult to apply, and is most inconvenient, especially as the Standing Joint Committee on Regulations and Other Statutory Instruments has just called the attention of parliament to the aims of regulatory powers in many areas, including immigration.

There are indeed many unpublished regulatory instruments, instructions or guidelines which affect the rights and freedoms of individuals without their being aware of their existences or their contents. Moreover, the joint committee itself, even though it was instructed by parliament to examine all regulatory instruments, has been refused access to the guide and guidelines of the department for the use of immigration officials. It should be noted in this regard that section 19(2)(d) maintains the present situation by forcing immigrants and visitors who try to enter Canada to meet the requirements included not only in the act and the regulations, but also in the orders or directions made or set out under the act or the

regulations, even though these orders or directions are not made available to the public.

Finally, we must point out that the regulations can be amended or replaced as often as necessary without being submitted for discussion to parliament. Now that is something. Should anything happen which might create difficulties, a group of officials taking the responsibility in such a field will amend the regulations. Quite often the public is unaware of the fact but suddenly a clause of the regulation is amended to prevent, delay or stop something in the relations between immigrants and the Canadian people. This occurs in other legislation as well. I know more about unemployment insurance with its regulations which are lengthier than the legislation itself.

The way things are now the Department of Manpower and Immigration will not even allow the joint standing committee to control and check all the related bills, a task entrusted by parliament. All this, needless to say, leaves a great measure of freedom to the department and the government.

I shall now deal with the admission requirements. Clause 19(1) contains the main reasons for inadmissibility of those arriving in Canada. The categories established in clause 19 are considered the most important and normally cannot be disregarded. They apply to all persons seeking entry into Canada, with the exception of course of Canadians. Let us point out however that the terms of clauses dealing with national security, particularly paragraphs (d), (e), (f) and (g) of clause 19 and clause 27(1)(c), are quite vague and general. So much so that the government will not be able to enforce them on anybody without that person having very good means of defence, especially since the implementation of those provisions will be left to the discretion of a great many officials, immigration officers, senior immigration officers and adjudicators, and will be based most of the time on mere suspicion, the consideration of which will be left to the discretion of the official.

That leaves too much freedom to officials. They are apparently invested with the necessary authority to render decisions which may prove detrimental to whomever may be in trouble, decisions based very often, as I have indicated, on regulations which were amended when it was deemed necessary.

With this in mind, we can understand the concern of all those groups fighting for civil liberties and basic human rights.

I shall deal now with the conditions for removal. Clause 27(1) provides that various categories of people who have been granted admission to Canada may be the object of a report. What is provided for under clause 27 is followed by an inquiry, as indicated in subclauses (3) and (4), clause 29 and the following. Most times this leads to expulsion. I read subclauses (2) and (5) of clause 32. One of the main new features of this bill aims at making the condition of the permanent resident a lot more vulnerable than in the past, for a permanent resident could almost never be removed, once he had acquired landed immigrant status. The new bill creates six main general grounds for removal, including the most dangerous one mentioned in clause 19 and clause 27(1)(a). As for the grounds for inquiries and necessary removals of non Canadians, non residents, refugees, visitors, etc., their number is a lot greater. There are 12 types of more or less serious reasons provided for under clause 27(2)(h), according to the minister's own admission.

The comments on clause 27 on page 19—I am referring to the news release—are to the effect that this will not prevent either removal or local banishment.

The new legislation does away with the concept of domicile. In this respect, the minister himself cannot help but note that the new legislation affords a lot less protection than the current one—I refer to clause 127—which states that the people who have obtained Canadian domicile in Canada under the current legislation have a vested interest in the protection previously granted.

Clause 127 states however that this protection applies only in respect of an activity carried out before the coming into force of the new act. Therefore, Bill C-24 sanctions the loss of the vested interests of all permanent residents now residing here, since they are no longer protected against any action taken after the new legislation comes into effect. It seems that the suppression of the requirements regarding residence is a kind of incentive designed to encourage permanent residents to apply for citizenship as soon as possible, since citizenship would be their only protection against deportation. Now, since the coming into force, on February 15, 1977, of the new citizenship act, one may apply for citizenship after three years of residence in Canada instead of five. That is why the minister states that the domicile concept is now obsolete, as he said in committee as regards clause 127, on page 69. However, we forget to say . . .

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but I must refer him to Beauchesne's citation 381, and I quote:

> The second reading of a Bill is that stage when it is proper to enter into a discussion and propose a motion relative to the principle of the measure. On the motion for the second reading, it is out of order to discuss the clauses of the Bill.

I would therefore ask the hon. member to refrain from discussing the clauses of the bill.

Mr. Dionne (Kamouraska): Mr. Speaker, thank you for having quoted the Beauchesne's citation. Naturally, I have little opportunity to read Beauchesne's citations, and I have noticed there are many of them. Still I can readily speak in general. In any event, that is what I discussed at the start of my remarks, namely the difficulties stemming from the restrictions included in the Immigration Act, and that is what we are trying to amend here. I agree with the restrictions intended to prevent undesirables from entering into Canada or to deport those who after years in Canada have failed to adapt to our living conditions; and here I am not talking about economic conditions, which I mentioned earlier in my speech, but of normal life in our society. What I do want to point out is this: in all regulations on immigration, there must be clauses intended to prevent all sorts of things, to give the advantage to those who do offer sufficient guarantees. I mean the adoption

of children in a demoralizing situation, whatever their country of origin, when here in Canada we have Canadian guarantees which, while respecting the rules, can protect those young ones. In such cases the rules should be flexible enough to help those little ones, who are without parents, to have a chance of resuming a normal life in an environment where they would be protected from the problems they knew over there. In a way, that is a good Immigration Act.

Now, to come back to the underlying unemployment problem. I fail to understand why at certain times of the year we must send for a lot of workers from various countries for harvesting in western Canada, in Ontario or elsewhere. As I said before, I am convinced that the Department of Immigration or other labour agencies do not provide adequate information to Canadian workers, young or middle-aged, who would willingly go there. I intervened personally at the manpower and immigration centre to try to obtain accommodation for workers who wanted to do the harvesting in Ontario, but nothing was available. There was even a young man aged 17 who left Kamouraska with $227 he had earned working on a farm at the end of his studies. He got no protection, no direction, no help from the manpower and immigration centre. He found a job, but he had to work very hard and take many risks.

Citizens from Belgium or from the West Indies are hired for harvesting in Canada whereas we have thousands of unemployed here. I am in no way opposed to those Belgians or West Indians who come and work here; they are apparently hard workers. But why not try first to inform all Canadians. I am convinced that a very high percentage would be prepared to travel. They would even appreciate it. Many young people come to me to say that they would like to go and work in the English-speaking provinces to learn English if only they could find some accommodation. This is not a matter of being paid more than foreigners for the job. This is an immigration policy I would qualify as being considerate. First of all, we should organize normal living conditions here so that all Canadians can live decently in a country which is wealthy, tremendously wealthy, as some politicians say. We know that Canada is a very large country, a vast and wealthy country. We just have to organize economic conditions in such a way that everyone can live decently, then if we have immigrants pass legislation to welcome them.

● (1500)

[*English*]

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, I want to begin by saying that this is a debate which I personnally feel I have an obligation not only to myself but to my constituents to participate in, for the simple reason that, in my opinion, this is the most important legislation to come before this second session of the Thirtieth Parliament. As surely members on both sides of this Chamber must be aware, since October 12 last when the session commenced there have been a number of bills which were somewhat less than of all-important national concern. Let me quickly add that this is not one of those; this is a very important bill to all Canadians, if only because it will likely provide the policy guidelines for immigration for our nation for perhaps the next 25 years. At least that is the impression I get from the various responses that have been made so far.

If it is possible to launch an important debate in an ideal or near perfect atmosphere, then I suggest that this was the situation in this House last night. We had received well in advance ample background material from the Department of Manpower and Immigration, from the many private sources who were interested enough to provide it, and also from the very extensive work of the special joint committees. Opposition parties, especially my own, have been very active in a widespread study of the entire subject and, of course, specifically of this bill.

I want to commend the minister for making perhaps his best and most important speech in his relatively new capacity as Minister of Manpower and Immigration (Mr. Cullen).

Some hon. Members: Hear, hear!

Mr. Hargrave: I particularly liked the comment made by the minister, not last night but last month, to the Osgoode Hall law school of York University. I want to quote him briefly. He said:

> The anomaly between the important role that immigrants play in our society, and the archaic, obsolete nature of the present Immigration Act, has worried successive holders of my portfolio. This has been particularly true in the last decade or so.

The minister went on to say in that same speech that the bill—

> —is designed to protect Canadian society against danger, and to protect it against illegality. But it does so with full regard for due process and for the rights of individuals in a way that the present act does not.

I can only add that I sincerely hope and trust that the minister can indeed fulfil this very commendable concept in his new legislation. As he pointed out last night, Canada is indeed a country of immigration. I want to relate this general but very true statement to my own constituency of Medicine Hat. Indeed I want to relate it to a much wider area which would include all of southeastern Alberta and southwestern Saskatchewan. All of the development of this area, which is very similar to me because, after all, it is home, is today the end result of immigration.

I am reminded of those early settlers from northwest Europe, many of whom built and lived in prairie sod houses, and from the United Kingdom, many of them professionals who somehow learned to survive and live with the land under rather extremely trying climatic and physical conditions. I think also of many of my neighbours who came from the United States, particularly the Dakotas. Then there were the Mormons who came from Utah and who brought with them their great skills in irrigation and land use. There is no question that they showed us the way to a very extensive irrigation system in Alberta, almost all of which is in my constituency across southern Alberta.

I recall very specifically one particular immigrant, a tremendous man by the name of Peter Alkberg. This gentleman was driven out of his native Latvia after the 1917 revolution. As a youngster at home I remember his worn out photographs of his family farm which had been ravaged by war.

All of these immigrants in a sense were the product of adversity and necessity. They could turn their hand to anything, they could fix anything, and it was this background and their tenacity in our new country that enabled them to survive not only their tough beginning but the ten years of drought and depression of the thirties.

● (1510)

I spoke in the House not too long ago of the very real possibility of another drought right now in all of western Canada and the northwestern part of the United States. I suggested we would all benefit if we read again the history of that era and the considerable part played by those earlier immigrants. We might also remind ourselves of the words of Harry Truman, in my favourite quotation. I think it is appropriate. He said, "The only thing new is history we haven't read yet". Think about it. We should read and re-read the history of that drought. The climatic conditions that brought on that ten year dry period can be repeated. I hope not, but the possibility is there and the signs are there right now. So much for a little background history which I trust is both relevant and interesting.

I want to turn now to this debate and begin by commending my colleague, the hon. member for Provencher (Mr. Epp), for a very thorough and complete analysis, not only of this bill but of the entire broad subject of immigration. It is quite obvious to me that this presentation was indeed a labour of love for my colleague, and all of us in the House are richer for his interest and his speech here last night.

There was one short sentence in my colleague's presentation which I consider to be the key to my personal approach to this issue, and I want to read it. It is as follows:

> Today we are faced with the fact that despite tremendous gains in agricultural production, the world's population is again growing faster than the increase in food production.

That is a very succinct statement, and I think it is the key to what our forward planning should be, not only in immigration but in the broad agricultural sense. I suggest that this very basic situation must be uppermost in the mind of everyone who is concerned with the population growth, and with who will feed the people, and where. After all, as my colleague pointed out, world population is now increasing at the rate of some 200,000 people a day.

It seems to me that in spite of ample publicity and advance warning of this debate, and particularly in spite of the green paper and the work of the joint committee as it travelled across Canada, very little public input is available at this time. In my constituency, I had to search for it. My constituency office conducted a survey in the representative areas in the city of Medicine Hat, which numbers about 33,000 people, and in the various parts of our rather large rural area. Once contacted,

my constituents responded readily, and I must say forthrightly. Most of the comments were very specific and almost brutally frank. By some people's standards they might even be considered bigoted. I should like to quote some of these remarks that I obtained in the survey. The comment of a city housewife was:

> Immigrants should not be allowed in, if once they get here, they have to go on welfare.

She followed up by saying that:

> All immigrants should be screened to make sure they believe and support the democratic process.

A city businessman had this to say:

> I do not favour a wide open policy. If we have a labour problem today, it is with menial labour, dishwashers, ditch diggers, etc. Therefore we cannot restrict immigration to skilled labour.

Another comment was:

> If we allow immigrants into the country, we must be able to supply them with jobs.

A professional man said, rather bluntly:

> No coloured people at all.

A lawyer had this to say:

> Our policy must be far stricter, with stronger screening, and no draft evaders or political activists from South America or political refugees in general.

That was the bluntest of the statements that I received.

A highly proficient farmer feels there is a danger in making our policy too restrictive because we would deny ourselves a source of new ideas. He feels that new immigrants have a greater appreciation of our country than those native born. He feels our policy should allow for a small percentage of unskilled labour.

There was the repeated comment that existing regulations are too generous in that many more than close relatives, often complete small villages, have somehow managed to arrive here. Others pointed out that we should look at the problems in the United Kingdom's immigration policy and the situation there at present. A provincial civil servant pointed out the difficulty of a broadly based immigration policy without being quite selective. He feels there should be a carefully controlled policy with emphasis on skills. There was some critical comment from several farmers concerning new immigrants with access to much cheaper capital financing from foreign countries, and examples of this were given. Of course this would be a major advantage in acquiring farm land.

I want to emphasize that this constituency survey did not pose specific questions but asked for any comments that might be offered. No leading questions were put. With the single exception already noted, the general response called for stricter controls with more attention given to current abuses. I must say that I agree in general with the response.

Another unanimous response, especially from the farming sector of my constituency, was that Canada should help starving peoples in their own countries by providing suitable, practical help designed to promote an agricultural self-help policy. Again I fully support this approach.

I should like to speak now about a related manpower issue within the intensive irrigation districts of southern Alberta, and particularly the area which produces sugar beets. There was solid support for the existing provision to bring in temporary workers. In this case they were referring to the Mexican workers who are available in the summer for thinning the sugar beet crop in its early growth stage. This source of temporary help has replaced our own native people who at one time provided most of this type of labour. There is a clear indication that this foreign source of labour is more dependable and more productive. This is a serious statement to make, but it is the truth. It should be pointed out here that this kind of farm labour is superior to our Canadian born labour force which just will not do this kind of work. This temporary work policy should be continued.

There has already been ample comment on the matter of the regulations to be put forward with this new bill. I share the sentiments of my colleague, the hon. member for Provencher (Mr. Epp), that we should have the regulations before us now for a proper second reading debate. After all it will be the regulations that will determine the degree of an open door or repressive policy for the immigration guidelines until the year 2000. It is the policy which is now under debate.

There is an interesting comparison here that I cannot fail to point out respecting regulations under another bill. This time I am referring to the bill amending Canada's Animal Contagious Diseases Act. That act was amended for the first time in over 100 years about two or more years ago in this House, and those of us in the Standing Committee on Agriculture had a lot to do with that. However, the regulations which spelled out much of the policy were not released until last January, some two years after the act was amended. Surely this is legislation by regulation at its worst, with the bureaucracy doing the regulating. I know the minister did indicate with a nod of his head last night that these regulations would be available shortly. Since that indication is obviously not part of *Hansard*, I must mention it again, but let us not try to beat that two-year record.

● (1520)

I also ask the minister that there be more positive provisions for provincial and even municipal input to take care of regional problems relating to the total demographic challenge. The provinces must surely have the final say in the matter of foreign students attending provincial universities and colleges, such as those in Alberta. Foreign students do enrich our universities, but the time has come, certainly in Alberta, when foreign enrollments in certain faculties such as engineering, medicine, and science, must be curtailed to allow reasonable access to our Canadian students.

I want to conclude these remarks with just a few further comments in summary. In an issue like this which is so important to our nation it is regrettable that we cannot all be members of the immigration committee or that we could not all have served on that special joint committee. However, it seems to me that the work of that special committee deserves our praise, and merits much use in the development of our Canadian immigration policy. I am sure my party endorses most of the recommendations of that committee.

It is obvious that at this stage in Canada's history we cannot allow unlimited immigration, and this means our policy must be of a selective type. The minister indicated last night that the right figure for our total annual level will emerge with experience and that this experience could very well be tempered somewhat with available housing. I hope due consideration will also be given to provincial situations and that a balance, if possible, will be determined between immigrants headed for Montreal, Toronto, and Vancouver, and other regions across Canada.

It is worth repeating that immigration is a privilege and not a right, and Canada is much the richer for its immigrants. Is it not possible that our new immigrants, arriving as a result of a new and enlightened policy, might help to show Canadians the way back to a new work ethic and a new level of national productivity, which we need so much today, just as that first wave of immigrants responded during the first third of this century?

I and, I think, most of my constituents can support a renewed emphasis on immigration policy which recognizes standards which are not discriminatory as to race, nationality, colour, religion or sex. The method of selection must ensure that the right mix is obtained to be absorbed properly by our Canadian society.

Mr. Hugh A. Anderson (Comox-Alberni): Mr. Speaker, on introducing the government's immigration bill the minister said that the bill explicitly affirms for the first time the fundamental objectives of Canadian immigration law: family reunification, non-discrimination, concern for refugees, and the promotion of Canadian economic, social, demographic and cultural goals.

I totally agree with the sentiments expressed by the minister in his opening remarks and I support them 100 per cent.

I would like also to congratulate the committee, as did the previous speaker, on the very excellent job it did travelling across the country, in listening to briefs from people from all walks of life and for putting forward a report of the highest calibre, which obviously met with the minister's approval since most of the major recommendations were accepted by him. I had the opportunity to travel with that committee only on the west coast, but I can assure the House and those hon. members who were not in attendance that the committee and its chairmen did an excellent job. It listened with a great deal of attention to the people who appeared before it and, as I said, it prepared a very excellent report which will probably shape the course of our immigration policy for many years to come. I congratulate the minister for accepting its recommendations, for putting them into legislative form, and for introducing them at an early date, which indicates to the House that he feels this legislation is important.

I would like to comment briefly on one or two parts of the legislation. One is that part of the legislation regarding the

immigration levels which will be set after advice from the provinces as to where immigrants should go, as to what levels we can absorb at any given time, and as to what projects of a capital nature might be going on in Canada which might require specialized skills. In other words, this is a fluid type of policy. It is not engraved in stone; it is one which can be changed on a year by year basis if necessary, to reflect what is occurring in the Canadian economy. If there is one thing of which we are all aware, it is that we have a rapidly moving society in which factors change almost on a daily basis, let alone on a yearly basis. I think it is important that an immigration policy reflect that fluidity in our society so that it can cope with changing circumstances on a regular basis.

The second point is one upon which we all agree, and that is the importance of facilitating family reunions. It has been the policy of the Department of External Affairs to assist in the reunification of families with relatives from places like eastern Europe or perhaps Communist China. I must congratulate the Department of External Affairs, as well as the immigration people who have assisted me personally, in reuniting families which have been split because of political differences. These barriers are not made by God; they are man-made political barriers, and I think Canada has had a very good record for not carrying a big stick, yelling and screaming on issues of reunification. Over a period of time, through diplomacy, Canada has achieved not all the goals we desired, but certainly those which were possible at given times and under given sets of circumstances.

I solidly support the position of facilitating family reunion, and I suppose what focuses my attention on this bill is the fact that for the first time we have legislated the principle that immigration should be based upon non-discrimination.

● (1530)

When I lived in Yorkton, Saskatchewan, I recall that many of the people who ran cafes were, the Chinese who had come to this country when the Canadian Pacific Railway was being built. They were not allowed to bring their wives and sweethearts with them, and I recall that six or seven men used to live together in a boarding house. I thought it was a sad indictment of our society that they could not bring their womenfolk over because at that time our laws forbade such people of oriental origin coming here. It is with some pride that I see we have progresed beyond this. I am sure many hon. members would agree that, although we are not proud of that part of our history, we can be proud that we now have non-discrimination written into the legislation so that people may not be barred on grounds of race, religion, or sex. For my part, I wish it had come sooner.

We have had many discussions in this House about unemployment and the effect on the social fabric of our lines when people do not have work. I have travelled in Germany, Switzerland, and other European countries that have a lower unemployment rate than we do and have noticed that they bring people from Spain and less developed countries to join their work force. But during times of recession or when there is a slowdown in the economy, these people are sent home because they were never allowed to become citizens. While the government may be accused of having contributed in some measure, to a recession, I take pride in the fact that people who wish to live in our country are not sent home in times of recession. I think we have reason to be proud of our humane attitude.

The Swiss set a limit on immigration and it may take an applicant ten or 15 years to come within that limit, so that is a less desirable situation. I know there is a group of people in Canada who have very strong feelings about immigration and feel that we should close the gate and only take care of those people already here.

I would state unequivocally, Mr. Speaker, that this House has an obligation to fight against discrimination by including a non-discrimination clause in the legislation such as that which the Minister of Justice (Mr. Basford) introduced in his bill.

I was born and raised in Saskatchewan and I recall that in the early forties it was the accepted custom to bait people of Ukranian birth who painted Easter eggs and who spoke a different language on occasion. Many of them were born in the Ukraine and came to this country in the 1920's and the 1930's. Sometimes it was their mode of dress that gave rise to mirth. I would not say the treatment of them was harsh, but we felt there was something to laugh at. We could laugh at their customs, their clothing, their language but, Mr. Speaker, they were white.

I must admit that even today in my province of British Columbia there is subtle and not so subtle discrimination. I think it would be fair to say that the Chinese communities in British Columbia have experienced this, and the East Indian people. Perhaps they have run into the same sort of thing in other provinces as well as British Columbia as existed on the prairies in the 1930's and 1940's with that one difference—the difference in colour.

I think it would also be fair to say that up to November 15 in the province of British Columbia there was subtle and not too subtle discrimination against people of French Canadian origin, and certainly against the province of Quebec.

I see it as part of our job to do all we can whether by legislation, speaking in the House or throughout the country, to let the people of Canada know that we are totally opposed to any form of discrimination against any member of our society. I trust that with social and political maturity these forms of discrimination will become less and less evident as time goes on. I believe it is up to every member of this House to combat a very insidious decay in the country by letting our fellow citizens know that this House does not in any way condone intolerance and will not abide discrimination. Where we have the chance, such as in the legislation before us, we must point out strongly and clearly to the people of Canada that in our immigration policy we are opposed to discrimination, as well as in our day to day lives.

I trust that in British Columbia those very hard-working, law-abiding people who may be of a different colour from the majority of residents, will be recognized as the Canadians they

are. The fact that they work hard, that they believe in family unity and the importance of good housing, should not be used against them as though these things were wrong. Sometimes from the comments I hear I think these qualities are viewed as flaws rather than virtues. It would be better if more people followed their example rather than complaining that their industry takes jobs away from other members of the community.

● (1540)

It has been well documented that a reasonable inflow of people has not detracted from the quality of our economic, social or cultural life. The reverse is true. Immigrants have made contributions in the form of music, literature, and other cultural activities, so it is fair to say that these people, be they Hungarians, Ukrainians, Chinese, East Indians or what have you, have enriched our lives. It is a poor society that cannot look beyond its borders to other cultures. We have not reached the apex of our cultural development. We cannot afford to look down our noses at cultures which have been in existence for thousands of years and which antedate by many, many years, Canada's existence.

As I said, the non-discriminatory aspect of the bill is the most important part of the legislation. It is parliament's affirmation that discrimination has no place in this country and that we, as parliamentarians, recognize this.

Mr. Arnold Malone (Battle River): Mr. Speaker, I do not think any legislation which will come before parliament in the present session will be as important as this bill. Whatever else we may say about our immigration policy we must, as a fundamental principle, refrain from being racist or discriminatory.

In the short time I shall talk on this bill I intend to emphasize that racism and discrimination really ought not to be the issue before Canadians. In other words, one begins by assuming that we are not going to be racist or bigoted with respect to sex, religion, colour or anything else.

Surely in the presentation of this matter to the Canadian people it is important to question some myths about the numbers of people we can bring into Canada. Therefore I intend to put forward two propositions, both of which are based on the assumption that Canada should have a restrictive immigration policy, that is, should restrict the numbers of people allowed to enter Canada. My first proposition is this: there is a myth in this country that we have all kinds of potential for absorbing new people. My second proposition, which I intend to demonstrate with researched data, is that we can best help the Third World by operating from a position of strength. With those two propositions firmly in mind, I wish to set forth my case.

One must underscore how desperate is the world's food shortage. The United Nations Advisory Committee on the Application of Science and Technology has this to say on the subject:

> Today there are over 300 million children who, for lack of sufficient protein and calories, suffer grossly retarded physical growth and development, and for many of these mental development, learning and behaviour may be impaired as well. Protein-calorie deficiencies also directly affect the health and economic productivity of adult populations. Such nutritional deficits, damaging both present and future generations, are built-in handicaps which must be corrected.

Obviously the situation is serious world-wide. We know that four fifths of the world's population suffers from malnutrition and more than 300 million children now suffer from permanent brain damage owing to lack of protein. In addition, the world's population is increasing at the rate of 77 million mouths per year.

In the face of these facts we should not react with a sort of knee-jerk reaction and say that, because the world is starving, Canada must have an open immigration policy. As I say, world population grows by 77 million mouths a year. If we were to accept in Canada every one of those 77 million people born in one year, we should make this into a country no longer able to export its research and technology. Furthermore, after one year the world would be no better off, Canada would be in the same position as the southern hemisphere, and the rest of the world would go on as usual.

The fundamental question must be, how can we best proceed so that by the year 2010 we can feed the human family of eight billion souls?

There are only two sources of food, soil and water. Canada is a big country, of 3.8 million square miles. It is the second largest nation in the world. In our land space we have some 5 billion, 312 million acres. Since we possess all this land, some Canadian people think that, somehow, we have the potential to feed vastly greater numbers of people than are already living here. In truth, only 24 million of those more than five billion acres are arable land in climatically favoured areas. Of those 24 million acres, only two million are class one soil, and only ten million class two soil. Even more significant is the fact that those 24 million acres will be reduced to nine million by the year 2000 if the rate of destruction of arable farm land continues at present levels. Today Canada is a net importer of food. Therefore two questions arise for consideration. First, we must ask how many people we can absorb in this country. Second, and more important, we must consider to what extent the "have" countries of the world, by exporting science and technology, have been able to help the "have-not" countries.

At present, Mr. Speaker, for every 100 Canadians we add to our population we destroy, on average, 1,000 acres of top grade arable farm land. At present Canada has three acres of agricultural land for every person in Canada. The world's average now is one acre of arable land for every person in the world. According to predictions, by the year 2000 Canada will have less than one acre of arable land for each of her citizens if present rates of farm land destruction should continue. Therefore if we have an open immigration policy Canada will be worse off by the year 2000 than the rest of the world is at present. We shall be worse off unless we redirect our immigrants to those areas where there is not high quality agricultural land.

As an aside I might mention that many cities in this country have sprung up on our best land. For example on the prairies, the cities of Winnipeg, Regina, Saskatoon, Lethbridge, Red Deer, Edmonton and Grande Prairie—in fact all major cities except Medicine Hat and Calgary—are built on lake beds where the soil is silted over. That is a natural phenomenom since the pioneers found they could grow the best crops on that land. But it also means that we are using up the best land in Canada and rapidly destroying the base for our own food supplies. In the five years between 1966 and 1971, Canada lost 4.5 million acres of top quality farm land to urban growth. At the present rate of farm land destruction, 100 per cent of Ontario's farm land will be destroyed by AD 2030. Canada can best meet her humanitarian obligations not by importing people, but rather by exporting technology and research, and to that theme I wish to devote the remainder of my speech.

Let us consider how "have" countries in the world have made available research and technology to "have not" countries and enabled people of the Third World to become self-sufficient. I shall quote what Peter Jennings wrote in the September, 1976, edition of the *Scientific American.* He said:

In the 1940's Mexico had been importing half of the wheat it consumed in order to make up a deficit in production; yields averaged 750 kilograms per hectare. By 1956 the nation was self-sufficient in wheat in spite of a large increase in population. By 1970 yields had reached 3,200 kilograms per hectare.

● (1550)

That was a tremendous increase for that country.

I further quote from the same article by Peter Jennings:

By the mid-1960's the success of this program had been demonstrated, largely because of the broad environmental adaptation of the varieties. Beginning in 1966 seed was exported in quantity, mostly to India, Pakistan and Turkey. Record harvests were achieved almost immediately.

That is important to note. The fundamental question has to be who will help when the whole world becomes overcrowded? If we import people into technologically advanced nations today to such an extent that we all become Third World nations, the real question has to be who will be the saviour of mankind then?

I wish to quote further from the article in *Scientific American* which states, and I quote:

The first improved dwarf varieties of rice were released by IRRI in 1966; they immediately transformed rice culture in the Philippines and were soon widely adopted in the lowland regions of Asia. One variety in particular, designated IR8, gained widespread celebrity. It has the potential for high yield when properly fertilized and cultivated, it is insensitive to photoperiod and it is adapted to a broad range of growing conditions. Moreover, it matures in 120 days instead of the 160 days required for many unimproved types. Because of the earlier maturity two crops a year can be grown in some regions.

I would further like to quote:

Genes that confer resistance to disease and insects have been bred into some of the better populations. As a result of these changes it has been possible to increase the crop density from 50,000 plants per hectare to more than 100,000.

I might just pause to point out that all of this data I am giving is to demonstrate that the gap in the narrowing of the food needs that exist in the Third World today is largely a gap that has come about because the "have" nations have been able to export their science and technology to those poorer countries.

The point I intend to make today is simply this. As long as we have a policy that somehow will allow a flood of people to come into Canada, we have the two positions. First, we destroy our own position of strength. This in turn means there is no one to export that very much needed science and technology to the developing Third World. Canada has a lot more to contribute to assist in meeting the increasing world food need. I again quote:

Ralph W. Cummings of the Rockefeller Foundation recently published a survey of the state of food-crop technology in the low-income countries. He compared the average annual gain in production for 15 basic commodities during two periods, 1961 through 1965 and 1971 through 1973. His findings give a rough indication of the contribution of research to food production since World War II. Two conclusions emerge from the study. First an evaluation of the status of research on the major food crops indicates that in almost all cases research is "seriously inadequate" or "critically inadequate". Only the specialized areas of irrigated rice and irrigated spring wheat were considered to have received adequate research attention. Second, annual gains in production of seven crops (Cassava, white potato, soybeans, cowpeas, broad beans, maize and wheat) were greater than 2.5 per cent, and thus equaled or exceeded the rate of population growth.

In other words, if Canada is truly to become a humanitarian country, and without trying to think we are going to do something significant by an open immigration policy, we have to recognize our fundamental obligation, and that is to remain in a position of strength, and export science and technology to help the Third World people look after themselves.

The value of research and exported technology is easily demonstrated. This is a very important point. I again quote from the article in *Scientific American:*

The impact of the new technology is readily measured. Yield has risen from less than three metric tons per hectare to 5.4 metric tons, so that each hectare planted to the new varieties produces 2.5 metric tons of additional grain. Total production increased from 680,000 metric tons in 1966, the year before the program began, to 1,632,000 metric tons in 1975. Almost all the increase was accounted for by improved yield. The value of the additional crops harvested through 1974 was about $450 million. Varieties derived from the Colombian project were also successful in Mexico, Ecuador, Peru, Venezuela and in Central America. Throughout the region the 1974 harvest was increased by 1.5 million metric tons of grain.

What is being pointed out is that the gains we have made in the Third World, in levelling off the rate of starvation through increasing food production, have not happened because of increases in the amount of arable land but because of new research, science, and technology.

I go back to the fundamental question. If we are to have an open immigration policy and if the United States are to have a similar policy, somewhere down the road someone has to ask who is going to stop the starvation when all the countries of the world are in the same position?

There is no argument at all with the question of whether we ought to have a racist or non-racist policy. I hope it will be the assumption of all Canadians that we would not go along the lines of a racist policy. I see it will soon be four o'clock. I would simply say at this time that I think we can demonstrate categorically that Canada's strongest position in helping the Third World will be by the export of research and technology.

I hope to demonstrate that when I come back to this debate at the next opportunity. At this time, Mr. Speaker, I would like to call it four o'clock.

The Acting Speaker (Mr. Ethier): Order, please. It being four o'clock the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions.

PRIVATE MEMBERS' MOTIONS

[*English*]

The Acting Speaker (Mr. Ethier): Shall all notices of motions prior to motion No. 27 stand at the request of the government?

Some hon. Members: Agreed.

* * *

LABOUR CONDITIONS

SUGGESTED MEASURE TO RAISE HEALTH AND SAFETY STANDARDS FOR MINERS

Mr. John Rodriguez (Nickel Belt) moved:

That, in the opinion of this House, the government should consider the advisability of introducing legislation which would establish a National Mining Act for the purpose of increasing occupational health standards for miners under federal jurisdiction, for establishing a federal presence in this particular area and to give leadership to provincial governments which do have responsibility for mine safety and occupational health.

He said: Mr. Speaker, one thing has struck me consistently since having been elected to this place. It is the consistency with which Canadians are being exposed to the propaganda of the mining corporations in Canada with regard to the major role of those companies in the Canadian economy. I am continuously being told that mining plays a major role in the Canadian economy.

In the year 1975 the total value of minerals extracted from the earth across Canada was $12 billion. This propaganda is delivered through all forms of the media; television, radio, newspapers, and magazines. It is delivered not only by individual mining companies but by their associations and clubs. These companies make one major argument, that if they are to stay healthy and competitive, the government must stay out of their business but give them more tax breaks, allowances, grants and so on. Well, Mr. Speaker, apart from the morality of this kind of advocacy advertising, the cost of which, incidentally, they can write off their taxes, there is the whole question of the workers who toil in the mining industry.

● (1600)

How safe is the mining industry in Canada? Who has responsibility for setting national mining safety standards across the country? Where does the responsibility of the federal government begin and end, and where does the local responsibility begin and end? How strictly enforced are any standards of mining safety in areas for which the federal government has a direct responsibility? What is the cost of health care to the nation in respect of those who have become disabled or lost their lives in mining, and how much of this cost could have been prevented?

I know the technique used by government members on the opposite side of the House in dealing with bills and motions put forward by private members. They get up, engage in much breast-beating, say they agree with the principles therein, and finally talk them out. I want to tell them that this motion does not threaten them in any way. All it says is that the House calls upon the government to consider a mining act of the kind proposed so that improved safety standards might come into effect. It is a motion which would have the effect of nudging the government to move in the direction I have outlined. The miners of this country demand no less from members on the government side than that they should allow the motion to come to a vote.

I ask members opposite, when they speak, to bear in mind that we have only an hour and that in all fairness to the workers they ought to let the matter come to a vote. I do not want to threaten them, but if they talk it out I will bring this debate to the attention of every union in this country, and to workers right across the country so that they will know who it is that bears the onus of standing against progress in this direction.

Mr. Anderson: That will get you nowhere.

Mr. Pearsall: Blackmail!

Mr. Rodriguez: It may not get me anywhere, but I know what you will do.

It is because of the questions I have just raised that I see a need for a national mining act. Apart from the fact that it would allow the central government and the provincial governments to sit down together and, with input from the trade union movement and the mining industry, devise an act which would clearly set out the federal and provincial areas of responsibility with respect to the mining industry, it would also provide a degree of protection for the Canadian miner which is urgently needed.

As I look across the country I see grave differences in working conditions in different areas. The miner in the Yukon has as much right to safety in his working place as does the miner in Ontario. At the present time workers are denied uniform levels of safety because of differing standards imposed by the provinces and even by federal departments. The federal government has responsibility for mines on Indian reservations, on military bases, and in the Yukon and Northwest Territories. Regulation of these different mines is handled in part by Energy, Mines and Resources, in part by Indian Affairs and Northern Development, and in part by the Atomic Energy Control Board.

In the north, in the Yukon and the Northwest Territories, safety in mines is governed by mining safety ordinances. These can be set down by the Commissioner of the Territories but must be approved in Ottawa by the governor in council. These ordinances fall under the authority of the Department of Indian Affairs and Northern Development. In the Yukon and the Northwest Territories the federal government exercises control over mining comparable to the powers exercised by provinces within their own boundaries.

The Department of Energy, Mines and Resources also exercises broad powers, controlling such acts as the Explosives Act, the Atomic Energy Control Act, the Dominion Coal Board Act, and several other measures related to mining.

Mines in provinces are generally controlled by provincial governments, and within the various jurisdictions there are many different acts and regulations. Some provinces have enacted very advanced mining regulations and occupational health regulations, while others lag far behind.

A subject of great concern lately, and justifiably so, is the mining of uranium. Here the Atomic Energy Control Board has authority. The Board controls the production, manufacture, sale and use of radioactive material. But while theoretically controlling all this, the Board in fact does not. Instead, it has chosen to turn the exercise of these powers over to the provinces, thus washing its hands of the problem.

Recently in Ontario a commission was established to inquire into the health and safety of workers in mines—the Hamm Commission. AECB officials told that royal commission they had never asked the Ontario government for reports on levels of radiation in the mines or for the status of health of the miners. Commissioner James Hamm went so far as to charge that the Board was ignoring the miners, whose daily exposure to harmful radiation was, "larger than that received by workers around reactors." The AECB has not even declared uranium miners to be "workers" for the purpose of regulation by the federal government. The Commissioner raised many other questions in this area but I shall content myself with quoting one statement of his: "At times it has not been clear whether initiative was considered to rest with the industry or with the responsible ministry." To that, he might have added "and to precisely which responsible ministry."

The guidelines concerning safety differ in the different provinces and they also differ from the federal rules. For example, federal regulations state there shall be no more than 10 picocuries per litre of drinking water. In Ontario, provincial regulations state that the acceptable level is three. Let us not forget that in the Elliot Lake area leachings from radioactive mine tailings are threatening Indian bands and the town of Elliot Lake itself.

These safety regulations involve more than just plain numbers. Human lives are at stake. The AECB follows the guidelines set by the International Commission on Radiological Protection. This is the group which said 10 picocuries per litre of drinking water was an acceptable figure. People within the Board say the only reason the provincial figure is lower is because the province has not gotten around to raising them to "more realistic levels". I wonder about that, Mr. Speaker. I wonder about it very much as reports continue to come in about lung cancer and silicosis among uranium miners.

Ontario is not the only province which has experienced problems in this regard. Saskatchewan was concerned about safety levels in uranium mines in that province. On January 29, 1975, the department concerned wrote to the Atomic Energy Control Board and asked that three inspectors be appointed by that board to launch a system of safety inspection. Saskatchewan acted in this way out of disgust with the federal government's failure to set standards and inspect mines at Uranium City. The letter had not even been answered by November of 1976. When steel workers asked the Board why the letter had not been answered they were told it was because the Board had not had the time. I wonder how many more people will die before we can find the time to do something about health and safety in these mines.

● (1610)

The leader of my party, the hon. member for Oshawa-Whitby (Mr. Broadbent), has moved three private members' bills in this House which would do much to cut down on the problem of occupational health for workers under federal jurisdiction. His bills would provide health and safety committees in all work places with ten or more employees; they would provide for mandatory work inspectors, and would allow workers the right to refuse work they considered dangerous. Those bills would help a great deal in cutting down the carnage in our work places. They might even reduce the number of injured workers in the post office. But in the case of mining I think we must go even further.

Mining is a dangerous and thankless occupation. I recall that we argued for months in this House over the merits of capital punishment and concern as to whether or not guards or policemen would be killed. We heard about the great risks that guards and policemen face as they try to carry out their duties. We should remember that, when it comes to hazardous occupations, a miner still has a greater chance of being killed than either a prison guard or a policeman.

Perhaps it is time, Mr. Speaker, we took some steps to do something about the problem. A national mining act would bring the issue before the public. We could examine in depth the measures needed to protect our miners from Newfoundland to British Columbia. Not only would such an act simplify the acts and regulations of different departments, but it would also provide for more adequate standards and inspections. It would also put pressure on the provinces to accept more adequate measures in areas where their legislation falls below federal standards.

We owe it to our miners, and their families to legislate the highest possible standards for their health and protection. Anything less is a travesty in view of and genuine concern for the Canadian working class.

Mr. Alan Martin (Scarborough West): Mr. Speaker, I am not clear from the earlier words of the hon. member for Nickel

Belt (Mr. Rodriguez) whether he is really anxious to have members on this side support the substance, at least, of the point he is trying to make. He seemed rather ready to criticize us for what we were about to say before he had even taken the time to listen.

Mr. Rodriguez: You are going to talk it out.

Mr. Martin: It seems to me, Mr. Speaker, he might indeed find that the degree of support in this House might be greater than from his own party at the present time, based on the numbers that are present today.

Mr. Knowles (Winnipeg North Centre): We are unanimous.

Mr. Martin: The other member of that party present this afternoon indicates they are unanimous. As I interpret the motion of the hon. member, he wishes the government, if I may read part of it, to consider the advisability of introducing legislation for the purpose of increasing occupational health standards for miners under federal jurisdiction, for establishing a federal presence in this particular area, and to give leadership to provincial governments which do have responsibility for mine safety and occupational health.

I purposely omitted in reading those words the actual term "National Mining Act", and I did so for a very good reason. It seems to me that in order to achieve the very creditable aim the hon. member for Nickel Belt has in mind, which is to focus increasing government attention at the federal level on the problems of safety related to people in industry generally, he has focused solely upon one area. My own feeling is that this whole area of occupational health and safety is something that needs to be addressed on a much grander scale than simply dealing with one particular industry. So while I agree with the substance of the hon. member's objective, and indeed have no problem supporting him—I hope he will continue to push his point of view—in my opinion the idea of trying to establish a mining act as such to deal with only one very narrow area of the problem is not the most appropriate way to proceed.

Again in my view, Mr. Speaker, it is great to see something like this being discussed without seeing a headline in the paper the previous day. In other words, my concern is that governments have tended to react in this area of occupational health and safety only after major tragedies, or more recently where we have seen more insidious types of tragedies where one or two miners are known to be afflicted by diseases which seem to have emanated from their terms of service in the mines. For this reason I feel privileged to participate in a debate which is going to tackle this problem in a sensible and, I hope, co-ordinated way.

I should like to review a little bit of background to show what has happened in this whole area of occupational health hazards on this continent. It seems to me that, whether we like it or not, we are very often inclined to look to others who perhaps have been in business longer than we have in terms of some of our national industries and have had more resources at hand, and consequently started to deal with some of these problems earlier than we have. I refer to the United States.

As I understand it, the oldest act in the United States is the Walsh-Healey Act, which was established to create standards of occupational health in those areas where companies were dealing in contracts with the federal government. As I understand it, various types of individual standards existed throughout the various states, and in some states standards were non-existent. I do not know when this act was passed, but it was a good while ago and it was a very important first step.

I put this information on the record, Mr. Speaker, because it seems to me that we in Canada have a long way to go. We are starting from ground zero almost, as it were, so I think it is important that we do review what has happened in this major country to the south of us.

Two additional acts have been passed in the United States, and one of these was the coal mining safety and health act which reacted to public concern over what is known as "black lung" in the Pennsylvania and Kentucky coal mining areas. This particular piece of legislation was designed to provide equitable compensation for people who were afflicted with this condition as a result of their work environment. I understand that through this act a very important body was created known as the national institute for occupational safety and health in the health, education and welfare department of that country. Again I am not sure of the timing of the introduction of this particular act, but it was another very important cornerstone in the over-all effort made in the country to the south of us to attempt to come to grips with occupational health standards and their establishment.

Then we have an act known as the mining environment safety administration act, which was administered by mines people and was passed, I believe, in 1972. Whereas they had focused primarily on the area the hon. member for Nickel Belt is dealing with, one specific narrow area, they were now obliged to go outside the coal mining area and to move into more general mining fields, which I gather included hardrock and mines other than coal generally. Standards were established under this act for silica and explosive gases.

I myself had some very brief but interesting inter-action as a member of a parliamentary committee which went to Washington a year and a half ago in another area related to occupational safety and health, and this was through my discussions with senior officials in the occupational safety and health administration under their department of labour. Again I put this information on the record because it seems to me we are seeing a rather large mix of various areas of responsibility trying to get at the same problem. I am relating how the situation has developed in the United States, and I am not sure that they are entirely happy with it. Nevertheless, this particular focus under the U.S. Department of Labour, which is the most recent of all that have been established, covers up to 60 million workers in that country in five million work places. They employ a staff of 2,000, which gives you some indication of the type of bureaucracy involved. In talking with the senior people involved in this administration we found that in their view this was perhaps the biggest single piece of social legislation that had been introduced in the United States in recent

times. It is very controversial, it has some tough regulations, and it is only five years old.

● (1620)

Mr. Baker (Grenville-Carleton): Which one was that?

Mr. Martin: The occupational and safety health act. Initially it was aimed at safety, but now—when I say "now" I am saying so on the basis of my notes made in the autumn of 1975—they are moving to develop international standards in the area of health in work places in general. They are very actively co-operating with the state authorities. This was the question we put to them, knowing that in this country the jurisdiction is mainly provincial. To some degree the same applies in the United States, and they are having to work closely with individual state authorities. This is an agency within the department of labour.

Moving closer to home and to the heart of the problem pointed out by the hon. member for Nickel Belt, let me draw attention to the throne speech of October 12 in which the following was indicated. This is an extract which reads:

An industrial safety and health centre will be established to assist companies and workers in their efforts to identify any remove hazards.

The government will work closely with its own employees in various departments and Crown corporations to implement innovative, co-operative methods of improving health and safety conditions.

I have attempted to bring myself up to date on what may have developed in that area since that indication of prospective legislation was given to us in the throne speech, and I understand from talking to people in the industrial area that something called the Canada Centre for Occupational Safety and Health is being seriously considered, and already government people are circulating around the country talking to people from industry, labour and provincial governments in an effort to come up with some basic co-ordination in the area of health. The idea is to combine not just the problems related to mining but all the problems relating to safety and health standards, such as problems found in the agricultural sector, the mining sector, atomic energy, and the industrial sector generally. The idea is to establish national leadership in this area, and there is a good deal of sympathy among the provinces for this type of leadership to take place.

I understand that there are four basic problems that should be studied initially. One is the problem of silicosis, or exposure to dust, which is primarily a mining problem but which can be encountered in many other industries as well. The second one is a matter of noise, and the problem associated particularly in the mining field with underground drilling and other types of mining operations. There is also the problem of lung cancer from radioactive elements. We have heard much more about this as some of the problems have surfaced and are being discussed and studied in great depth. Fourth, there is the matter of underground diesels and the fumes created by them. I gather that these are the four areas which are being considered initially by this team travelling across the country, and I have this from people with whom that team has interacted rather than from government sources. There is a general feeling among these people that something is finally going to be done and that some leadership will be shown at the federal level.

There is a tradition in this country similar to what the Americans faced when they tried to move in this area, that safety and health are a responsibility of the provinces. The indication to date is that everyone is anxious to respond to federal leadership in this area.

I have a little more to say on this centre, Mr. Speaker, the idea is to establish a place where a scientific background can be developed for establishing valid standards for the use of hazardous substances and chemicals such as, for instance, asbestos. Nobody really knew anything about the threshold limits in this area. It is an open area. We hope the centre will come to grips with this problem and will establish threshold figures acceptable to all parties concerned. Incidentally the agency will be directed by representatives from labour, management, and the provincial and federal governments. It is to be a kind of clearing house. Universities may be involved in the studies. It will not necessarily employ a large bureaucracy, but might farm out studies to various centres in the country where they could more appropriately be undertaken. It will act as a focal point for encouraging research and for setting standards.

As I understand it, ultimately there will be legislation in this area once the team has been able to pool together its various reports from the current studies it is undertaking and the consultations it is having across the country. It is my hope that this legislation will incorporate the very points the hon. member for Nickel Belt mentioned today. This is why I say that I think in the long run hon. members will be better served by a more encompassing piece of legislation which will cover all aspects of industrial hazards, rather than spending a great deal of time on one narrow area. I hope the hon. member for Nickel Belt will continue his interest in that area and will take an interest in larger and more encompassing legislation when it comes forward.

In conclusion I would like to make some reference to the Hamm report of which many of us are aware. It is a provincial study which was undertaken through the auspices of the Ontario government. It is a critical report. It criticizes both labour and industry for failing to live up to their responsibilities and insure safety in mines at that time. I think federal legislation will surely draw on that report and incorporate the points from that report which should be included in a more encompassing piece of legislation.

I am also conscious of the fact mentioned by the hon. member for Nickel Belt that, as he put it, those of us who rose to speak on this issue should be chastized. I want to point out to him that basically I am in support of the substance of his bill, but I do not support the means by which he is attempting to achieve his objective.

Mr. Rodriguez: It is a motion, not a bill.

Mr. Martin: It is important for us to realize that there are many people in our society today, representatives of labour, United Steel Workers, and people in industry, who are con-

cerned with this whole issue. But the government must become involved, and we have indicated in the throne speech that we will be involved. It is one area in our commitments that we will surely follow through without question. As I said, things are being done now in this direction.

I would like to conclude my comments by once again congratulating the hon. member for bringing forward this problem at a time when we are not reacting to a major tragedy that happened yesterday or today. We realize that after 100 years or more the problem of occupational hazards and of safety measures in industry is extremely important, and has been overlooked for far too long in our social legislation.

● (1630)

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I listened with great care to the beginning of the speech of the hon. member for Scarborough West (Mr. Martin), and I heard those magic words we hear in private members' hour from hon. members on the government side to the effect that they basically support certain matters. If that is the case, especially when we are dealing with a motion and not a bill, and if hon. members opposite generally support this resolution, which deals specifically with the occupational health standards and problems of miners working under the jurisdiction of the federal government, a government which is supported and propped up by hon. members opposite, one of whom just spoke, they will allow this motion to pass. If that is the case, I am pleased. I am prepared to support this motion, and I commend the hon. member for Nickel Belt (Mr. Rodriguez) for bringing it forward.

Some may ask why a member from the national capital area should support a motion regarding mining. It goes without saying that there are very few mines in the national capital area. I dare say there are very few mines in the borough of Scarborough either.

I have some credentials—albeit somewhat distant—with respect to the operation of mines in Canada. Technology has changed, but my experience is still vivid in my memory. When I was a student at law school I worked for a portion of a year underground in a gold mine in the Schumacher area of Ontario. I worked in Stopes. I was a raise man. I ran a mucking machine. I even drove a train until I wrecked it one day, and I was not allowed to operate the train underground after that. I am glad I caused some of my colleagues to smile this afternoon, but that is the truth. I saw at first hand the working of a mine.

Working in a mine is by its nature dangerous. It differs from other occupations in which there is some aspect of danger, but working in a mine is dangerous in itself. A person can be physically injured if he is tired or if he allows himself to be unaware of what is happening around him for just a moment. The atmosphere in which mine workers carry out their duties is dangerous. There are fumes, dust and other things in mines which are injurious.

If the hon. member for Scarborough West was speaking for the majority in this House when he said he basically supports this measure—and I am sure he must have been—I hope the matter will proceed so that study of this matter can take place in the appropriate committee. I hope today through this motion the House will express support for taking steps to raise occupational health standards for miners.

We tend to think of mining as being under provincial jurisdiction, and it is. There are some very sophisticated standards in the various provinces of Canada. They vary from one province to another, but in Ontario there is some considerable sophistication which has been viewed critically in the Hamm report. Perhaps that is a good thing. Out of that there may be some action taken in terms of mining in Ontario.

However, there is a considerable amount of mining taking place in the Yukon Territory and in the Northwest Territories. That industry is likely to grow as we look more and more to those areas for resources to be used for national purposes. I do not believe it will be possible for any responsible federal government which has jurisdiction over those territories to leave the question of mine safety to ordinances of the territorial councils, as well intentioned as they may be.

I gather that is the thrust of the hon. member's motion. There will be a day when those territories will be provinces, and then we hope they will have the resources to develop criteria with respect to mining and a host of other things, but they do not have those resources now. Therefore they depend on the federal government—their mother and father, so to speak—for that kind of guidance. That being so, there is a case to be made for a national mining act.

With respect to the argument that this kind of thing was dealt with in the throne speech, of course it was dealt with in the throne speech, but these things are a long time coming, for one reason or another. There may be a good administrative reason for this, although it is unknown to me. I do not want this to be a partisan day, but I think we have a responsibility in this House today in a non-partisan way to urge the government, by agreeing to this motion, to speed things up. We are not dealing with statistics, we are dealing with men and women who are involved directly or indirectly in the mining industry, and I hope hon. members on the government side will recognize the important human problem which is involved.

The last argument made by the hon. member opposite, who said at the same time he basically supports this motion, was that the focus of the motion is too narrow. The motion focuses on an immediate problem. In the federal territories there is no particular industrial safety problem compared with the magnitude of the problems there are in the mining industry. If the hon. member needs a reason for the narrow focus of the motion, that is a good reason, and if he wants to look to precedent, he can look to the precedents in all the provinces of Canada where mining is dealt with separately and other industries are dealt with separately because there are unique problems in each. However, that is not a reason to wait, and I hope hon. members opposite will consider this matter.

It really is a tragedy that we tend to wait for some major upheaval before we look at the mining industry or any other industry in which tragedies occur. There is no immediate

problem at the moment in the federal territories, but this is a good opportunity for this House to express its concern about possible problems.

We tend to think of mining only in the traditional sense of mining from the surface of the earth upon which man can walk, and machines move down into the ground to extract minerals. According to information given to us yesterday at an interparliamentary union luncheon, we are now in the process of considering technology for mining the seabed in more or less the traditional sense of the word. We are speaking in terms of removing nodules from the seabed. That is a whole new technology, and I think there is an opportunity for us to keep safety legislation parallel with and up to the technology we are developing.

● (1640)

I commend the hon. member for Nickel Belt. I do not often do that, but he has touched a problem with which I have some experience. I commend him for bringing this motion forward and I hope the House will support it.

Mr. Paul E. McRae (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I do not think there is any question that we are going to talk this motion out because we do have something to say about it. We support the notion but not necessarily the motion. We think there are better ways of dealing with the same problem. It would be almost impossible to get a national mining act through this House because of the constitutional aspect of the question. We believe there are other approaches, and we have taken steps which make rather more sense than this motion, certainly until constitutional changes are brought about.

I have some concern that the hon. member for Nickel Belt (Mr. Rodriguez) has virtually threatened members if we talk this motion out. I consider that a kind of blackmail and it disturbs me a great deal. It is an unparliamentary approach to this matter.

The hon. member has more experience in a mining community than I, although I have worked and lived near mining communities. I understand his concern because there is no more depressed community in this country than a depressed mining community. The hon. member lives near one of the wealthiest, but many of the smaller ones are one industry towns and local tax revenues are poor, as are amenities for the miners. There is a good deal of movement back and forth as people take jobs for only a short period of time. It is an industry which is not itself depressed, but an industry where the people are depressed. I accept this and I am concerned about it. One of the reasons for this is that mining and natural resources are provincial concerns, and it may be easier for a large corporation to manipulate the provinces than the federal government. This is something that members of his party have said on many occasions.

The motion deals with health and safety in the main, but it also deals with a federal presence in the area of mining. I am concerned about some of the things that have happened or are

happening in northern Ontario, such as the closing of the asbestos mine in Matachewan in the past ten days. A good deal of work was done regarding this particular mine by the hon. member's party. I understand that the Ontario leader of the party now says that mine is in good shape but it has been closed because it has no money. According to an article in the Ottawa *Citizen* on March 9, the chairman of the company said:

> We had $35 million in hand from U.S. financial institutions to refund our outstanding loans until the lead company—an insurance firm—met the premier the morning before the speech.

He added:

> They pulled out of the arrangement with us right afterwards.

This seems to be one of the problems, although part of the difficulty is that this mine is related to ownership of a mine in Quebec. As a result of the closing, 300 jobs were lost. This is a golden opportunity for the federal government to become involved, because through the Canada Development Corporation and ownership of the Texas Gulf Company we have properties near by. It would seem to be a natural area where the CDC could move in because of these valuable assets. In addition to the 300 people out of work, suppliers and subsuppliers etc. are also suffering.

This is a national problem and it needs a national solution, yet there are constitutional barriers which prevent action. I can suggest one way, through the CDC, in which the federal government can become involved.

In northwestern Ontario there are a number of small mines and many of us think they should be worked if there are valuable resources in them, especially when prices are better than they were when they closed. However, there is a need for things like portable mills and money for the small operator in order that these mines can be reworked. There are capable people available, and yet there does not seem to be support, national or otherwise, for any but major operations.

Transportation is another problem. At one INCO mine, a major line of the CNR passes within a mile or so and yet the ore is being hauled out by truck on a road that was especially built.

I would suggest that the federal government should play a larger role in the mining industry, but I know we have a very difficult problem. Both opposition parties have said that the provinces must be supreme and that we must not take these industries away from the provinces. With the oil industry, which is akin to mining, we are reminded that it is a provincial resource and that the federal government has no business interfering. On the other hand, both oppostion parties now tell us that the federal government ought to get into the mining area.

Some hon. Members: Oh, oh!

Mr. McRae: There is a section in this act which deals with the whole area of mines—

Mr. Rodriguez: What act?

Mr. McRae: I am sorry, this resolution.

Some hon. Members: Oh, oh!

● (1650)

The Acting Speaker (Mr. Ethier): Order, please.

Mr. Rodriguez: Why are you not better prepared before you speak?

The Acting Speaker (Mr. Ethier): Order, please. Perhaps the House will show equal courtesy to all hon. members, and allow the Parliamentary Secretary to the Minister of National Health and Welfare (Mr. McRae) to make his remarks.

Mr. McRae: Mr. Speaker, I tried to deal with this industry from a national standpoint, since I think there are national implications to the question. I do not doubt that.

For a few minutes I should like to deal with the area of health. As the hon. member for Scarborough West (Mr. Martin) indicated, we believe there is a serious problem to be considered, but that the proposed mining act does not provide the answer. Action would take too long and we could run into constitutional difficulties. We think our approach is probably best, given the present situation with respect to the constitution and the federal government's present difficulty in dealing with the provinces. Therefore, like the hon. member for Scarborough West, I wish to deal with this matter from the standpoint of occupational safety.

Mr. Rodriguez: We are talking about the territories. Why do you not talk about them?

Mr. McRae: Matters related to the occupational safety and health of miners and workers engaged in associated surface operations are subject to existing legislation and regulations, federal, provincial, and territorial. The content and administration of these statutory requirements are reviewed from time to time by the regulatory authorities concerned, and are revised as required. Federal jurisdiction for these purposes in the mining industry is, by acts of parliament, confined to the mining and processing of uranium, coal mining carried out by the Cape Breton Development Corporation, and the mining of base metals in the Flin Flon mineral area by the Hudson Bay Mining and Smelting Company.

Part IV of the Canada Labour Code, safety of employees, and the safety and health regulations made pursuant to it, apply to all aspects of occupational safety and health in federal works, undertakings and businesses except where such application is preempted, as for example by the Atomic Energy Control Act. Workers under federal jurisdiction in occupations directly involved in the mining of coal, uranium, and base metals are under the general regulations of Part IV of the Canada Labour Code, regulations made under the Atomic Energy Control Act and, by arrangement, the mining regulations of Saskatchewan, Manitoba and Ontario.

To take a portion of workers and work places under federal jurisdiction, for example, miners and mines, and make them subject to a new act of parliament and regulations resulting therefrom would in effect duplicate the existing provisions of Part IV of the Canada Labour Code and of the Atomic Energy Control Act and might result in delaying the development and implementation of higher standards through revision of existing enactments and mandatory standards.

A federal presence in the field of occupational safety and health of miners already exists through the implementation of the regulations made under Part IV of the Canada Labour Code in coal mines and regulations made under the Atomic Energy Control Act in uranium mining operations.

Assistance to and co-operation with provincial departments and agencies that have a responsibility for mine safety and occupational health is considered to be an important and ongoing function of the federal government, and there are established means for consultation and sharing of information among the several interests and authorities. As the hon. member for Scarborough West indicated, active consideration is being given to the creation of a National Institute of Occupational Safety and Health which, as its name implies, would be a technically competent and authoritative body for the identification and evaluation of hazards to the safety and health of workers, and to develop standards and other means for their control. Such a centre would be governed by a board representing federal and provincial authorities, labour, management, scientific and other professional interests. Through the work and efforts of an institute of this kind it is confidently expected that higher standards of occupational safety and health would be developed and implemented for all places of work—I emphasize all places of work—including mining which has its own special problems in this field.

Mr. Knowles (Winnipeg North Centre): I suppose they will be developed by the year 2000.

Mr. McRae: Since the purposes or objects of the motion we are considering are capable of being achieved through existing enactments, and in fact are already being dealt with to some extent, supplementary means of accomplishing these desirable ends are being planned. Therefore motion No. 27 is not supportable. Further, because of the limited extent of direct federal concern in this industry the provinces are very likely to view—

Mr. Gillies: This has nothing to do with the provinces.

Mr. McRae: —an initiative of this kind, especially at this time, as an unwelcome intrusion into a field clearly and almost entirely in provincial jurisdiction.

Mr. Rodriguez: What about the provisions of Bills C-16, C-2, and other similar bills?

Mr. McRae: Actually, both opposition parties have many times said that the government has no business being involved in the resource field. For these reasons it would make most sense if we were to develop an institute, and work with the provinces in developing standards. And we could do this under existing legislation.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order. Will the hon. member permit a question?

Mr. McRae: Certainly, Mr. Speaker.

Mr. Baker (Grenville-Carleton): Mr. Speaker, has the hon. member read the motion?

Mr. McRae: Mr. Speaker, not only have I read the motion on three different occasions; I included part of the motion in my speech.

Mr. Baker (Grenville-Carleton): Did you understand the motion?

Mr. Knowles (Winnipeg North Centre): Did you understand it?

Mr. McRae: The motion is of broad import, but is not likely to be accepted by the provinces.

Mr. Gillies: It has nothing to do with the provinces.

Mr. McRae: I suggest that we could act in this area quickly and effectively by creating the kind of institute which has been mentioned, and working with the provinces on health matters.

The Acting Speaker (Mr. Ethier): Order, please. It being five o'clock and the hour appointed for the consideration of private members' business having expired, this House stands adjourned until 2 p.m. next Monday, pursuant to Standing Order 2(1).

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, March 14, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

FEDERAL-PROVINCIAL RELATIONS

CO-OPERATION OF ORGANIZATIONS TO PROMOTE NATIONAL UNITY—MOTION UNDER S.O. 43

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. I move, seconded by the hon. member for St. John's East (Mr. McGrath):

That this House indicates to all Canadians its concern to promote the recognition of Canada's destiny by commending to all Members of Parliament . . .

[*Translation*]

. . . organization Engagement canadien which announced today in Ottawa . . .

[*English*]

. . . their plans to promote in perpetuity the expression of Canadian identity in co-operation with all other groups which may grow up from time to time with special interests in the same ideal.

Mr. Speaker: Pursuant to the Standing Order, to be presented for debate in the House such a motion must have the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

AGRICULTURE

REQUEST FOR STUDY OF EFFECT OF INTRODUCTION OF IMITATION CHEESE—MOTION UNDER S.O. 43

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43. The introduction into Canada of imitation cheese is now a real possibility and is being considered seriously by some companies, and since it could seriously threaten the income of industrial milk producers, I move, seconded by the hon. member for Brant (Mr. Blackburn):

That the government undertake comprehensive studies on the possibility of disastrous economic effects on the already hard hit industrial milk producers and the possible nutritional effects of imitation cheese on Canadians.

Mr. Speaker: Pursuant to Standing Order 43 such a motion cannot be presented for debate without the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

SOCIAL SECURITY

SUGGESTION THAT SPOUSE OF DECEASED PENSIONER RECEIVE TWO-THIRDS OF TOTAL PENSION—MOTION UNDER S.O. 43

Mr. Eudore Allard (Rimouski): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgency and importance.

In view of the great number of people between 60 and 65 who are facing serious problems of survival, particularly in the case of pensioners' widows, and considering that it has become urgent to apply a new policy in this field, I move, seconded by the hon. member for Roberval (Mr. Gauthier):

That this House implement as soon as possible the recommendation of the Fédération de l'âge d'or du Québec, a copy of which has been sent to the Minister of National Health and Welfare (Mr. Lalonde), to the effect that a person of 60, who has the misfortune of losing her pensioner spouse, could draw two-thirds of their aggregate pensions, until she is 65, when she can draw her full old age pension.

Mr. Speaker: Order. The presentation of such a motion pursuant to Standing Order 43 requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: As there is not unanimous consent, the motion cannot be put.

* * *

TRANSPORTATION

SUGGESTION THAT MINISTER MAKE STATEMENT ON EFFECTS OF MOVE OF CAST SHIPPING TO HALIFAX—MOTION UNDER S.O. 43

Mr. Raymond Dupont (Sainte-Marie): Mr. Speaker, pursuant to the provisions of Standing Order 43, I request the unanimous consent of the House to move a motion concerning a matter of urgent and pressing necessity.

In view of the proposed move of the Cast North America Company Ltd. from Montreal to Halifax, of the undesirable implications such a decision might have on the economy of the port of Montreal, and in view also of the fact that this company's departure would lead to an increase in the surtax on tonnage from $2.94 to $4.10, I move, seconded by the hon. member for Labelle (Mr. Dupras):

That the Minister of Transport (Mr. Lang) make a statement on motions on that subject so that the House be perfectly well informed of the implications of such a departure on the port of Montreal.

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Pursuant to the provisions of Standing Order 43, the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Mr. Speaker: Since the House gives unanimous consent, I shall put the motion. Seconded by the hon. member for Labelle (Mr. Dupras), the hon. member for Sainte-Marie (Mr. Dupont) moves:

That the Minister of Transport (Mr. Lang) make a statement on motions on that subject, so that the House be perfectly well informed of the implications of such a departure on the port of Montreal.

Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

● (1410)

[*English*]

Mr. Speaker: Order, please. Presentation of such motion pursuant to Standing Order 43 requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

An hon. Member: No.

* * *

UNEMPLOYMENT INSURANCE

SUGGESTED INVESTIGATION OF OPERATION OF BENEFIT CONTROL SYSTEM—MOTION UNDER S.O. 43

Mr. Derek Blackburn (Brant): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity, namely the operation of the benefit control system within the Unemployment Insurance Commission. In view of the fact that numerous allegations have been made that "non-cheaters" are being systematically cut off from unemployment insurance benefits—a serious charge at any time but even more so at a time when we are facing record high unemployment rates and dangerously low job vacancy rates—I move, seconded by the hon. member for Northwest Territories (Mr. Firth):

[Mr. Dupont.]

That this House instructs the minister to initiate an investigation into the operation of the benefit control system of the Unemployment Insurance Commission and to report back to the House within three weeks the results of this investigation.

Mr. Speaker: Order, please. Pursuant to Standing Order 43 presentation of such a motion for debate requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

ENERGY

REQUEST FOR ROYAL COMMISSION INQUIRY INTO DEVELOPMENT AND USE OF ATOMIC ENERGY—POSSIBLE COMMITTEE STUDY

Mr. John C. Crosbie (St. John's West): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. The Leader of the Opposition has suggested a national inquiry into all aspects of the development of nuclear energy in Canada. At first the minister suggested that the Porter Commission in Ontario would be sufficient but he has now indicated in correspondence that such an inquiry might be undertaken by the Standing Committee on National Resources and Public Works. In light of the fact that this Committee has no real resources to conduct such an inquiry in terms of personnel, finances and subpoena powers, and in light of the experience of the Standing Committee on Public Accounts in a more restricted matter concerning sales of CANDU units abroad, would the minister agree to a royal commission inquiry with full powers of subpoena, adequate staff and finances to undertake this task?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I made it very clear in my reply to the hon. Leader of the Opposition, a copy of which I would be prepared to make public as he made his letter to me public, that I have never been against an inquiry into this area. Indeed, I think it is very important that there be a full and open public discussion about the whole question of nuclear energy, its resources and its benefits. The Porter Commission in Ontario is dealing with many aspects of the question of nuclear energy. I believe that the Standing Committee on National Resources and Public Works could well spend a good deal of its time examining the nuclear options under the reference it presently has. I told the Leader of the Opposition that my officials and I would be pleased to co-operate.

Mr. Crosbie: A supplementary question, Mr. Speaker. The minister is suggesting that the Standing Committee on National Resources and Public Works can undertake this job. Would the minister not agree that it is very likely that committee would be no more effective than the Public Accounts Committee is when it is investigating the more restricted matter of the

sale of these units? Would the minister promise active co-operation with all government departments and agencies rather than the mere lip service that the Public Accounts Committee has received in its inquiries?

Mr. Gillespie: Mr. Speaker, I have already indicated my support and the offer of my co-operation and that of my department.

* * *

ROYAL CANADIAN MOUNTED POLICE

INVESTIGATION OF PAYMENT OF AGENCY FEES BY ATOMIC ENERGY OF CANADA LIMITED—REQUEST FOR REPORT

Mr. John C. Crosbie (St. John's West): Mr. Speaker, I have a final supplementary question for the Solicitor General. The Royal Canadian Mounted Police were asked by the Minister of Energy, Mines and Resources to ascertain if enough information was available for an RCMP investigation into the payment of agency fees by AECL with respect to the sale of certain nuclear reactors. It is our understanding that the RCMP has completed that investigation and its report is now in the hands of the Solicitor General. Will the Solicitor General advise the House if he has received a report and if the report will be made public, or if there will be further investigations or charges laid as a result of the RCMP investigation into this matter?

Hon. Francis Fox (Solicitor General): Mr. Speaker, I have not been advised by the RCMP that the inquiry is finished. Actually, I have been advised to the contrary, that the investigation is not quite complete, and as yet I have no report in my hand.

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ENERGY

POSSIBILITY OF SELLING SECOND CANDU REACTOR TO SOUTH KOREA—GOVERNMENT POSITION

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, may I direct a supplementary question to the Acting Prime Minister? Since the Chairman of Atomic Energy of Canada Limited, Ross Campbell, told the Public Accounts Committee that AECL has entered into an agreement with Shaul Eisenberg covering a possible second reactor sale to South Korea, and since the Korean government has now ordered that future purchases of reactors are to be made under competitive bids, and has stated that no bid has been received from AECL even though the Korean Electric Company is shopping for two more reactors and interest has been expressed by France, Britain, Italy, Switzerland and the United States, I would ask the Acting Prime Minister if the government is serious about its intention to sell another reactor to South Korea?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I do not believe there have been any negotiations up to this time with respect to another reactor. If the government of Korea or the Korean Electric Company were interested in purchasing a second CANDU reactor we would, of course, be interested in discussing this with them.

Mr. Clarke: A supplementary question, Mr. Speaker. According to Canada's representative in these matters, the government has entered into a contract with an agent. My question, if I can repeat it, is this: is it the government's intention to carry on with the sale?

Mr. Gillespie: Mr. Speaker, it certainly is our intention to carry on with the sale, to complete the contract already entered into.

* * *

UNEMPLOYMENT INSURANCE

REASON FOR DROP IN TOTAL AMOUNT OF BENEFITS PAID—PROPOSED INVESTIGATION OF BENEFIT CONTROL SYSTEM

Mr. Derek Blackburn (Brant): Mr. Speaker, my question is for the Minister of Manpower and Immigration. Last Monday, the hon. member for Oshawa-Whitby asked the minister to explain why unemployment insurance pay-outs for 1976 were down from the 1975 pay-out level even though unemployment increased in 1976. The minister said he was puzzled by this anomaly and would try to find an answer. Has he found the answer?

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, when quoting figures last week we referred to the number of claims received, not allowed. Under Bill C-69 an individual 65 years old or over cannot claim UI. That had a depressing effect on the figure. The number of people allowed benefits was down only slightly. The increase in payments went from about $3.1 billion to $3.4 billion. It seems that the average duration of payments was longer, particularly in areas of worsening economic conditions. The average duration in 1976 was about 18.4 weeks, as compared with about 17.9 weeks in 1975.

Mr. Blackburn: A supplementary question, Mr. Speaker. Last week the minister said in the House that, with respect to the benefit control system, "the only people who are suffering hardship are those who are actually cheating." Since the minister has been sent letters from metro Toronto legal aid centres pointing out that large numbers of non-cheaters are being cut off benefits, will the minister investigate the operation of the benefit control system and report his findings to the House in a statement on motions?

Mr. Cullen: Mr. Speaker, I think that those suffering were in fact cheaters, that is, those who were working and drawing unemployment insurance at the same time. But there are other individuals who have failed to indicate that they are looking for work. I would not suggested that they are cheating. When they have indicated that they have made a legitimate job search, they are reinstated automatically.

PUBLICATION OF STANDARDS USED BY BENEFIT CONTROL OFFICERS IN ASSESSING ELIGIBILITY OF CLAIMANTS

Mr. Derek Blackburn (Brant): A final supplementary question, Mr. Speaker. As the Unemployment Insurance Commission, in assessing the eligibility of persons to receive benefits, uses arbitrary standards which vary from province to province and city to city, and as these standards are not made known to those applying for benefits, will the minister make public these standards, by tabling in this House copies of all guides and materials used by benefit control officers in assessing eligibility to receive UIC benefits?

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, under one of the services provided by the Unemployment Insurance Commission, our interviewing officers indicate to individuals what job searches they should be conducting. Here, again, common sense is brought to bear. Since only a certain number of jobs may be available in a particular area, whereas in another area there may be far more numerous job opportunities, it is clear that conditions are going to vary. The standards are not set in any arbitrary way; they are established with a view to helping individuals in times of high unemployment obtain the benefit of interviews with manpower officers and available job opportunities. This is done in an attempt to help the unemployed, Mr. Speaker.

● (1420)

ALLEGATION BENEFIT CONTROL OFFICERS PROMOTED ON BASIS OF PRODUCTIVITY

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I would like to refer the minister once again to the article in the Toronto *Star* prepared by Olivia Ward. It indicated that there was a quota system and a heavy handed approach by the government with regard to unemployment insurance claimants. Is the minister aware of the fact that Roger Tardiff, who is his acting chief of the Ontario region, has indicated that benefit control staff are promoted and given raises according to their productivity records? Surely the minister knows we are not talking about ingots in a steel company. Will he now without any hesitation and with firm direction pass on to the benefit control officers that this type of program must cease forthwith?

Hon. Jack Cullen (Minister of Manpower and Immigration): Being a lawyer, as is the hon. member, I would first like to hear the other side of the story, to ascertain if Mr. Tardiff said that, given the other inaccuracies in the Olivia Ward article. Most assuredly that is not the basis on which anybody should be promoted, that is productivity, not policemen giving traffic tickets or individuals giving interviews.

REQUEST FOR INVESTIGATION OF ALLEGATIONS IN REPORT OF TORONTO "STAR" OF MARCH 5, 1977

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I hope the minister will contact his subordinate in order to look into the entire matter, particularly all of the issues which were raised in that article. In view of the fact that in-house investigations are questionable, not satisfactory and are usually suspect, will the minister direct the unemployment insurance advisory committee to investigate and publicly report back on all the allegations in the Toronto *Star* of March 5, 1977? This is extremely important. His predecessor did this in the past and I hope the minister will move in a similar direction. Will he at the same time cause the said committee to investigate the reasons for and the extent of the increase in fraud affecting unemployment insurance? In other words, what is wrong with the act? Can the minister give us some assurance with respect to those steps?

Hon. Jack Cullen (Minister of Manpower and Immigration): As I said, Mr. Speaker, the article by Olivia Ward is fraught with errors, mistatements and incorrect information. I do not want to ask the advisory council to examine something that is obviously in error.

Mr. Alexander: I reject the minister's answer in this regard.

An hon. Member: Oh, oh!

Mr. Alexander: Just take your sweet time, dear friend. I indicated to the minister that in-house investigations are unsatisfactory, suspect and that we must have an independent inquiry with respect to this matter. He has set up a committee made up of labour, and there is the Minister of—what is your title, sir?—Industry, Trade and Commerce, and you are not doing a good job in that regard. Will the minister see to it that this committee is brought into play in order that we can have a fair investigation regarding this very serious charge? That is all I am asking.

Some hon. Members: Hear, hear!

Mr. Cullen: The louder the voice, the louder the applause. We do conduct constant investigations in an endeavour to indicate whether we might improve upon the system. I do not think it appropriate that I should call in this particular advisory group when I am not satisfied with the accuracy of the reporting that was done. If there are legitimate complaints, this group needs no impetus from me to get moving.

* * *

[*Translation*]

AGRICULTURE

POSSIBILITY OF FREE DISTRIBUTION OF MILK IN SCHOOLS—GOVERNMENT POSITION

Mr. Eudore Allard (Rimouski): Mr. Speaker, my question is directed to the Minister of Agriculture.

Could the minister advise the House whether his department intends to pay part of the costs of the program which his provincial counterpart has announced for next September, a program which will make it possible to have free milk distribution in schools and will likely develop in youngsters the habit of consuming dairy products?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, my department has no such intention at this time. As I said before, that is a social services program. The provincial governments are providing that in the schools in some instances at the present time.

[*Translation*]

INDUSTRIAL MILK—COMPARISON OF FEDERAL AND QUEBEC AID PROGRAMS

Mr. Eudore Allard (Rimouski): Mr. Speaker, in view of the fact that the Quebec government has certainly demonstrated more generosity towards farmers than the federal government through its recently announced stabilization policy of farm incomes, could the minister assure the House that Quebec will not be penalized because of that, as his provincial counterpart greatly fears? I am referring here to the fact that the Canadian government will reduce by 50 per cent its assistance to producers who join a provincial income stabilization scheme which proves more generous than that of the central government.

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Until now as the industrial milk producers of Quebec have been practically totally supported by the federal government, to suggest that the program announced by the provincial minister of agriculture in Quebec will be more generous than ours is just not factual.

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EXTERNAL AFFAIRS

REASON CANADA AGREED AT UNITED NATIONS TO KEEP HUMAN RIGHTS VIOLATIONS IN UGANDA UNDER REVIEW UNTIL 1978

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Secretary of State for External Affairs. In view of the fact that the Canadian permanent representative at the UN Commission on Human Rights was authorized to pursue, in concert with other delegations, the establishment of an investigatory body to examine the whole range of violations of human rights alleged to have been committed in Uganda in recent years and that apparently, in a closed meeting of the Commission, it simply decided to keep the situation under review until 1978, can the minister tell us whether Canada agreed to this procedure, whether any votes were taken, whether Canada voted for that proposition and explain why we simply agreed to have the matter kept under review bearing in mind the serious situation which presently exists in Uganda?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): I do not know the source of the hon. member's information but I have to tell him he is better informed on this subject than I am at the moment.

Some hon. Members: Oh!

Mr. Jamieson: I do not mind admitting it when an hon. member knows something I do not know. I have not heard anything about this officially. If the hon. member agrees, I will take his question as notice and get all the information for him.

POSSIBILITY OF DISCUSSING VIOLATIONS OF HUMAN RIGHTS BY UGANDA AT COMMONWEALTH CONFERENCE

Mr. David MacDonald (Egmont): I will be grateful to hear from the minister with respect to this situation because I know he himself felt strongly that this was one avenue worth pursuing by the Human Rights Commission.

In relation to the meetings which took place over the past weekend between the Prime Minister and the Prime Minister of Great Britain, may I ask whether or not further discussions took place on this matter either with respect to initiatives under the umbrella of the United Nations or, more particularly, along lines the minister himself referred to when he appeared before the Committee on External Affairs and National Defence and indicated he would recommend to the Prime Minister the placing of an item upon the agenda at the meeting of Commonwealth heads of government to take place later this year? Was there substantial agreement on this matter with the British Prime Minister and is there now a strong initiative to have this whole matter raised at that Commonwealth meeting?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): I think I can answer yes to the question in general without indicating that all those matters were discussed in precisely the form in which the hon. member has raised them. We did talk about Uganda and about the need to discuss these questions. I should say that a fair amount of the responsibility for the agenda rests with the Secretariat of the Commonwealth as opposed to any individual government. Therefore, while I have no doubt this subject will be discussed, I am not sure at the moment just what form the discussion will take or how it will get before the heads of government.

Mr. MacDonald (Egmont): I think it should be recognized that the recommendations of senior governments within the Commonwealth, such as our own and that of the United Kingdom, will very largely determine the shape of the agenda. It is important that Canadians be clear that the firm recommendation of our government and that of the United Kingdom is in favour of an agenda item with respect to this matter. It is not whether the Secretariat will be considering this or not but whether our government has gone on record as saying that from our point of view it is a requirement as an agenda item.

Mr. Jamieson: Mr. Speaker, I obviously cannot speak on behalf of the Government of the United Kingdom, but as far as Canada is concerned I do not think there is any question at all but that we anticipate this matter will be discussed and will also, undoubtedly be discussed in the broader context of human rights in general. The subject of human rights will also probably be on the agenda as well as on the agenda of the summit meeting which is to be held shortly before the Com-

monwealth meeting takes place. I repeat, however, that there is some question as to how exactly the agenda is to be formulated and at the moment we have not heard from the Secretary General as to what, for instance, other African countries may wish to do with regard to the discussion of the Ugandan question.

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● (1430)

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

ALLEGED REFUSAL OF OFFICIAL IN HAITI TO PERMIT VISIT TO PROJECT BY MEMBER OF PARLIAMENT—REQUEST FOR REPORT

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Secretary of State for External Affairs. As I wrote to the minister on January 14, which is exactly two months ago today, regarding the refusal of our senior CIDA representative in Haiti to make it possible for a visiting member of parliament to see our $20 million CIDA project in that country, would the minister explain why, during the past two months, I have received no report regarding this inexcusable lack of courtesy and duty?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, in answer to the first part of the question, namely the refusal to welcome a distinguished member of the House, I do not know for certain that that is the case, although I have every reason to take the hon. member's word for that. I would agree with him, however, that failure to reply in two months is inexcusable and I will make inquiries this afternoon to find out why he has not received that answer.

Mr. Hees: Mr. Speaker, first of all I should like to assure the minister that the facts are exactly as I outlined them to him in my detailed letter.

Would the minister not agree that permitting our CIDA representatives abroad not to explain such a lack of courtesy and duty indicates to them that this government condones this sort of thing and believes, as they seem to do, that members of parliament do not have the right and duty to see how the taxpayers' money is spent abroad on projects of this kind? If that is not the case, would the minister get on with the job immediately of getting that report into my hands?

Mr. Jamieson: Mr. Speaker, the second question is a little redundant since I already said I would get on with it immediately, and I assure the hon. member he will have an answer very quickly.

[Mr. Jamieson.]

NATIONAL DEFENCE

REASON FOR DELAY IN LOCATING DEFENCE RESEARCH CENTRE IN WINNIPEG—ALLEGED DIFFICULTY ACQUIRING LAND

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, my question is for the Minister of National Defence. On March 8 in a news release the minister stated that he would not be able to continue with the locating of the new Defence Research Centre in Winnipeg due to budgetary constraints, but the former minister of national defence, the hon. member for Winnipeg South, in a public statement on Friday stated:

> It just is not correct to say the money is not available. It was approved by Treasury Board. I know because I got the money approved for that expenditure in the west at the same time as the funds were approved for the language college in Quebec.

I would like to ask the minister why there is delay in locating the centre in Winnipeg when funds have already been allocated by Treasury Board.

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, the same questions are being asked by my colleague, the distinguished Minister without Portfolio from Manitoba.

Some hon. Members: Who is he?

Mr. Danson: The fact is that I, too, had those questions, in a period of time after the funds have been approved, as to why it had not gone ahead. There were difficulties in acquiring the land. I had given instructions to proceed with the acquisition of land to meet the options open and to make certain that decentralization was carried out in Winnipeg, and that the research and development efforts and the industrial efforts benefit Winnipeg in the best way for the longest terms, as I pointed out in committee.

Mr. McKenzie: The minister stated a number of times that he is having difficulties acquiring the land, but the former minister stated:

> . . . it was also not correct to say that there were difficulties encountered in acquiring the land for a site in Winnipeg.

As the department has had the land purchase contract in its hands for almost three months now, can the minister tell us what difficulties he is experiencing, because he is getting the land at an absolute steal?

Mr. Danson: I would be delighted to, Mr. Speaker. It is not actual acquisition of the land that is the difficulty, although I gave that impression. This is not precisely correct. It was the closing of rights of way, the need to expropriate some properties or to avoid the expropriation of some properties, but mostly it had to do with civic regulations regarding the accesses and closing of accesses.

LOCATION OF DEFENCE RESEARCH CENTRE IN WINNIPEG AS PART OF DECENTRALIZATION PROGRAM

Mr. Dan McKenzie (Winnipeg South Centre): The former minister of national defence stated also in his public statement on Friday:

If the Liberal government does not go ahead with the Manitoba Defence Research establishment it will be clear evidence that it does not believe in its policy of decentralization . . .

I should like to ask the minister whether the moving of the Defence Research Centre to Winnipeg will be part of the over-all decentralization policy of the government?

Hon. Barney Danson (Minister of National Defence): As my colleague and I have discussed, decentralization still continues. We want to make certain that it is proper decentralization, the wise use of taxpayers' money, the longest-term benefits, the best benefit for the people of Winnipeg and for Manitoba.

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EXTERNAL AFFAIRS

SUGGESTED DEBATE ON INTERNATIONAL AFFAIRS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is a supplementary one to the Secretary of State for External Affairs. In view of the questions that were asked a few moments ago by the hon. member for Egmont and also the hon. member for Prince Edward-Hastings, I would ask the minister whether or not he would return to the experience of the past in connection with international affairs when Mackenzie King, during the days of war, regularly set aside a couple of days for the discussion of international affairs. That course was followed by the St. Laurent government, by the Pearson government and by my government. The result was that the government heard the views of members of parliament.

Does he not think now is the appropriate time for the government to set aside a couple of days so that we can discuss such matters as the effrontery and diabolical cruelty of Amin as well as the question of the invasion of human rights by the U.S.S.R. and the Helsinki agreement to get the views of members of parliament on these questions? I ask him that in all sincerity because so far as the situation today is concerned foreign affairs have become the monopoly of Ivan Head, the Prime Minister and the minister, and the rest of us—

Some hon. Members: Oh, oh!

Mr. Diefenbaker: —do not have any say in these matters and cannot make our views known in this connection.

Some hon. Members: Hear, hear!

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, I am surprised to see the hon. member for Egmont applauding those strong words of the right hon. member for Prince Albert. He knows I was before the committee of the House for three hours just last week and before the Senate committee also last week. In so far as discussing these matters in this chamber is concerned, I have no objection to that. I am not sure what the mechanism would be for bringing this subject before the House. Obviously, one is to have an opposition day devoted to external affairs. But if there is another technique, I would willingly discuss it with the House leader to see what can be done about it.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: This is an alibi that has been used regularly by the present government. In the past, however, various governments wanted to know what the average member thought and it was the government that would set aside the two days. I am sure that irrespective of the tremendous intelligence of the three persons I named, members of parliament could contribute quite a lot at this time and, in particular, could let the world know what we think of having Amin appear at the Commonwealth conference.

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CANADIAN BROADCASTING CORPORATION

POSTPONEMENT OF PROGRAM ON SYNCRUDE PROJECT—REQUEST FOR ASSURANCE NO COMMUNICATION BETWEEN CABINET AND CORPORATION

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, in the absence of the Secretary of State I should like to direct my question to the acting minister. Will the minister confirm to the House the report in the March 12 issue of the *Globe and Mail* that the broadcast of the CBC journalistic drama on the Syncrude project has been postponed indefinitely, allegedly because one of its key characters is currently premier of a province and therefore would add extra controversy to the current image of the CBC? If this is the case, will the minister assure the House that there was no communication between the CBC and federal cabinet members on the issue?

[*Translation*]

Mr. Jacques Guilbault (Parliamentary Secretary to Secretary of State): Mr. Speaker, I will seek information about the hon. member's statement and report to him.

[*English*]

REQUEST FOR ASSURANCE NO COMMUNICATION BETWEEN CABINET AND CORPORATION ON CONTENT OF NEWS PROGRAMS

Mr. Cyril Symes (Sault Ste. Marie): Would the parliamentary secretary also look into whether or not there has been any communication between the Secretary of State or his cabinet colleagues and the CBC on the content of news programming, apart from the allegations of separatist bias which have been already heard?

[*Translation*]

Mr. Jacques Guilbault (Parliamentary Secretary to Secretary of State): Mr. Speaker, I understand the hon. member's question.

● (1440)

[*English*]

HEALTH

STUDY OF FOODS AND DRUGS CONSIDERED DANGEROUS—GOVERNMENT POSITION

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Now that tests on saccharin and allied products have been carried out by the food and drug administration, and now that they are to be taken from the market, will the minister inform the House if other foodstuffs and drugs are under similar study? There is great doubt about their safety, and if there is a comparison between these kinds of studies and the study carried out on saccharin, will the burden of proof be put on producers and the benefit of doubt be given to the consumers of this country? Will these products which are possibly under study—and we will find that out from the minister's answers—be withdrawn from the market before the final word is in?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, under the Food and Drugs Act, whenever a new product is to be out on the market in compliance with this legislation, manufacturers must submit to the Health Protection Branch considerable evidence on the quality and value of this product from a health point of view. These regulations now exist and any new request to put a product on the market made by a manufacturer under the Food and Drugs Act shall comply with the extremely strict criteria provided by the law. At the present time, the manufacturer has to file evidence before the department will grant a licence for the distribution of these products.

[*English*]

Mr. Grafftey: Mr. Speaker, while everybody in the House applauds the minister's taking saccharin and allied products off the market, does the minister not feel that because of the debate going on it might have been more desirable to have withdrawn saccharin long ago, that a similar situation vis-à-vis studies could have applied to foodstuffs and other drugs now being tested, that the government should act sooner rather than later and that the benefit of the doubt should be given to the consumer?

[*Translation*]

Mr. Lalonde: No, Mr. Speaker.

* * *

[*English*]

NATIONAL DEFENCE

PROPOSED REVERSAL OF DECISION TO MOVE AIRBORNE REGIMENT FROM EDMONTON

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my question is for the Minister of National Defence. The chief of the defence staff stated in committee that moving the Canadian Airborne Regiment from Edmonton to Petawawa would make the force operationally less effective. Would the minister now reverse his decision on this less effective operation and leave the Canadian Airborne Regiment in Edmonton?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, I think the hon. member is taking words out of context. This move makes the force more operationally effective. There are to be some compromises made on the day-to-day operation, but in the over-all picture of the armed forces this makes them far more effective.

REMOVAL OF AIRBORNE REGIMENT FROM EDMONTON—REQUEST FOR DELAY TO CONSULT NEW CHIEF OF STAFF

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, if the minister had been in the committee, he would have heard the chief of staff. However, would the minister at least wait and consult with the new chief of the defence staff when General Dextraze, that honourable and distinguished soldier, retires before executing this most expensive and political exercise?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, this move is not expensive, as the hon. member says; it is cost effective, and it is only political in the sense that it is in the best interests of all Canadians.

* * *

FINANCE

GOVERNMENT POSITION ON REMOVAL OF SALES TAX FROM EQUIPMENT PURCHASED BY MUNICIPALITIES

Mrs. Jean E. Pigott (Ottawa-Carleton): Mr. Speaker, my question is to the Minister of Finance. As the minister knows, municipalities are facing increasing budgetary difficulties, despite vigorous austerity measures. In view of the fact that another increase in municipal tax rates is probable and that this increase will be reflected in the consumer price index, what consideration has the minister given to the removal of all federal sales taxes applied to purchases by municipal governments for equipment to operate essential public services?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, there are already a fair number of exemptions in the Excise Tax Act for acquisitions by municipal institutions; for example, transit authorities of municipalities. I would have to say that a substantial withdrawal of any part of the excise tax would involve the imposition of the same taxation somewhere else on other taxpayers. In that sense I am not anticipating a change in this regard, but I will take the question as a representation to be considered in budget preparation.

Mrs. Pigott: Mr. Speaker, I realize my predecessor in Ottawa-Carleton was able to remove the tax on water, but there having been representation by the Ontario Municipal Electric Association regarding federal sales tax on material

and equipment used for electrical distribution systems under the control of municipalities—and this would really do a great deal to help lower housing costs and lower the taxes paid by consumers of municipal services—would the minister address himself especially to the electrical supply area?

Mr. Macdonald (Rosedale): Mr. Speaker, I would be glad to consider that particular representation.

* * *

LABOUR CONDITIONS

STRIKE AT GRIFFIN STEEL, TRANSCONA—GOVERNMENT EFFORTS TO SETTLE

Mr. Jake Epp (Provencher): Mr. Speaker, in the absence of the Minister of Labour I would like to direct my question to his parliamentary secretary. My question is with respect to the strike which is taking place at Griffin Steel in Transcona, Manitoba, and which has been going on for a number of months. The situation has turned into a very ugly confrontation between Winnipeg police and the strikers. I would like to ask the parliamentary secretary whether his minister's department is aware of the situation and whether it has tried to get the various parties together in the hope of ending the strike, especially in view of the fear of many Manitobans that if the strike continues Griffin could close and the production of rail car wheels would take place in another province.

[*Translation*]

Mr. Jacques Olivier (Parliamentary Secretary to Minister of Labour): Mr. Speaker, with regard to the comments made by my colleague opposite, I must say that I have not yet received the reports relating to that matter; I will inquire and report to him as soon as possible.

* * *

[*English*]

ADMINISTRATION OF JUSTICE

DATE OF INTRODUCTION OF YOUNG OFFENDERS ACT

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Solicitor General. Has the proposed young offenders act yet cleared Treasury Board, and if it has, when can we expect to see that long awaited bill?

Hon. Francis Fox (Solicitor General): Mr. Speaker, we have gone through a very elaborate and very complex process of consultation to ensure that all points of view were known before we brought out the federal position. We would like once again to discuss it with the provinces. I would like to make the federal position known by the end of this month.

Oral Questions

EXTERNAL AFFAIRS

CONFERENCE ON EDUCATION IN BRUSSELS—FEDERAL REPRESENTATION IN VIEW OF ALLEGED POSITION OF QUEBEC

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, in the absence of the Prime Minister and because of the international implications of my question I would like to direct my question to the Secretary of State for External Affairs. In light of the attitude said to have been adopted by the Quebec government with respect to an international conference on education in Brussels, what steps is the government planning to take to ensure an appropriate single federal presence at that conference?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, like the hon. member, I have seen the comments of the spokesman for the government of the province of Quebec. I can only give the same response I gave during the weekend in answer to a news inquiry, namely, that we are continuing to schedule these conferences and the make-up of the delegations attending them in precisely the same way as we have in the past. No changes are being contemplated. I have not as yet heard official word from the government of the province of Quebec. It may have reached my department, but I understand the matter is still being discussed at that level.

WATER RESOURCES CONFERENCE IN BUENOS AIRES—REQUEST FOR FEDERAL REPRESENTATION

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, in light of the exactly opposite attitude adopted by the government of the province of Quebec with respect to another conference being held—I believe on water resources in Buenos Aires—what steps is the government taking to ensure again that there will be a single Canadian federal voice at that international conference?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, I can answer with more precision with regard to the water conference because that issue has been resolved. Each province will have the same representation. It will be a federal delegation. The vice chairman of the delegation, as is frequently the case, will be Mr. Green, a minister from the province of Manitoba. In last minute negotiations we did agree that for those provinces which wish to do so their representation could be increased from one to two persons, but beyond that there has been no change. I gather the hon. member is asking about the province of Quebec. The province of Quebec or any other province wishing to have two representatives rather than one may have two. Beyond that there has been no change from what we have normally done at such international meetings.

Oral Questions

NATIONAL DEFENCE

MINISTER'S STATEMENT ON EFFECTIVENESS OF ANTI-SUBMARINE FORCES—REQUEST FOR CLARIFICATION

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of National Defence. In an interview program on Thursday evening the minister averred that our anti-submarine forces in the Atlantic are capable of finding and destroying nuclear armed submarines to an extent that would nullify the submarine-launched second-strike capability of an enemy. As these remarks are at variance with every knowledgeable military observer or expert that I know of, can the minister inform the House what grounds he has for making such statements which, if they came from someone other than the Minister of National Defence, would simply be considered uninformed nonsense?

● (1450)

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, I think the hon. member added something that was not in that broadcast at all and that was to nullify the strength and strike capability. I was only commenting on the capability of our anti-submarine forces to seek out and destroy nuclear submarines. That is not a fool proof system; it is not 100 per cent and I think I pointed that out in that television broadcast as well.

Mr. McKinnon: Perhaps I could give my reference for the statement I have made in the form of a question. The transcript of The Watson Report contains the following exchange:

WATSON: All right. Now if that is true and we have suddenly made the Russian second-strike capacity not invulnerable, that is, it is vulnerable to our defence . . .

DANSON: Surely it is.

Further, when Mr. Watson asked if we were destroying submarines—

Mr. Speaker: Order, please. The hon. member put forward a very interesting challenge but hardly a question.

* * *

AGRICULTURE

REQUEST FOR STUDY OF EFFECT ON DAIRY INDUSTRY OF INTRODUCTION OF IMITATION CHEESE

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the Minister of Agriculture. As he noted in the House on Friday, cheese consumption rose by 15 per cent in the last year and the expanded cheese industry in this country may now be threatened by imitation cheese coming from the United States, for which at least one company is lobbying. Would the minister consider making a study on the economic impact this would have on the dairy industry if indeed imitation cheese were brought into Canada?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I am sure if it were allowed into Canada it would have an effect on the sales of good cheese in some instances. We intend to counteract any program such as this by entering into an advertising agreement, which has already been done, with the dairy processors who have agreed to pay for part of the advertising to sell industrial dairy products, mainly cheese products, in Canada.

Mr. Nystrom: A supplementary question. Just so that I am clear, Mr. Speaker, am I to understand that the minister will not undertake an economic impact study on the effect that imitation cheese will have on the income of dairy farmers? Will the minister undertake that type of study on behalf of dairy farmers in this country?

Mr. Whelan: Mr. Speaker, even without having a study we know that if imitation cheese products take the market away from cheese producers in Canada you are going to have an economic effect on them. You do not have to be an economist to figure that out. All you have to be is a farmer and you would understand that this could be a possibility. I think we have to understand that the cheese products we are producing in Canada are superior to nearly any cheese products in the world. The very fact that we have increased our share of the market by 15 per cent last year shows that any imitation product will have a tough time competing with us.

* * *

FINANCE

GOVERNMENT POSITION ON AGRICULTURE AT GATT NEGOTIATIONS—REQUEST FOR STATEMENT

Mr. Jack Murta (Lisgar): Mr. Speaker, my question is for the Minister of Finance because I do not think the Minister of Agriculture would be able to give me a proper answer. Since agriculture organizations, provincial governments and commodity groups are literally frightened to death that agriculture could be forgotten in the upcoming GATT negotiations, I should like to ask the Minister of Finance if he could inform the House when the government position on agriculture will be put forward to the various commodity groups and provincial governments across Canada? Will there be meaningful consultation on tariffs and non-tariff measures when the Canadian position is put forward because at the present time the position is really cloudy and nobody understands exactly what the government is prepared to do?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, as the hon. gentleman says, the question of agriculture has not been at the forefront of the Geneva round of discussions, principally because of a stalemate in position between the United States and the European Economic Community. We would anticipate that with a renewed effort at the MTM negotiations that the question of agriculture would be assuming more prominence. From a Canadian standpoint we would expect within a matter of a very few weeks to have an important element of this, namely, the tariff board report on fresh fruits and vegetables, available for consideration by the

agricultural community and of the organizations the hon. member has mentioned and to have the opportunity of consultation in this regard. I can assure the hon. gentleman that the Minister of Agriculture has impressed upon me the importance of consultation with associations as well as provincial governments in this regard. We will, as in the industrial sector, make every effort to make certain that the viewpoint affecting Canadians will be taken into account at these negotiations.

* * *

[*Translation*]

MANPOWER

CANADA WORKS PROGRAM—POSSIBILITY OF INCREASING FUNDS

Mr. C. A. Gauthier (Roberval): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration.

In the riding of Roberval, the selection committee has just completed a first selection of the Canada Works projects, and hardly 10 per cent of the applications could be considered because of the small funds available. Given the 30 per cent unemployment rate in the area, according to the manpower centre data, can the Minister tell the House whether additional funds will be made available for the unemployed so that all the projects presently submitted could be approved, and can he tell when?

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, I have received the hon. member's representations.

* * *

[*English*]

NATIONAL PARKS

PROPOSED GRASSLAND NATIONAL PARK—DATE OF DECISION WHETHER OR NOT TO PROCEED

Mr. Frank Hamilton (Swift Current-Maple Creek): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. As the agreement between Saskatchewan and Canada regarding the Grassland National Park expires this month, can the minister indicate whether this park will be "go" or "no go"? The land owners involved have been waiting for years and are suffering the hardship of being unable to plan ahead.

Hon. Warren Allmand (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have been carrying on negotiations with the government of Saskatchewan. As a matter of fact I was to meet the Saskatchewan minister last week but the meeting had to be cancelled and we are looking for another date. As far as we are concerned we would like to go ahead as soon as possible.

MANPOWER

MINISTER'S VIEW OF WORK-SHARING SCHEMES USED IN EUROPE

Mr. Arnold Malone (Battle River): Mr. Speaker, my question is for the Minister of Manpower and Immigration. Last Thursday in a speech delivered to the Retail Council of Canada the minister made a statement about work-sharing schemes to the effect that "the idea has been successfully used in a number of European countries." I wonder if the minister could tell the House to which countries he was referring, which studies and by whom that have led him to the conclusion that these programs were successful?

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, I indicated in that address that there had been some successes and some failures, and that is why we had received some negative representations from the chamber of commerce, the Canadian Manufacturer's Association and the CLC. I was making a pitch for what I believe to be an innovative and excellent program. It won the approbation of United States authorities and that particular speech has been written into the congressional record by Senator Hubert Humphrey. I think we can discuss the details at committee—yes, I expect we will, hon. member for Hamilton West.

* * *

ENERGY

DUMPING OF RADIOACTIVE WASTE—POSITION OF ONTARIO ON SITES IN HASTINGS COUNTY AND MADOC AREA

Mr. J. R. Ellis (Hastings): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. On Friday last the minister's Ontario counterpart visited him. Before that time he made it clear he was not about to have nuclear waste dumped in Hastings County in the Madoc area. Can the minister tell the House whether he agrees with that and if he is prepared to say publicly that no waste will be dumped in that particular area.

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I think there is a lot of confusion and ignorance about this whole question. For the benefit of the hon. member perhaps I should point out that Ontario Hydro and AECL, many months ago, formed a joint task force with the knowledge of the Ontario government and the federal government which asked the Geological Survey of Canada to look at potential permanent, geologically stable sites for the disposal of waste which is of course being created by the reactors owned and operated by Ontario Hydro. It was against that kind of context of joint operation that the minister and I discussed the whole future of a managed waste disposal facility for Ontario Hydro in the province of Ontario in the years to come, and the position the minister took was that there should not be any drilling. I told him that the decision had already been taken by me that there would not be any drilling this summer.

[*Translation*]

LABOUR RELATIONS

REQUEST FOR REPORT ON PROGRESS OF NEGOTIATIONS BETWEEN UNION AND FLOUR MILLERS

Mr. Raymond Dupont (Sainte-Marie): Mr. Speaker, my question is for the Minister of Labour.

Can the minister tell the House what progress has been made in negotiations between opposing employers and employees in the Quebec milling industry conflict?

Mr. Jacques Olivier (Parliamentary Secretary to Minister of Labour): Mr. Speaker, a meeting is scheduled for the two parties tomorrow morning. Under section 195 of Labour Code Part V, we have appointed a mediator, Mr. Doucet, who a month ago managed to bring the two parties together; we hope they will soon reach a settlement.

● (1500)

ROUTINE PROCEEDINGS

[*English*]

COMMONWEALTH DAY

PRESENCE IN GALLERY OF HIGH COMMISSIONERS OF COMMONWEALTH COUNTRIES

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, I should like to draw to the attention of hon. members the presence in the gallery today of their Excellencies the High Commissioners of Commonwealth countries. They have been your special guests, Mr. Speaker, in your capacity as this year's president of the Commonwealth Parliamentary Association at a luncheon to mark Commonwealth Day.

Some hon. Members: Hear, hear!

RECOGNITION OF FACT COMMONWEALTH COUNTRIES SIMULTANEOUSLY OBSERVING COMMONWEALTH DAY

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, it is my privilege to rise on behalf of the government on this second Monday in March in recognition of the fact that today is Commonwealth Day. This year, for the first time, the 36 members of the Commonwealth around the world are observing Commonwealth Day simultaneously. This is, therefore, a day on which some 900 million people on five continents, who speak different languages, who have diverse cultures, who belong to different races, will take special note of their Commonwealth ties.

There are no superpowers in the Commonwealth; there is no *primus inter pares*—and that is one of its assets. Rather, it is an association of equal sovereign states which have voluntarily decided to come together and talk and work with each other in an atmosphere of mutual respect and understanding. In a world where negotiations among nations are too often a dialogue of the deaf, the Commonwealth provides a forum in which each member can express its views and be assured that its views will be heard. The Commonwealth promotes co-operation in place of discord, consultation in place of ignorance, and consensus in place of disharmony. Last year the Commonwealth was pleased to welcome a new member, the Seychelles which, like Canada and Mauritius, is a bilingual country and which, like Canada and Mauritius, is a full-fledged member of both the Commonwealth and "la francophonie".

We believe the Commonwealth provides an important avenue of attack on several world problems. Secretary General Ramphal recently pointed out:

> The Commonwealth has one-fourth of the world's people, but it has nearly one-half of the world's poor.

Of the poorest of the poor, those with incomes of less than $200 per annum, nearly three of every four live within the Commonwealth. This suggest the immensity of the task before us and it suggests that now, more than ever before, we must use the Commonwealth to attack the problems of poverty, inequality and degradation.

The Prime Minister (Mr. Trudeau) is very much looking forward to the Commonwealth heads of government meeting in London, in June, and to a further strengthening of the close contacts with our Commonwealth partners tht we have enjoyed in the past. This year that meeting will follow closely the celebrations of the silver jubilee of Her Majesty Queen Elizabeth who occupies the important role of head of the Commonwealth. In London we anticipate a strengthening of resolve to find ways of ensuring that each human being is able to live free from fear and want.

Mr. Speaker, this is Commonwealth Day; it is a day of education and a day on which I wish to underline the great value which Canada attaches to its Commonwealth association.

Some hon. Members: Hear, hear!

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, in the presence of the auspicious company in our gallery, I join the Acting Prime Minister in this parliamentary observance of Commonwealth Day. It should not be lost on us that this year, for the first time, Commonwealth Day is being observed by 36 nations of the Commonwealth at the same time. That, at the very least, demonstrates how small our world has become, how much the actions of nations can affect other nations, and the truth that we can no longer turn our backs on the world when it suits us.

The statistics are astronomical: 900 million people, five continents; one-half of the world's population; three out of four of the poorest of the poor in the world live in the Commonwealth; the diversity of culture, language and race—all this is testimony to the sweeping potentiality of the Commonwealth as an instrument of understanding and for improving the human condition. For those reasons and others we should all view Canada's membership as membership in a precious association to be fostered and strengthened.

While all nations have their own national problems and priorities, only the blind among us would advocate that we should turn our backs on people for whom destitution, illiteracy and lack of economic opportunity are a way of life. If the Commonwealth were merely to expose those problems, it would do a useful service; but I believe history demonstrates that it has far greater potential.

The Commonwealth, moreover, can provide us with a window to the third world which we and others not of that world would otherwise lack. Mr. Speaker, it serves as an example to all in this country and outside that our differences need not always stand in the way of reasonable dialogue. Perhaps its greatest strength for the resolution of mankind's problems is the fact that despite diversity there is a voluntary agreement to meet and to talk. While the dialogue to some may be ongoing and perhaps endless, I suggest that the solution to all problems in this world begins with dialogue.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): There are differences among member nations with regard to the parliamentary system, the importance of the right of dissent and, indeed, the value of human life. The views of many nations are separated in terms of democratic development, but such differences should not deter us from the effort to lessen their impact. Tragic events of recent days indicate that even within the Commonwealth there can be countries in which little value is placed on human life, on love and respect for humanity. There should be a firm recommendation by Canada to the secretariat of the Commonwealth that the whole Ugandan question and the activities of Idi Amin should be put on the agenda of that meeting in London.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): I think in this way Commonwealth countries can become the spokesmen for all nations of the world which value human life and dignity. The Commonwealth has been in existence for some time. It has been evolving. However, it is still an experiment—an experiment of adaptation and change. It is an experiment which we support. Therefore, I commend the minister for his statement and I am proud to speak on my party's behalf on Commonwealth Day.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I am pleased to join the Acting Prime Minister and the spokesman of the Official Opposition in welcoming Commonwealth Day. The Commonwealth is quite an unusual and remarkable institution. It has no parallel in history. Many books have been written about it, and much said about it. You will be pleased to hear, Mr. Speaker, that I do not intend to make my remarks on the subject at all lengthy because we are profoundly aware of the Commonwealth and we in this country believe in it.

● (1510)

There are certain common institutions which unite us in the Commonwealth. There is the rule of law. With, I have to admit, an unfortunate exception, the rule of law does govern the peoples of the Commonwealth. We do in fact, although with differences, enjoy democratic institutions. We have genuine good will to each other based upon our common traditions. We are able to talk to each other despite the very great differences between our countries. However, all is not sweetness and light.

I am glad that the Acting Prime Minister read the message from Secretary-General Ramphal who pointed out that the Commonwealth has one-fourth of the world's people but it has nearly one-half of the world's poor. Of the poorest of the poor, those with incomes of less than $200 per annum, nearly three out of every four live within the Commonwealth. This means that if we wish to take the Commonwealth seriously and if we wish to show our sincerity, we must do something more than we have done as a developed country to help in the attack. I quote from the Acting Prime Minister's statement: "We must use the Commonwealth to attack the problems of poverty, inequality and degradation". If we do that seriously and meaningfully, we will have made the institution of the Commonwealth a boon not only to ourselves but to mankind.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I am a bit surprised by the statement of the minister, but I do realize this is Commonwealth Day. Like my colleagues, I want to the express my best wishes to Canada and all other countries that have for years belonged to the Commonwealth.

What struck me most in the Acting Prime Minister's statement was his wish that all groups feel free within the Commonwealth. I trust those are not words only and hope wholeheartedly that it is a fact for instance, when we speak of the rights of man. Today, we talk of human rights, of the individual's rights, but we often see that those rights are not respected by those who clamor the most about the respect of human rights. I hope the two principles, the freedom of the individual and the rights of man, will become a fact, that we will quit talking about the principles and practice them instead. Those are the wishes I express on the occasion of Commonwealth Day.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that all questions be allowed to stand today.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

BUSINESS OF THE HOUSE

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order while the parliamentary secretary to the government House leader is in the chamber. There was some imprecision on what the government business might be for tomorrow. I wonder if the parliamentary secretary is in a position to tell us that now, or will he perhaps do it later in the day?

Mr. Goodale: Mr. Speaker, I will attempt to provide that information later in the day, if that is agreeable to the hon. member.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT, 1976

AMENDMENTS TO IMPLEMENT CHANGES IN IMMIGRATION POLICY

The House resumed from Friday, March 11, consideration of the motion of Mr. Cullen that Bill C-24, respecting immigration to Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Arnold Malone (Battle River): Mr. Speaker, on Friday last when I called it four o'clock I was going through a two-point analysis as to my perception of immigration in this country. The fundamental base I had laid is that this country, and no country, really, has the legitimate cause to have an immigration policy that in any way is based on a racist policy. That, of course, should stand without argument. The two points I was particularly trying to put forward were that there is a myth in this land that Canada somehow has the potential to feed within its borders many more people than is really possible. The other point I had been trying to make and to document with statistics and fact is that Canada will much better serve the third world, not by importing people into this country but, rather by the export of science and technology. It is on that latter theme that I wish to continue. I quote from *Scientific American* of September, 1976, an article by Jennings:

Since 1967 the annual expenditure on rice research and related activities by CIAT, the Colombian government and the Colombian Rice Federation never exceeded $1 million. In Colombia alone and in one year alone, 1974, the added production resulting from the introduction of the new technology was valued at $230 million. That is a splendid return on any investment.

Our best hope is in teaching the poor nations to help themselves. I wish to quote from "The Development of Agriculture in Developing Countries", by W. David Hooper:

If the people of the poor countries are to be fed, the food will have to come from their soil, their resources and their farm economies. The surplus production of a few exporting countries can serve on occasion to buffer the impact of bad weather or other calamities, natural or man-made, but there should be no illusion that the world's food security can be ensured by abundant harvests from the fields of Kansas and Saskatchewan, Argentina and New South Wales.

[Mr. Speaker.]

The conscientious person should find relief in the fact that poorer nations, given the proper guidance and incentives, have been quick to adapt to more modern methods of agriculture. I again quote from David Hooper:

The significance of the "green revolution" derives not so much from its numerical impact on food output as from its demonstration of what is involved in the modernizing of traditional agricultures. The widespread, rapid adoption of high-yielding varieties of wheat and rice gave proof that peasant farmers were not slow or stubbornly resistant to change.

As further proof I offer the following quotation:

Within four years of the first widespread release of the seed of new high-yielding wheat varieties in South Asia those varieties occupied practically all the land suited to their cultivation. In response to yield differences of 200 to 300 per cent over traditional plant varieties, and with the important incentive of grain prices that made high-yield farming extremely profitable, the Asian peasant proved to be as innovative as any in the world.

● (1520)

Today, the world's agricultural land area is almost all in production. Any further increase in food supplies must come from improved technology. There are few new agricultural frontiers left to be conquered. To demonstrate this proposition I should like to read excerpts from a book by Lester R. Brown entitled "By Bread Alone".

From the beginning of agriculture until about 1950, most of the year to year increases in world food output came from expansion of the area under cultivation. Since 1950, however, the major increases—probably four-fifths of the current gains in output—are attributable to intensification of cultivation on existing land area.

Today, the increase in food output that can be produced with an additional ton of fertilizer or gallon of fuel is far higher in the developing countries than in the industrial countries. Since fertilizers are already used very heavily in the agriculturally advanced nations of Europe, in Japan and the United States, an additional pound of fertilizer applied in these nations may return no more than five additional pounds of grain. But in countries such as India, Indonesia or Brazil, another pound of fertilizer can yield at least ten additional pounds of grain. It is unfortunate and ironic that, when world fertilizer shortages emerged in 1973, the more advanced nations acted to restrict their fertilizer exports to the poor nations where the fertilizer could have produced much more food.

Further, Lester Brown points out:

The first domesticated cow probably yielded no more than 600 pounds of milk per year, barely enough to support a calf to the point at which it could forage for itself. In India, milk production remains at about that level today. By contrast, in 1973 the average milk cow in the United States yielded over 10,000 pounds of milk annually. The world record is held by a cow in the state of Washington, Skagvale Graceful Hattie, which recently produced more than 44,000 pounds of milk in a single year—55 quarts daily—thus outperforming its early ancestors by more than 70 to one.

Likewise, we should note:

The first domesticated hens did not lay more than about 15 eggs, or one clutch, per year. In 1973 the average American hen produced 228 eggs. For some time, U.S. hens held world egg-laying titles but a few years ago an industrious Japanese hen set a new record by laying 365 eggs in 365 days.

If we turn to the *Scientific American* of September, 1976, we find there an article entitled "The Amplification of Agricultural Production" in which Peter R. Jennings states:

The central element in the endeavour to improve yield is the breeding of new varieties of crop plants. A first imperative is the development of varieties which produce abundantly when grown in dense plantings and supplied with fertilizer, water and pesticides. The plants can also be given other desirable properties such as resistance to diseases and to insects, and tolerance of a wide range of climate, soil and other environmental factors. In principle, every heritable characteristic of the plant is subject to the will of the plant breeder.

Research into plant breeding has greatly increased the world's capacity to produce protein for human consumption, first by selecting and breeding for increased yield and, second, by selecting and breeding for varieties which contain a higher percentage of protein. To quote Mr. Jennings again:

For example, more than 30,000 kinds of rice have been collected. The multitude of existing varieties is of incalculable value today.

To further establish this point I should like to quote from a paper by Dixon Thompson called "The Preservation of Agricultural Land", published on April 20, 1975:

If Canada is one of the four or five major food exporting countries—although we do import a lot of food, including meat, butter, fruit and vegetables—it is because we still have a relatively small population. Even if we are able to increase agricultural productivity, consuming more non-renewable resources in the process, we shall eventually lose the ability to produce a surplus for export, because of population growth.

What Mr. Thompson is pointing out here is simply this: as long as the "have" countries import large populations they are placed at a disadvantage to the extent that they are unable to export the technology which would secure the greatest advances in alleviating the critical food situation existing around the world. There is, then, a need to retain a relatively small but highly educated and motivated Canadian population. I quote from an interim report in connection with a National Research Council study on world food and nutrition published in 1975:

Annual increases of between 3 and 4 per cent in food consumption in developing countries depend upon parallel increases in their own production. Acreages are unlikely to increase more than 1 per cent per year—roughly the recent level—and may well increase less. The cost and other difficulties of bringing new land into production coupled with the geographic separation of most of the unfarmed arable land from the concentrations of population strongly inhibit opening new acreages.

Thus, the key to adequate feeding of future generations in the hunger prone areas of the world is very substantial farm yield increases—about 2.5 per cent per year, on the average, sustained over the coming decades. In some poor areas experiencing rapid population growth with few or no land reserves, yields may need to rise even to between 3 and 5 per cent per year. During the 1960s the over-all yield increase in the developing countries was 1.9 per cent and it was higher at the end of that period, but recent events suggest that this momentum will be hard to sustain. A strong research basis is indispensable to sustaining the required yield increases in developing countries.

Mr. Speaker, that statement simply confirms that those who believe Canada should have an open immigration policy because the world is hungry are people shrouded in myth. This is also the view of the Science Council of Canada. I quote the following from the council's report No. 25 entitled "Population, Technology and Resources", dated July, 1976:

Canada cannot through immigration policies contribute materially to the solution of problems created by exploding populations in other parts of the world. Such problems can be better treated through economic and technical assistance from the developed world than through large-scale migration.

Further weight to this contention is given by a report of the National Academy of Science which concluded, in 1975:

A model for such enterprise was provided by the work of the Rockefeller Foundation . . . and also by the Ford Foundation in the development of high-yielding strains of cereal grains. Another is the research conducted by the population council in the improvement of birth control techniques and their adaptation to conditions in the underdeveloped countries, work initiated at a time when the United States government and public were not prepared to support such undertakings. These are outstanding examples of what we should do on a large scale in many other fields.

An overview of some of the agricultural success stories around the world should convince Canadians that our role is not to import the poor under a policy of open immigration but, rather, to assist the poor to accomplish the task of feeding themselves, and this we should do by exporting the research and technology which are so badly needed. Let me read a quotation from "Lives in Peril" put out by the Food and Agriculture Organization, the World Health Organization and UNICEF:

● (1530)

An important advance has been the introduction of high-yielding varieties of maize, rice and wheat. New varieties now becoming available signal the success of modern plant breeding. As a result of more easy and rapid genetic manipulation the essential characters of plants capable of standing the rigors of the climate have been combined with those of plants which give yields comparable to the ones achieved in advanced agricultural areas. High-yielding varieties have been instrumental in converting Mexico from an importer to an exporter of maize and wheat and they explain the dramatic change in the Philippines which now exports rice after having imported it for decades. In 1967-68 marked increases in cereal production occurred in some developing countries in all regions but they are most noteworthy in Brazil, maize; India, wheat, rice, maize sorghum; Iraq, wheat, rice, barley; Kenya, maize, wheat, sorghum; Pakistan, wheat, rice, sorghum; and Turkey, wheat.

Recent developments in poultry have been nothing short of revolutionary. While hens in most tropical countries still average about 30 to 40 small eggs per year rates of more than 200 medium-sized eggs have been achieved. Food requirements have also reduced to about two kilograms per dozen eggs, if efficient layers are properly cared for, from as much as one kilogram for one egg in primitive conditions. In India, for example, egg production doubled in the period 1961 to 1968 from five to ten eggs per head of population. The government aims to increase this further to 15 eggs per head of population by 1974 when some 84 million birds should be producing about 9,000 million eggs per year.

I concur wholeheartedly in the following sentiments contained in a report presented to the Joint Senate-House of Commons Committee on Immigration. It reads:

It is sometimes stated that because of its vast area Canada should have a number of times the present population. That is both stupid and impossible. Without any further immigration Canada's population is expected to double within 25 to 40 years. If that occurs, this country is not likely to retain food self-sufficiency and the present type and quality of diet without considerable increase in the percentage of disposable income required for food. Immigration will accentuate that trend and will have the effect of increasing the real relative cost of food here.

Those who want open immigration are short-term humanitarians. The more honest hope for a better world must rely on the dispersal of education, scientific knowledge and the desire to motivate others to help themselves. That is the principal reason North America has been an economic success in terms of agriculture and self-sufficiency in food.

Now I should like to quote from a report of a seminar held at the University of Guelph on February 28, 1974, entitled, "The Food Producing Potential of Canada's Land Resources". It reads:

In the United States, by 1955, the social return to the investment in hybrid corn research from 1910 to that date was at least 700 per cent. Since the main benefits from hybrid corn production have been reaped during the recent 20 years, the over-all dividend of the past 65 years investment in that research is clearly amongst the best returns obtained from any publicly supported endeavour.

What we see then is that this country and other countries in the world have a tremendous obligation to export research, technology and education. However, a policy of open immigration is not one that we can adopt in this country and assume that in the long term it will be humanitarian. I should like to quote from the Science Council of Canada's report No. 25 entitled "Population, Technology and Resources", July, 1976:

As for immigration, neither end of the spectrum is credible. Neither a completely closed nor a wide-open door seems reasonable. In no way, of course, could Canada ever solve the world problem of overpopulation. Even if we maximized immigration and allowed our population to soar to 100 million people over the next 25 years we would have absorbed only one years's world population growth at current fertility rates.

Increased immigration will, however, threaten Canada's present ability to feed ourselves and restrict our potential for helping others to become self-sufficient. I should like to quote from a paper entitled "Implications of Continued Immigration on the Future of Canada":

Population in Canada is increasing faster than yields per acre. Therefore:

1. Increasingly inferior land will be farmed.

2. That will increase the relative cost of food.

3. In addition, population increase keeps taking the higher quality land out of agricultural production. That, too, will increase relative food costs.

An increased rate of immigration ultimately means that Canada as a nation will be the loser. Moreover, the world at large will also be the loser because one of the nations that has the potential to assist the Third World will restrict its capabilities to help from a position of strength. I should now like to quote as follows from an anti-immigration submission presented to the Joint Committee of the Senate and House of Commons on Immigration:

In the United States the president's commission on population in the American future after exceedingly careful, wide-ranging discussion and research, concluded that for the United States, in terms of quality of life and living, there will be, on balance, more adverse effects than benefits from further increase in the population of that country. Ninety per cent of Canadians live with a population density as high or higher than the average population density of the United States. Without repugnant regulations to prevent it, the greatest increase in Canada's population will take place in the now heavily populated areas of this country, thereby making the American conclusion valid and applicable here.

I return to the fundamental question: Who will save the world when all nations are overpopulated? That is what we as members of parliament should address ourselves to on this very important question. The submission goes on to read:

It is generally acknowledged that the world is now overpopulated. More than half the world's people live in countries whose governments encourage or assist their citizens to limit their family size. It is recognized that overpopulation decreases the quality of life and living, usually entailing restrictive limitations and opportunities for individuals to develop their inherent potentials. It is also axiomatic that increase in population results in reduction of individual freedoms; it is impossible to have more people without more rules and regulations.

I should like to make reference to a paper entitled "Immigration Increases Food Costs" and read part of it as follows:

Canada does not have large areas of undeveloped land of good quality suitable for arable agriculture. Therefore, immigration will increasingly necessitate development of inferior land for arable agriculture. Moreover immigration will inevitably result in urban expansion because Canada's major cities are generally in areas where the quality of agricultural land is superior. Urban growth constantly encroaches on good agricultural land which is permanently removed from production.

[Mr. Malone.]

To continue with this line of argument I should like to refer to the Science Council of Canada's report No. 25 entitled "Population, Technology and Resources" and quote from page 67 of that report of July, 1976:

The reasons that have led the council to recommend slow population growth include the following:

1. Canada as a whole, and especially the industrial heartland of Ontario and Quebec, face quite severe difficulties in meeting their short-term energy requirements, especially oil and gas, and will probably have trouble meeting their energy needs for many years to come.

2. The population around cities, especially around Toronto and Hamilton, is spreading on to the very small amount of good agricultural land and suitable climate that is available in Canada. Reversing this trend will require careful land use planning and rigid control of agricultural land, plus economic incentives for farmers to ensure that land is protected and is actually used for growing food.

3. Metropolitan centres can, and should, absorb further population through in-building without extending their boundaries, in order to minimize the occupation of good agricultural land, transportation and other costs.

4. Even with effective land use control, Canada will have to use food more carefully if it is to maintain its position as a major food exporter.

● (1540)

I would like to quote from the same source as follows:

Three-quarters of Canada's population is urban. But more significantly, 55 per cent of the population are metropolitan dwellers living in continuous built-up areas with populations of 100,000 and more. If the existing trends continue, almost all of our population increase over the next 40 years is expected to occur in these metropolitan areas.

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the hon. member that his allotted time has expired. He may continue, however, with unanimous consent. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

Mr. Malone: I would like to thank hon. members for allowing me to extend my comments. The report continues:

Most experts believe that by the end of the century, 90 per cent of all Canadians will be living in urban areas and that metropolitan areas will grow rapidly at least until 1985. In the year 2001 over 32 per cent of our population is expected to be living in Montreal, Toronto and Vancouver; these urban regions will have increased their combined population by at least three million.

Second-level cities with populations between 400,000 and one million (Calgary, Edmonton, Hamilton, Ottawa-Hull, Quebec and Winnipeg) are expected to grow proportionately more rapidly with several of them doubling in size within 30 years.

Much of our past immigration policy inflicted injustice and hardship on developing countries. I would like to quote from an anti-immigration submission presented to the joint committee on immigration:

Since any continued immigration will be highly selective, it will necessarily mean that we will be continuing to practice the brain drain with the selfish advantage of this country and at the expense of the countries of origin of the immigrants. Those immigrants accepted by Canada are predominantly among the most talented and valuable people in the countries of their origins; those countries are usually so desperately short of such highly qualified citizens that their loss through emigration hampers development in the countries which reared and educated them.

In conclusion, I would like to point out that this country is operating with a number of myths. One of the myths is that Canada is a large food-producing nation. In part that is true, but the real truth is that Canada is a net importer of food

rather than a net exporter, in dollar terms. The second myth is that Canada has a large amount of agricultural land. The more than five billion acres of land in this country contains only 12 million acres of class-one and class-two soil. Much of that is rapidly being taken away because most of our cities are situated right in the middle of Canada's agricultural heartland.

The third myth is that the Third World cannot make significant improvement to the world food supply. This might be true if this country and other developed nations are willing to export research and technology. The way to feed a world of eight billion people by the year 2010 is not through immigration but, rather, by the export of research and technology. If we are to be truly humanitarian, we must work with facts and not myths.

I wanted to make three points in my speech. First, we have no right to take a position which is in any way racist, bigoted or biased. That should not be the prerogative of any nation anywhere in the world. On the other hand, we must recognize that a policy of allowing large numbers of people into our country will decrease our capacity to produce and export food. More importantly, when we do an analysis of "have" nations, "have-not" nations and world production of food, we note that over the last two decades almost all of the world's increase in food production has come about not by an increase in the number of acres but by an increase in the export of science and technology. We must ask a simple and fundamental question: who is going to save the world if all the wealthy nations become overcrowded and no one is left to export the science and technology which is so desperately needed to increase food production in the Third World?

Mr. Goodale: Mr. Speaker, for the benefit of the House I would like to respond to the question which was raised earlier by the Conservative House leader regarding the business of the House for the remainder of today and tomorrow. It is our intention to continue with the present debate on the immigration bill.

Mr. John Gilbert (Broadview): Mr. Speaker, of all the ministerial portfolios, I consider the portfolio of manpower and immigration to be one of the most important. Immigration and manpower policies affect all of us, and therefore I consider it not only a duty but also a privilege to participate in this debate. Last Friday I met the minister just outside the parliamentary restaurant and advised him that I would be speaking today in this debate. He asked me to make sure that I said something nice about him and something good about the bill. I find it very easy to say something nice about the minister, but I find it rather difficult to say something good about the bill. I can say quite easily that the minister is a man of ability, integrity and compassion; there is no doubt about that.

Some hon. Members: Hear, hear!

Mr. Gilbert: I would like to review some of the qualities of other ministers who have held this portfolio. There have been five ministers in the last ten years. Senator Marchand was the minister back in 1966 and 1967. He brought forward a policy of non-discrimination in immigration. That was a tremendous advance. He also brought forward the visitor concept. That was another step forward. The visitor concept ran into difficulties, not because of the principle but because of its application which resulted in many illegal immigrants.

I would like to refresh the memories of hon. members about Bryce Mackasey. During the 1972 election there was a serious problem with regard to Ugandan immigrants. To give Mr. Mackasey full credit, through him the government encouraged Ugandan immigrants to come to Canada. That took a great deal of courage and strength. Right after the election the same minister closed the door to visitors because of troubles with illegal visitors. After Mr. Mackasey came the present President of Treasury Board (Mr. Andras). He was saddled with the problem of illegal immigrants and with the problem of Chilean refugees. He met both those problems head on. He did an excellent job of solving some of the problems respecting illegal immigrants and he certainly gave fair treatment to Chilean refugees.

When I look at the present minister I think of the problems he has and his approaches to those problems. We now have a very high unemployment rate. There are well over 800,000 people in Canada who are unemployed and there is lack of government policy to solve this serious problem. The minister's proposed UIC amendments strike at the heart of working people and do very little to help them. That is the government's approach to the unemployment problem.

I cannot fault the minister for his approach to immigration because he comes from a city which probably does not feel the same impact as cities like Montreal, Toronto, Winnipeg and Vancouver when it comes to immigration. I find that he has accepted a bill from his officials which I will call the bureaucrats' bill. I do not think it is the bill of the minister.

• (1550)

I thought the two main criticisms of the hon. member for Greenwood (Mr. Brewin) last Friday indicated the main thrust of the criticism of the New Democratic Party. He said, first, that by the absence of regulations—which have not been published—it is difficult, if not impossible, to study this problem and give it proper treatment. The second point made by the hon. member for Greenwood was that some of the provisions had been described by others as restrictive and discriminatory, even though I do not think they fall within those classes, and that they have encroached to a considerable degree upon the civil liberties of most Canadians. If the minister will read the speech of the hon. member for Greenwood he will see detailed criticism with regard to some of the encroachments on the civil liberties of Canadians.

I said the minister is a man of ability, integrity and compassion. But it takes more, Mr. Speaker. It takes courage, foresight and determination, the other qualities on which I want to dwell concerning the minister's bill. One cannot fault clause 3 of the bill which sets forth the objectives of Canada's immigration policy. How can we object to a policy which stresses

family reunification, non-discrimination, concern for refugees and the promotion of Canadian economic social and cultural goals? If you read subparagraphs (a) to (j) of clause 3 you would swear you were reading the new Mosaic code brought down by Moses with regard to new immigrants to Canada.

In his speech the minister set forth his approach to the level of numbers and the requirement, in consultation with the provinces. In my respectful view, in determining immigration policy they had to be based on two main items: first, economic and social conditions and, second—and just as important—attitudes. With regard to the level of numbers, it is necessary they be predicated on economic growth, employment policies, housing policies and social services. If they are not, we will have an increase in the tensions and problems which have surfaced recently in the main cities across the country. I refer to attitudes toward other races and nationalities.

I should like to compliment the Parliamentary Secretary to the Solicitor General (Mr. Lee) on his speech of last Friday wherein he set forth a vivid and historical account of the treatment of the Chinese people in Canada. I hope all members of this House read the speech. I hope, too, that we are moving away from the times he related, back in 1885, and that we treat all races and nationalities on common ground at the present time. That is one of the main objectives set forth in the bill. As I listened to the hon. parliamentary secretary on Friday I could not help but think of the speaker who preceded him, the hon. member for Greenwood who is our party's critic on immigration matters. I could not help but think of the defence he put up for Japanese Canadians who were mistreated by the government back in 1944-45. If ever a person should be complimented, it is the hon. member for Greenwood for his contribution toward protecting the rights of those people who were mistreated by other Canadians. I think you would like to know, Mr. Speaker, that in the near future he will receive an honour from the Japanese people in Canada. As far as we are concerned, it is a well deserved honour.

When I speak about the problems of race and nationality, I must relate my experience in my own riding. In 1948, when I moved into the Broadview riding, it was 90 per cent Anglo-Saxon, with a small sprinkling of other nationalities. In 1977, it is only 40 per cent to 45 per cent Anglo-Saxon, with the balance made up of Greek and Macedonian as the second group, Chinese third, Italian fourth, and the balance a host of nationalities from different parts of the world.

It would be wrong to say we have not had our problems and difficulties in Broadview, but we have an attitude toward them and we accept the challenge. Last Saturday night I was an honoured guest at the Riverdale intercultural committee which held a multicultural spring festival at the Earl Grey senior public school. The committee is composed of representatives from different cultural associations in the riding and across the city, and at the festival the different cultures performed. Let me enumerate some of the groups that appeared: the native Indians commenced the program—and was it not proper that they should? Then we had the Koreans, Lithuanians, native Indians, Chinese, Pakistanis, Koreans again, East Indians, Philippinos, West Indians, and finished off with a great group called the Scottish. I could not help but feel that we were taking the right approach to the problems of race and nationality which confront us, and to fellowship and friendship, as a result of this cultural exchange. That is why I think it is so necessary to develop attitudes.

There is another group in our community, sponsored by LIP, called Harmony Canada. This is an Outreach project with the object of sensitizing the Riverdale community to Sikh culture. Dr. T. Singh visits different schools in the area to tell students about the different cultures. I think this is a valuable approach. May I say in passing that the churches in our area have been the springboard to meeting head-on the problem of race relations. I give full credit to reverend John Robson of Queen Street Presbyterian church for getting representatives of different groups together to find solutions to our problems.

I remember the hon. member for Hamilton West (Mr. Alexander) making his maiden speech in this House in 1968. He quoted a great slave worker who had said something like this:

> Judge not a man by the colour of his skin, nor the way he loves or fights or sins, nor by the gods he serves nor by the vintage he drinks, but judge a man by the way he thinks.

I think that type of philosophy is one for which we must have regard in race relations. If we are compassionate in our economic and social approaches, we shall have no difficulty in setting immigration levels for Canada.

• (1600)

A few minutes ago I heard the hon. member for Battle River (Mr. Malone) speak about the intricate and sensitive problems of food production, about what would happen if too many people came to Canada, and how too many immigrants would create stresses within the economy. Mr. Speaker, the population of Canada, a country vast in extent, is some 23 million. We are rich in resources. The population of the United States is approximately 250 million people, or ten times our size. Yet Americans have been forerunners in technological development. They have met head-on the problems which a diversity of peoples and a large population create. It seems to me that if we take the proper approach, the threat of food shortages and racial disharmony will go away.

If the minister wants the new legislation to work successfully, I plead with him to institute a second amnesty program for illegal immigrants now in Canada. Our first amnesty or adjustment program was successful owing to the efforts of the President of Treasury Board. Why do I advocate a second amnesty program? Mr. Speaker, records indicate that there are in Canada between 400,000 and 500,000 illegal immigrants, and the expense of tracking them down is tremendous. For instance, in Toronto alone the RCMP detachment, under J. R. Nicholson, consists of 16 men. They, as well as many immigration officials, are engaged in tracking down illegal immigrants.

If we consider personnel in Montreal, Winnipeg, Vancouver and other large centres who are engaged in this activity it

should become obvious that the finding of illegal immigrants is a tremendously expensive undertaking. But the expense is not the real problem. Our illegal immigrants have to contend with a whole host of emotional, social and economic factors. I am sure the minister is aware of the article which appeared in the Toronto *Star* last December on the subject of illegal immigrants. I would quote part of the article written by Mr. Sydney Katz, an article which I commend to hon. members of the House and the minister. Mr. Katz wrote in part:

> Every day last week, Victor Perez, 28, eagerly rifled through the newspapers and turned his radio on hourly to listen to the newscasts. He didn't want to miss even the smallest scrap of information about the new immigration bill introduced in the House of Commons by Minister of Immigration and Manpower, Bud Cullen.
>
> Perez (not his real name) fervently prayed for revised immigration regulations that would mercifully end the hellish life that he and his wife, Isabella, had been leading for the past three years . . .
>
> And how long can the illegals emotionally, socially and economically live with the uncertainty of always being only one knock on the door away from deportation?
>
> Perez confesses that he's reached the end of his endurance. Because of the constant pressure, he suffers chronic fatigue. Isabella is plagued by "nervousness" and headaches. "To hell with it," he said recently. "I'm going to turn myself in and go home. We can't stand it any more".

We must deal with illegal immigrants on humanitarian and compassionate grounds. Mr. Katz talks of the damage being done to the children of illegal immigrants. His article went on to say this:

> "It's a real tragedy," says Mendel Green, a Toronto lawyer who has handled many immigration cases. "Thousands of children are growing up without an education".
>
> Instead of being in the classroom they accompany their mothers to their jobs—picking worms, or vegetables or fruit or doing housework. When this is impossible, the child may stay home alone all day.

Some suggest that illegal immigrants participate in criminal activities. I do not doubt that a small fraction do, but I am prepared to wager that 95 per cent of illegal immigrants are honest and hardworking people who left their countries to come to Canada for a better way of life for themselves and their children. Our approach to them must be humanitarian.

What would I do if I were minister of manpower and immigration? If I had any doubt about any second amnesty program I would ask the Standing Committee on Manpower and Immigration to meet with and call witnesses from the RCMP and the various organizations which deal with these people. They could testify quietly; perhaps their names should not be revealed. After all, we want the benefit of their opinions.

Clara Nickel, of the Bloor-Bathurst information centre, says some people become illegals quite unintentionally. She said, as reported in Mr. Katz' article:

> I have seen articles in Portuguese newspapers which describe how easy it is to become a Canadian citizen. People believe it and end up in trouble over here.

The article went on to say:

> Again efforts should be made to curb the activities of travel agents and phony immigration advisers who persuade foreign nationals—for purposes of private profit—

I hope that the minister is persuaded, as I and the hon. member for Hamilton West, the Conservative spokesman, tried to point out, that the number one problem in the field of immigration is the illegal immigrant.

Mr. Epp: Hear, hear!

Mr. Gilbert: I further suggest that the act will operate successfully only if applied with humanity and compassion. A second amnesty program would not only save money; it would save a repetition of old difficulties. The minister himself spoke of the new system of social insurance numbers which identifies persons who are not Canadian citizens of permanent residence and puts the onus on the employer to make sure that the person employed has a valid employment visa. I say that now we must exercise good judgment, common sense and humanity in dealing with the some 400,000 illegal immigrants in Canada. If the minister wants to make a valid contribution to Canada's immigration policy he must institute a second amnesty program. Such an approach would be farsighted and would go a long way to making this a better country in which all could live. Otherwise, this country will be saddled with the problem of illegal immigrants and the bill will be nothing but an exercise in bureaucracy.

I give the minister credit for correcting the inequities in the 1952 act dealing with prohibitions involving the mentally retarded, epileptics, and inmates of certain institutions. I recall a constituent of mine who came from Greece. He was on my doorstep week after week pleading with me to permit his son to come to Canada with his wife. They could not come because they had an epileptic child. After a great deal of effort I persuaded the present House leader that this family should come. I can still see the tears in that man's eyes when we got the news that the family was moving forward with the child. May I say that it operates on the family reunification principle. I thought it was great credit to the minister in permitting this youngster to come with his family. Therefore, this is a step in the right direction. We must, of course, realize that the success depends on the co-operation of the provincial and federal health departments. If the provincial departments find it imposes a very heavy financial burden, the minister of national health and welfare should give, and give generously, to meet the problem.

● (1610)

The hon. member for Greenwood set forth well last Friday our criticism concerning this provision; that is, the dependency on the decision of whether a person should come forward being completely dependent on a health officer. I hope we will be able to look at that question to see if we can expand that decision-making power so that we do not have any criticism as a result of this bill.

May I return to the main criticisms of the bill set forth by the critic of the New Democratic Party, the hon. member for Greenwood. He said in no uncertain terms that this bill lacks the regulations which will make the bill operative. The minister could have scored a real success if he had published them.

We went through the question of regulation just a few months ago with regard to the borrowers and depositors protection act. We had the problem with regard to the criminal interest rates which exist. The Minister of Consumer and Corporate Affairs (Mr. Abbott) was given the opportunity to present the regulations with regard to these criminal rates, and he did not. They are having their difficulties in the committee, and they will have their difficulties when they come back. Before the bill is referred to the committee the minister should make available to all members the regulations relating to this bill. Otherwise, it will be impossible to deal with it in committee.

Need I remind you, Mr. Speaker, that the selection criteria are based on regulations under the old act. I agree there has to be a certain flexibility to it. I recall the position that we had in 1972 with regard to visitors. By the use of order in council and regulations, that was stopped. I recall the employment problem we had. Again, by regulation, that was stopped. The least the minister can do is to set forth the criteria.

The main emphasis with regard to selection criteria in the past has been education. The special joint committee on immigration policy went into the problem in depth as it travelled across the country. They saw the unfairness of this approach. The best we have from the minister at this moment is that he appears to be pleased with the approach taken by the special committee on immigration with regard to taking the emphasis off education and putting it on work experience, and also with regard to sending people to designated areas.

The selection criteria are the heart and soul of the immigration policy. Therefore, it is necessary that we study them in detail so that we may have an excellent bill. There are two clauses I want to draw to the attention of the minister. They worried the hon. member for Greenwood (Mr. Brown) and they give me double worry. Those clauses are contained on page 62 of the bill. Clause 115(n) reads:

> —requiring any person or class of persons to report to an immigration officer before leaving Canada and prescribing the information to be provided and the manner in which such report shall be made to the immigration officer by any such person—

The explanatory note at the side reads:

> S. 115(1)(n) may be used at some time in the future to provide for examination of outbound travellers if this step becomes necessary for the proper identification and control of illegal immigrants.

I hoped the minister would have dealt with this problem in his main speech, but he did not. It has raised fears in the minds of many of us with regard to the operation of these clauses. Is the minister talking about regulation with regard to visa permits? If he is, surely we should know the details concerning them. One can appreciate the wide power that would be given to immigration officials requiring any person or class of persons to report to an immigration officer and prescribing the essentials of information that must be given to him with regard to the report. I hope the minister will give us the full details with regard to this clause. Clause 115(o), which deals with the fingerprinting provision, reads:

> The governor in council may make regulations
>
> [Mr. Gilbert.]
>
> (o) setting out the circumstances in which persons who seek admission or persons in Canada, other than Canadian citizens, may be required to be fingerprinted or photographed or otherwise identified—

This is so unusual to Canadian practice that it behooves all of us to study it in detail. I read with interest the minister's remarks with regard to this clause on fingerprinting. This is what he said:

> Another less complex area, but about which some concern and misunderstanding have become evident, is the provision in the bill which can require persons other than Canadian citizens to be fingerprinted under certain circumstances. Many immigrant-receiving countries routinely require applicants for visas to be fingerprinted. We certainly do not intend to go that far.

Thank goodness! The minister continued:

> Fingerprinting will be the exception rather than the rule, used only where there is doubt about a person's identity or his possible involvement in criminal activity. For persons in Canada we will fingerprint as a matter of routine only those who have been ordered removed from Canada. The two other situations in which we will require fingerprints are when a person is arrested under the Immigration Act, or when a visitor requests a change in or extension to his status, and in either case, the person is unable to satisfy the immigration officer of his identity. It will therefore be a rarity for a permanent resident to be fingerprinted. In all cases, when the fingerprints have served their immigration purpose, they will be disposed of under the normal file retirement program.

It is that last sentence with regard to fingerprints and photographs that really concerns me. The minister says they will be disposed of after they have been used by the immigration department. I would like to know from the minister whether these fingerprints and photographs will have been given to the RCMP or other police officials across the country. What happens with regard to those photographs and fingerprints concerning these people? It is all very well for the minister to say that when his department is finished with them, they will be disposed of. Can the minister tell us whether they will be destroyed by the RCMP, police officials or other judicial organizations across the country? This is a very crucial problem. This is why we would like the minister to make known the regulations concerning fingerprinting and photography. As the critic for the Conservative Party has said, this is another instance where the regulations have in the past not been clear. So it has been well said that this is legislation by regulation.

● (1620)

My time is running short, Mr. Speaker. My hon. friend from Greenwood has set forth the main concern of this party. May I, however, touch on a point with regard to prohibited classes and compliment the minister for clearing up difficulties in relation to the issue of moral turpitude as it concerns people with previous court convictions who have come to Canada. This area has always caused a great deal of worry to the people concerned and to counsel representing them.

One thing which does concern me is the clause having to do with terrorism, subversion and hijacking. The minister set forth his views in the speech he made. He referred to the reasons of security which removed such cases from the normal process of a full and fair hearing. I took part in the deliberations upon the temporary immigration security legislation which was passed a couple of years ago and which did not expire until the end of 1976. I appreciated the dilemma facing

the department at that time, as I do now. But the greatest test in a situation like this is, surely, the normal test, the test which has to be met day by day.

A few weeks ago a test was put before the minister by the professors at Queen's University. They intended to hold a symposium with regard to the critical situation in the third world, to assess the theories of development and their implications for public policy. They wanted to hear the views of Professor Andre Gunder Frank who holds opinions opposite to those normally held with regard to the treatment of third world countries, feeling they would then be able to see the total picture affecting these issues. I do not know Professor Frank's background, but it seems to me that if I were confronted with such a decision, if professors from a university contacted me asking that a person be allowed to express a diverging view with regard to policies concerning third world countries, I would have to be terribly persuaded that such a person should not be admitted before I would withhold permission.

In any event, the minister did not permit him to enter and he was prohibited from giving reasons for his refusal.

Is it any wonder, in these circumstances, that all of us have received a letter from Queen's University dated March 9, signed by various professors and setting forth their views with regard to the issue? This is what they say:

> The case of Andre Gunder Frank is particularly significant in that it helps us to understand the workings of the new Immigration Act which is now before the Canadian House of Commons. The most striking aspect of the act is that it provides no procedures for review of the cases of persons refused entry to Canada on the grounds that they present a risk to national security. In the absence of provision for due process, the door opens wide to a series of possible abuses:
>
> 1. There is no check on the accuracy of the information on which the decision is based.
>
> 2. There is no check on bureaucracy's discretionary power. The act gives the bureaucracy and the executive the power to act unjustly.
>
> 3. There is not even the possibility of an independent evaluation of the case by a neutral board judged competent to handle confidential material and acting outside of the political constraints imposed by the government in power.
>
> 4. The applicants who are denied entry are given no reason for their exclusion nor the opportunity to clear their names.
>
> All these abuses are compounded by the fact that the act permits the exclusion of applicants before they come into the country and thus they have no access to Canadian courts or any other form of due process.

I appreciate the minister's difficulty, but when I look at these facts, a department of sociology composed of professors at Queen's University inviting a person to speak on development policy, I would need to be, as I say, terribly persuaded that such a person was a national security risk before I would interfere with his visit. I am surprised the minister should have jumped so quickly to a conclusion with respect to this case. All this underlines the need to confer responsibility for these decisions to a committee composed of people who would be able to make an objective and impartial judgment.

In conclusion, may I say I find it difficult to support this bill because of the absence of regulations and the possibility of some infringement of civil liberties. As I said earlier, I hope the minister will bring these regulations before us. I hope, too, that he will announce a second amnesty program affecting illegal immigrants. I would then be able to say, without hesitation, that he is not only a man of integrity, ability and compassion, but also a man of courage, determination and conviction.

Mr. F. A. Philbrook (Halton): Mr. Speaker, it is a privilege and a pleasure to speak on this new immigration bill, Bill C-24, and to follow that fine gentleman, the hon. member for Broadview (Mr. Gilbert). I noted with interest one point he made, though I was a little puzzled by it. It was his reference to a second amnesty. It sounded like a good idea, and certainly it is a humanitarian idea—which is typical of the hon. member—but I cannot help wondering whether there would not be some undesirable motivation built into it, whether the word might not go around the world that it is a little too easy to come here illegally or, in other words, an invitation to hide out in Hamilton—

Some hon. Members: Oh, oh!

Mr. Philbrook: —in Canada.

Mr. Knowles (Winnipeg North Centre): The truth came out.

• (1630)

Mr. Philbrook: Without prejudice. In other words, for visitors to hide out in Canada and wait for the next amnesty. Perhaps the hon. member for Broadview might want to comment on that point at some time. It demonstrates what is true in this whole area, namely, that immigration in the last few years has become a very difficult subject for a country like Canada, if not for the whole world. Probably it was a relatively easy area for us to take care of until the last few years, Canada being a young country, something of a pioneer backwater for most of the world. We have a very inhospitable climate and our ties were recognized to be essentially with the British and the French. We are a country to which few people decided to come while they were busy going to other areas which have now become less popular or more restrictive.

One of the very important events that changed this was something that happened in late March of last year, and it did not receive all that much attention. It was of momentous importance for the world, and certainly for Canada; that is the fact that the world population for the first time reached four billion people. For the first time there were four billion living human beings on this earth, and they were crowded into certain areas; they were not evenly distributed. Any one of us who has seen the charts of the increase in world population will realize how startling those figures are. Throughout most of the history of mankind the figures followed almost a level course, a plateau, with just a small rise—and only in our time, only in living memory, has that changed. That line has taken off, and at the present time it is skyrocketing straight upwards; a frightening prospect, one that is matched by other things in science—by, for example, the growth of a bacterial colony. When it reaches a certain point in skyrocketing upwards, it suddenly degenerates and dies.

Some say this could be something worthwhile for us to think about; that could be a lesson to those of us who are alive today. Perhaps we are on a final course, although we hope that is not so. We are adding people to this earth at the rate of 70 million a year, which is three times the population of Canada, and by the end of this decade it is predicted that the population will reach from four billion to five billion within the lifetime of one childhood.

Canada, by contrast, as has been said this afternoon, is a big country with a small population of only 23 million people, with many people crowded in one area. It has almost four million square miles of territory—3.8 million to be exact—and a tremendous amount of opportunity. One would think, then—thinking very simplistically about this situation—that we might solve the problem simply by opening the immigration doors of Canada and letting the world flood in. That might make sense in some things like arithmetic. But there is a great deal more to it than that. On the other hand, there will be mounting pressure, which already exists for many reasons, for Canada to increase its immigration. The hon. member for Battle River (Mr. Malone) touched on that this afternoon, and I agree with him. I think he was on the right track. Certainly, Canada must have more immigration. Our immigration should be based on humanitarian reasons, such as letting in refugees, the reunification of families and so on. We must have people to fill the kind of jobs we will have in Canada in the future.

However, in spite of the fact that Canada is a big, open country, albeit with many parts that are unliveable, and there is mounting pressure to have people come here, the answer is not in immigration. The answer, by and large—even though our birth rate, ironically, is down to about zero—lies not in trying to solve the world's problems through immigration. This simply cannot be done, not even in the last country in the world with open spaces, namely, Canada. As the hon. member for Battle River said, the real answer—and I think we are all beginning to realize this for the first time—lies in technology, in applying science and technology to help those countries with the most trouble solve their problems in their own way. I concur with the hon. member heartily on that. Anyone who has travelled this world much, who has seen certain areas of Asia, Latin America and perhaps Africa, must be staggered by the population problems there. We know that if we open our door widely, it would not solve the problem. It would certainly make Canada unmanageable. Anyway, those people would not be able to come here, even with a massive immigration program. They simply could not afford to come here and I do not think we could mount such a program.

My family and I were staggered by what we saw during the seven years we were in India and Pakistan, as well as travelling in other parts of the world. The irony, when we got back and went into the birth control research field, was when we found that this country, with the least problems in the world, knew how to take care of its problems. We are well ahead in birth control and our population is not expanding very much. As a country with the least food problems in the world, we are probably the most able in food production.

The absolute reverse is true for countries most in need in this world, most in trouble. The birth control program, as successful as it has been here, has not been nearly as successful overseas. This is very frustrating. There is no time to go into the reasons—it is a wide subject. The same is true of food production. We can remember clearly the high hopes for the "green revolution" which was supposed to solve everything, but a few years later there was disillusionment. There was world drought, world shortage of fertilizer, and the "green revolution" was not successful. It depended on certain things to increase food production, in addition to the fact that many people in the most hungry parts of the world had the wrong understanding: they planted less instead of planting the same to provide more. These problems exist overseas—they do not exist for us so much—and yet we are going to face mounting pressure. It is a difficult decision for us at present, but I think it is one we can take with enlightenment, or enlightened self-interest as people say.

We are heading for a balanced policy and I think this bill will contribute to that end. We are trying to help the world with its problems and trying to maintain our way of life. We are trying to do the best we can with the immigration pressures which exist. There has been a great deal of change in Canada and in the world in the last few years, and therefore obviously we need new legislation.

This act goes back to 1952. A few changes were made in 1967 regarding selection. I think the most significant change that has been made in the time that some of us have been here in the last two or three years has been the one about not being able to apply to stay in Canada from within Canada. It is a very dramatic change. Probably we have all had a lot of experience with that, either with visitors or people with work permits applying to stay here, and we have had to refuse them. At first it can be a difficult thing to do, but I have found that by and large they have accepted it surprisingly well, and it looks as though it will be a workable part of our immigration policy.

There have been some worthwhile changes: for example, in the area of family reunification, which is an increasingly important humanitarian measure in which to try to bring families together. There is the matter of inadmissible classes, which has been touched on recently; the business of keeping out people with medical problems such as epilepsy, mental illness, the mentally retarded, socio-medical problems, moral turpitude, as the hon. member for Broadview said, homosexuality, and so on. In the last few years our ideas on this score have become more updated, more modern and more tolerant than they used to be. The matter of refugee status has been important in recent years as a result of civil wars, and so on. I think Canadians can hold their heads pretty high with regard to these things.

● (1640)

This bill did not just come out of the blue. It has been very well researched. In 1974 a green paper presented the basic ideas behind this bill. Then the joint committee travelled

across the country and heard Canadians in all parts, and now we have a fairly reasonable bill. I think the principles behind the bill have been generally accepted. It might reasonably have been expected in a country like Canada, which has many immigrants to start with, that there would be great apprehension and many objections voiced by many new Canadians that the bill closes the door, or that family members from overseas might not be allowed into Canada; but I have not noticed many objections along these lines from Italian, Portuguese or German people in my constituency. These people have been extremely intelligent and co-operative.

What does the bill offer? There are about ten major innovations. Although I will not touch on all of them, I would like to touch on a few. The bill offers explicit objectives which should provide some clear direction, some orientation and some philosophy as to what our immigration policy is all about. Simplifying the wording of the bill makes it easier to interpret. We can read it and understand the basis of all the provisions and details of the bill. We have a much better set of objectives, as limited as objectives can be.

Second, we must have a set of targets and ceilings. This is the kind of thing which in a country like Canada, with an immigration tradition, might bring about mixed feelings and some apprehension. These targets and ceilings begin to suggest the old word "quota" which is not held in very high favour in this country and never has been. Quotas suggest discrimination or favouritism of one kind of another. But of course that is not the idea. There will probably be some limitations as to the amount of immigration there will be during a given year, but the type of immigration will essentially be unchanged, except that it might be somewhat improved.

These limitations will apply to regular immigration movements affecting independent immigrants who come here searching for jobs which need to be filled, and they will apply to refugees. No matter what the world situation becomes, there obviously has to be some limit. But the most important thing is that there will be no limit with regard to bringing members of families into Canada. That is something upon which none of us can imagine Canada compromising.

What is the effect of these limits? As has been said, the bill will benefit both Canada and people coming to Canada as immigrants. The bill will help new people when they come here. It will help them cope with Canadian life. It will help them integrate smoothly without a great deal of effort and agony. It will also help Canada which has only so much economic and social ability to absorb many people in such a short period of time as a year. Third, this bill would bring about a system which would make immigration movement as objective and as fair as possible. It seems to me a very intelligent move to put less emphasis on education, on winning one's way into Canada and on writing an examination based on education. As Canada changes, it needs certain types of workers in certain locations. This bill will help people who are disadvantaged because of lack of education. Many parts of the world are not able to provide education to the extent that Canada is able to provide it. When people come to Canada, if they are not ruled out because of lack of education they will need to get along when they are here. Finding jobs is the most important thing, and if they can find employment in a certain area, so much the better.

The bill helps solve our demographic problems in terms of the distribution of people. The bill will help in developing the economies of certain local and rural areas, especially unpopulated or underpopulated areas, and with some luck there will be some relief of urban congestion. Urban congestion is a terrible trend which is afflicting Canada, like lemmings. Many are leaving rural areas and farms and going to cities where social and economic problems are piling up.

Fourth, this bill brings about a new commitment with regard to refugees. It is not just a commitment in spirit; the bill sets out exactly what we are going to do. I, for one, asked for that and I am pleased that the minister included that in the bill. The bill recognizes Canada's historical commitment to the universal declaration of human rights and the Helsinki accord; and, as the hon. member for Broadview mentioned, the business of ensuring Canada's freedom from the invasion of political terrorists and criminals who come here on mild and trumped-up pretences.

Fifth, federal-provincial relations is a very important matter. We are talking about that in many ways these days. We talk about federal-provincial conferences, decentralization and rationalization of responsibility. Hopefully, this bill will make a great deal of sense in terms of immigration. The bill will give the provinces much more say on the matter of their demography, on the matter of how many people there should be, where these people should come from and where they should be located. The bill is designed to deal adequately with the needs and opportunities of the provinces.

I will mention only one possible concern I have about federal-provincial relations, and that is the matter of provincial rights in immigration. Hopefully, this will be worked out in time; but what the current Quebec situation might do to Canada's reputation for fairness, openness and freedom is something which causes me concern. The current Quebec situation might cause feelings of conflict between the federal government and the provinces. For example, if a Quebec government should decide—and this could apply to any province; I just use Quebec as a current example—it would permit only truly Francophone immigrants, and if the federal government decided to challenge that, oppose it or even enforce its will, partly because of the reaction of other provinces, we might get a more serious situation than we have now. I look at this particular provision with some apprehension.

Finally, I would like to talk about some of the changes in the classes of immigrants. First, I would like to talk about the sponsored category and the reunification of immediate families. This is something which has had to be developed and refined in recent years because we have got into trouble over it. I will deal with that matter in a moment. Obviously, it makes good sense not to restrict the immigration of parents on the basis of age. It used to be that if someone who was a Canadian citizen or a landed immigrant wanted to bring their parents to

this country, the parents had to be age 65 or over. We have had experience that this has not always worked. People have come to our riding offices who had younger parents or brothers and sisters overseas who needed support, but they could not bring them here. This has been a terrible human problem which did not make any sense. It concerns parents mainly, but I have heard of people who wanted to bring their grandparents, and I suppose some grandparents would be young enough. Now, parents of any age can come. That is a step forward. It will be a relief to some new Canadians from all parts of the world.

● (1650)

I understand that the nominated category which was halfway between family and the regular type category will be eliminated. I consider that a good move. There will not now be a nominated category, but points will be given to people with close relatives in Canada. That is going to require some definition, too, but at least we are getting away from this business of family. How do you define "immediate family"? It is pretty obvious there can be no agreement whatsoever on the term "family", on terms like "parents", "brothers" or "cousins".

In countries like India and Pakistan, where I was privileged to spend many years, the feeling of universality and the religious feeling that these people have makes all of their countrymen their brothers. The line between the spiritual brother and blood brother or parent becomes very blurred. When they say, "So-and-so is my brother", they really mean it. It is very difficult to sort this out. When they come to Canada and say, "I should be allowed to bring in so-and-so because he is my parent", or, "my brother", that can be difficult, and in the past it has been. Hopefully, we can now define "immediate family", and there is merit in making some allowance for other relatives.

This will prevent the type of situation I was involved in in 1966 when I had to write to a constituent, Mr. James W. K. Cheung of Hornby, Ontario, concerning the immigration of his mother, Chow Mui Kwei. I wrote as follows:

—it was determined that she is unable to comply with the selection criteria applicable to nominated relatives . . .

The immigration regulations provide for the sponsorship by a Canadian citizen or resident of his parents when they reach the age of sixty. Sponsored dependants are not obliged to comply with selection criteria and need only meet medical and background requirements. Your mother will be sixty in 1982 and, unfortunately, the only suggestion I can make is that you reapply for her at that time.

If there ever was a degrading type of letter that a member of parliament had to write, that is it. In effect, I told him to come back in 1982, not to bother us until then, and in the meantime to try to take care of his mother on the other side of the world. It is almost ridiculous.

In that connection, the relationship between this bill and Bill C-35 is an interesting piece of timing. Bill C-35 concerns the reciprocity of old age security benefits between this country and other countries. Most members have had communications from old people from overseas who want us to get the government to arrange this reciprocity so that when they come to Canada in their old age they may bring their benefits with them; but, even more, that those benefits may increase with inflation, with indexing, and so on, so that they do not lose out. It sounds like a very good idea, and once the bill is passed there will be this kind of arrangement for old people from other countries who come here, and for our own old people who go overseas. They will have these arrangements pretty quickly with the United States, Great Britain, Italy and France. Hopefully, we will soon be able to make arrangements with countries such as Germany, Greece, Portugal and others whose old people are already here. There are many advantages to this.

As someone pointed out, when the new immigration bill is passed, parents will be able to come to this country at any age. We will see parents coming here when they are in their fifties. Obviously, they will have trouble getting jobs—so what happens then? It is all right for us to work this out ahead of time and have the children agree to support them. But situations change, Mr. Speaker, and I think we can anticipate some pretty awkward and difficult situations if the older parents are here for a while and cannot get work, and then something happens in the family situation and their children do not feel they can support them any longer. I put this question to the Minister of National Health and Welfare (Mr. Lalonde) in committee, and he assured me that this possibility would be underlined before people ever came to Canada: they will be doubly and triply warned that they may encounter problems and that they must go through with their original plan to look after each other. I can still anticipate problems, however.

When the minister responsible for multiculturalism was in my riding last year speaking to the Famee Furlane club, an Italian club in Oakville, he told a little story. Many years ago, when this country first started, a British parliamentarian who was visiting said, "You have British people here now; you have Americans here now, and you want to bring Italian people and perhaps some others. What nationality will you be?" The man he was talking to, Sir Wilfrid Laurier, replied, "The nationality of this country will be freedom." I think that was a great, intuitive stroke of genius on the part of Laurier and it certainly reflects what is going on in this country today.

I, for one, fully support the multiculturalism program. It gives us the best of all worlds in an exchange of ideas and helps us develop tolerance and understanding. It is a very enriching experience, and I cannot think of any other country I would want to live in, for that reason. With the hospitality and warmth the ethnic groups bring, the Mardi Gras, Oktoberfest, Scottish dancing, life in Canada lacks very little. It leads in large measure to a more open immigration policy.

There is no question that immigration is decreasing these days, but it is a uniform drop, not a discriminatory one, in line with Canadian feeling. It involves all kinds of people in all areas of the world. To some extent, admittedly, it involves our economic picture and our links with the labour situation. To

me, that seems only practical. However, with a little bit of luck and the grace of God, I think we can look forward—

The Acting Speaker (Mr. Turner): Order please.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight are as follows: The hon. member for Simcoe North (Mr. Rynard)—Health—Proportion of care costs attributable to diseases related to alcohol and tobacco; the hon. member for Humber-St. Georges's-St. Barbe (Mr. Marshall)—Transport—Date of decision on program for highway construction in Atlantic region; the hon. member for Winnipeg South Centre (Mr. McKenzie)—Transport—Recommendation of Dr. Hall on trusteeship of pension funds for railway employees.

It being five o'clock p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions and public bills.

PRIVATE MEMBERS' MOTIONS

[*English*]

The Acting Speaker (Mr. Turner): Notice of motion No. 4, in the name of the hon. member for Ottawa-Vanier (Mr. Gauthier).

Some hon. Members: Stand.

The Acting Speaker (Mr. Turner): Stand at the request of the government. Notice of motion No. 15, in the name of the hon. member for High Park-Humber Valley (Mr. Jelinek).

Some hon. Members: Stand.

The Acting Speaker (Mr. Turner): Stand at the request of the government. Notice of motion No. 16, in the name of the hon. member for Scarborough West (Mr. Martin).

Mr. Ellis: I rise on a point of order, Mr. Speaker. I think there has been general agreement, at the request of the government, to move to motion No. 1 in the name of the hon. member for Halifax-East Hants (Mr. McCleave).

The Acting Speaker (Mr. Turner): Is it agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner): It is agreed and so ordered.

* * *

HOUSE OF COMMONS

SUGGESTED MODIFICATION OF STANDING ORDERS

The House resumed, from Monday, November 1, 1976, consideration of the motion of Mr. McCleave:

That this House do modify its Standing Orders and practices to the end that it bring its affairs more closely into conformity with modern (that is, acceptable mid-20th century expectations), by

1. Cutting by one-half the time limits for speeches where such time-limits are set forth in Standing Orders;

2. Setting up a committee composed of members of all parties, and of members of the parliamentary press gallery—each component to number seven—which shall supervise the rules to govern the recording by instruments capable of radio broadcasting and of telecasting of the proceedings of this House and of any committee or other recognized entity thereof, and the public use thereof;

3. Providing that the rules for the so-called late show, or adjournment debate, be altered to provide for the participation of five instead of three, and that the Speaker have absolute discretion to extend the time for reply by up to three minutes;

4. Providing that no member of this chamber shall have to wait for recognition by the Chair for longer than three oral question periods if that member has risen in each of such three consecutive question periods, such question and recognition by the occupant of the Chair to be recognized upon the request of such member at the conclusion of the third such period;

5. Providing that the government through its House leader may designate up to six measures per session for consideration and disposition by legislation where such proposals reflect these principles;

(a) an amendment to existing legislation which shall incorporate not more than one major change, the final opinion in any dispute to be that of Mr. Speaker;

(b) the government does not propose to amend such legislation in any other manner in that calendar year without unanimous consent;

(c) the speeches by the mover and the designated replier for each party shall not exceed fifteen minutes, and by subsequent spokesmen of not more than five minutes;

6. Setting at five the number of those who may oppose unanimous consent to any motion made in this chamber.

Mr. John M. Reid (Kenora-Rainy River): Mr. Speaker, last November 1 when we were discussing this matter I was the last speaker. We had been discussing the possibility of having television in the House of Commons. Since that time the decision has been taken that we are to have television in the House of Commons. The House has set up a committee to consider the installation of television facilities and establish regulations and conditions under which pictures of this House are to be broadcast to the community. That part of the motion presented by the hon. member for Halifax-East Hants (Mr. McCleave) has been dealt with.

● (1700)

Although I am a member of the special committee considering television in the House and the way in which our proceedings are to be televised, I confess that I now harbour some reservations which I did not harbour when the original decision to televise was taken. That reservation, purely and simply,

relates to how the image transmitted by the television cameras of this House will appear to the audience outside the House. We have a stage in the House, if I may use that term, which is perfectly appropriate for the sort of debate which takes place in the House of Commons, but the question is whether it is appropriate to the kind of picture which the television cameras will show the audience outside the House. I think we shall need to do some experimenting.

I am thankful that the House leader of Her Majesty's Loyal Opposition took the initiative to propose an amendment to the government's motion, for his amendment would encourage the special committee to propose ideas and to propose experiments so that we may discover the best approach to this question. I proposed, as the result of the amendment proposed by the hon. member for Grenville-Carleton (Mr. Baker), that an initiative be taken to televise one of the more important events this spring on our parliamentary calendar. The event which immediately springs to mind is the budget. I suggest that it would be appropriate to invite the television cameras in to televise the budget proceedings.

Some hon. Members: Hear, hear!

Mr. Reid: Hon. members will recall the mess the House got into last time because the antiquated procedures we followed led to details of the budget being broadcast on television even before members of the House of Commons knew what was in the budget document. I think it would be useful if the Canadian people were to get the news at the same time as the House of Commons. It would be appropriate to invite the television cameras in so that the people in the communities could watch and listen to the speech of the Minister of Finance (Mr. Macdonald) and the replies of members of the opposition parties.

It would be appropriate, as well, if the Minister of Finance were to have 30 minutes only to present the hard facts of the budget, and if the leaders of the opposition parties or their financial critics were also to be allowed 30 minutes to present their reasoned criticisms. That would be a much more sensible and logical approach, preferable to the kind of helter-skelter activity taking place in the lobbies and outside the House when the budget speech is actually being delivered.

There would be no difficulty in dealing with the mechanics of the proposal, for at least the first hour of the budget presentation of the Minister of Finance is taken up with summing up the material contained in the budget papers which used to be published at least one week or so before the budget proper was brought down. If that material could be presented to the House one week or so in advance of the budget, the Minister of Finance would not have to spend so much of his time, of course, reviewing something already presented to us. He could spend his half-hour dealing with the realities and content of the budget and could give perhaps a much more detailed explanation of measures he intends to take. Therefore, I think we should take advantage of the initiative of Her Majesty's Loyal Opposition and consent to the proposal to televise the forthcoming budget speech of the Minister of Finance.

Having said that, I direct attention to some of the other proposals of the hon. member for Halifax-East Hants. Frustrated, like the rest of us, by the way this place carries on its business, the hon. member wrote down five or six suggestions for improving the procedures of the House. I share his frustration with regard to the way in which we carry on our business. It is absolutely disgraceful that in the year 1977 we are carrying on, basically, as Sir John A. Macdonald carried on in 1867 in the first parliament of Canada. Basically we have made few changes; yet the world outside has changed substantially. What are we doing? We are doing exactly as those earlier parliamentarians would have done.

We have not considered the kind of society in which we live. It is a fast-moving society which takes for granted that something is done when an announcement is made. Because of our cumbersome procedures both in cabinet and in the House of Commons, action is often taken one year after the announcement. It is no wonder that members of the House, the House itself, our political system and our constitution are not taken as seriously as they ought to be. We are unable to deliver what we promise.

Much of the responsibility for the problems of the members of the House of Commons rests, it seems to me, squarely on the cabinet. It strikes me as completely unreasonable that the cabinet should take one year or more to reach a decision and, after presenting it to the House, expect the House to deal with it in a few weeks. That is an unreasonable assumption and an insult to all who sit there. Just because it has taken the cabinet so long to make a decision does not mean, necessarily, that it is the right decision or the only decision. The cabinet is often impatient with the House of Commons when it feels that cabinet decisions are being challenged. But is this not the place where such decisions ought to be challenged?

I suggest that one of the most important parliamentary reforms must be finding some way of changing our rules, changing them in a way which will be fair to cabinet, for it is the government of the country and ourselves, members of parliament, representing the people of the country. It strikes me that we can consider a number of things which make sense. First, we ought to have a calendar which makes sense. We must have a calendar which takes into account the amount of sitting time the government needs and the amount of legislation the government wishes to propose.

All of us have some idea of what is an appropriate legislative load for the House to carry and all of us, surely, have some understanding of the amount of time which we need in normal circumstances to process that legislative load. Nobody has any secrets from anybody else on that score. The matter is quite clear. However, the acceptance of that concept entails the cabinet's placing itself under the Standing Orders in a way which it does not now have to do. It means that all of us, as independent members, will be under the same kind of obligation. It means that we shall all be subjected to greater discipline in the planning and carrying out of that legislative

program. It means that we shall need to be given notice of legislation and even necessary background material to legislation it is proposed to debate in the House of Commons. The calendar, it seems to me, is an important item.

Second, once we accept the idea of the parliamentary calendar and the idea of the appropriate legislative load, it seems to me we must find some way to bring debate to an end. If we accept a limitation on the total time available to us and a limitation on the amount of legislation to be introduced, it seems to me that we should also accept some mechanism for assigning time available for the discussion of each of those legislative items. For the House of Commons this would mean giving a different priority to various items. At the moment we give priority to no item. At present an item is debated either until debate collapses or ends. Usually debate collapses. Really, we do not sharpen our knives, so to speak, and do not sharpen our minds. We go on debating *ad nauseam*.

For proof of my contention I invite hon. members to examine the reports of debates on any subject which has come before the House. You will find that debates which are limited are sharper and more effective than those in which there has been no time limit. As Samuel Johnson said, nothing sharpens a man's mind so much as the prospect of his being hanged tomorrow. I think the same sort of philosophy ought to apply to us. Items of great priority at present do not get the attention they deserve, whereas items of lower priority get more than they deserve. We do not distinguish between what is important and what is not. We are concerned only as to what we want to talk about at any given time.

I have often said that the most important reform we could make in the House of Commons is insisting that members talk to the subject under debate. But I am too much a realist, have been around here too long, to assume that that will ever come about. What we really require is to find some way for the House of Commons to set a time limit for the amount of time available to an item and then find some way to bring that knife-edge to bear.

● (1710)

There are a number of suggestions that have been proposed. One has been put forward by the hon. member for Halifax-East Hants. In fact, it is his first suggestion, and I quote:

> Cutting by one-half the time limits for speeches where such time limits are set forth in Standing Orders.

That would have an effect. Another proposal one should look at is one that was discussed in the procedure committee. That is that there be another mechanism to allow debate to go beyond the normal ten o'clock adjournment when there is a requirement for it. In many cases hon. members know that a debate is coming to an end and that all that is needed is another half-hour or hour to bring it to a conclusion. Why do we not do that? The Standing Orders now make it almost impossible to permit that to happen. We should look at that Standing Order with a view to loosening it up so that we can bring these matters to a conclusion when the time is there—and most members know when the time is there.

Changes in Standing Orders

One other suggestion that the subcommittee on procedure of the Standing Committee on Procedure and Organization has brought forth is a modified version of the British closure rule whereby it would be Mr. Speaker's responsibility to take the test of the House and determine when a question ought to be put. That might be too cumbersome for some. For others it might be too sharp. I say that the present situation is unsatisfactory. Perhaps we should look at it in that way. Surely under such circumstances there would have to be discussions with the House leaders of the other parties. However, I am certain that with proper good will it could be arranged.

Some hon. members have not had the opportunity to sit in on the discussions of the House leaders. Normally there is a discussion as to how much time is really required for a particular piece of legislation. There is discussion as to the number of speeches that have to be made from each party. Normally you come up with an informal discussion as to what is really required. However, I have never known any of those discussions to be fulfilled.

There is not sufficient discipline within the parties. None of us really willingly submits to the whips, House leaders or party leaders on these items. Consequently, the debates tend to take off with a life of their own. It is not the parties, party leaders or House leaders who are in control; it is the individual members. Once these debates get going it becomes impossible to bring them under control. What happens is they either peter out or the government is forced to bring in rule 75C if there has been sufficient agitation. This is hardly a parliamentary way to proceed to deal with the problems we ourselves create. Obviously, there has to be a greater amount of discipline imposed upon us, either by our collective decision through the Chair or through unilateral action by the government. Of the two, I prefer the first. Many members obviously prefer the second or prefer to have debate by exhaustion.

The last point I want to make is that we have not shown any collective will to come to grips with the problems of procedure that we face. We are still unable to decide just what it is we want this place to do. We are still unable to decide what it is the House of Commons should be attempting to accomplish. If you are looking for debate on the facts of the matter, you very seldom get it in the House of Commons. You very often get it in committee of the whole on finance bills and, particularly, in committees. If you want to know what people think about particular pieces of legislation, you get a pretty fair job on that at the second reading stage.

There has to be some attempt to draw these straws together and put them into a coherent whole. While the parties are constituted the way they are, they will be unable to do so; they will be unable to focus their attention on these things. At some point the frustration of members will get sufficiently great that we may make some unwise decision, some unconsidered decision, attempting to bring it into line with what we see as the reality out there. I am one of those who is frustrated. I feel the House of Commons is terribly inefficient. We do not discuss the important things. For example, at some point we ought to have had a debate on the question of the Anti-Inflation

Board—but we did not. We ought to have had a debate on the question of what is going on in Uganda. We have not had such a debate. As long as we proceed in using our time the way we do, talking the way we do without any particular focus, we will not get around to debating things that are important; we will continue to debate things that are in the past.

If you look at our legislation, the program before us, you will see that all of it has basically been announced before. All of it has been debated before in the press. One problem is that we have not been able to explore any kind of mechanism to bring these things before the House at the time announcements are made in a way that we can have a debate that is important. We get these things too late. It is our own fault. As soon as we decide we want to debate what is going on, we will make those changes.

In closing, I want to congratulate the hon. member for Halifax-East Hants for bringing this matter before us. I assure him that I share his frustration. I hope other members will share it also and will be moved to do something about it.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I look upon the remarks of the hon. member for Kenora-Rainy River (Mr. Reid) as an expression of difference of opinion that can be expressed. In fact, the way the hon. member has expressed himself and the way I intend to express myself is a clear illustration of what this House is. The hon. member would have a legislative grist mill. That is what he has in mind: someone plans, allocates time and brings the debate to an end, regardless of the wish of the members. However, somebody is getting the priority in the planning. The hon. member's thinking on this would be vastly improved if he sat for five years or so on the opposition. There is quite a difference of approach in the question of rules. The hon. member talked of frustration. Perhaps he should participate in the debates more than he does.

While I differ from my colleague for Halifax-East Hants (Mr. McCleave) in some of the approaches he has taken, I think it is great to have this motion before us today even in its very shortened terms. I do not know why the hon. member for Kenora-Rainy River does not really prod his House leader to bring forward motion No. 12 which is a referral of all the rules. I do not take as dark or despairing an attitude toward the rules and the way this House conducts its business. As I said, it is not a legislative grist mill. It is not an administrative body, but a deliberative body. Each member stands equally before Mr. Speaker with his colleagues.

To say you are automatically going to cut off everything is a denial of the right of people to be represented in parliament, the right that their member shall be their spokesman. I admit you cannot repeat the same ideas and arguments all the time. Surely, there are things that can be done to meet the total operation, make it more convenient and more to the taste of hon. members.

The hon. member for Kenora-Rainy River should be the last to say that the operations of this House are something like those in the nineteenth century. After all, he is one of the acolytes of the Minister of Finance (Mr. Macdonald) who when leader of the House was responsible for imposing the great portion of these rules; that is, the functioning rules of this House and the form of committee system that we have.

● (1720)

We are both members of the committee on procedure. He is the chairman of a subcommittee. I have chaired another, and the chief government whip has chaired a third. All three of us have been terribly frustrated by the fact that the caucuses on both sides seem to operate on the rule of the least common denominator—he who knows least about the rules but is prepared to yell the loudest carries most weight.

The reports of the subcommittees should have been proceeded with before now. Some of the recommendations were agreed to by both sides and there has been agreement from the caucuses to implement them. But there is a strange reluctance on the part of the government House leader to go forward even in this area, though to do so would cover a number of the points my hon. friend has raised; for example, with regard to expanding the adjournment debate and changing the hour from ten o'clock to six o'clock and utilizing the first portion of the dinner hour, putting on five speakers. Perhaps there would be about the same attendance, but there would at least, in my opinion, be better exposure and greater convenience for the Chair. Then we should have the possibility of carrying on our work after ten o'clock. I would say to the hon. member for Kenora-Rainy River (Mr. Reid), "Talk to our counterparts in Britain and they will disabuse you within two minutes." They have a rule allowing for a 90-minute debate after ten o'clock. But there is not one of the members over there who has not complained, privately and publicly, about the hours during which the British parliament sits, sometimes until one o'clock or 1.30 in the morning.

There is no way this can continue. We have to consider our staff. They are human beings, too. They are not supposed to be turning out material like sausage meat out of a machine, or like sawdust out of a saw. They have to be as alert and as available as we are. And if you think you are going to have a member of parliament working until 1.30 in the morning and up on his feet ready to attend a committee meeting at 9.30 the next day, you have a surprise coming. Of course, no particular harm is done to those who do not come in anyway until noon, as some do.

For once the government whip was correct last year in contemplating changes in our committee structure. The committee system as it now stands is supported by some 80 or 90 members. When I say 90 I am being very generous; it is more like 80 members from all sides. You can exclude cabinet ministers and you can exclude some of the parliamentary secretaries. But for the rest the load is unevenly shared.

Mr. Speaker, I shall try to be a little more relevant than was the hon. member for Kenora-Rainy River. He spoke about a legislative philosophy which I think was not too relevant to the motion put forward by my hon. friend. Consider television in this House. There are some great things which have to happen

first. There is the law of libel which has to be amended before it comes in, even for the budget. There are other measures, too, which need to be taken. There may be one blessing, it is true. It will help to end the practice into which so many have fallen, of reading speeches which they have either prepared, or not prepared, themselves.

There is nothing quite so unforgiving as a camera focusing upon a person who is doing a bad job of reading. For myself, I very rarely read even a quotation. My grammar is not polished and my sentences may often be disjointed. On the other hand, it is debate, and if hon. members would consider this place as being a chamber for debate, not a chamber for reading set speeches, we should all be better off. When a series of set speeches are made there is no meeting of minds on any particular subject. If I had come here this afternoon with a speech, I would have to scrap it entirely because I want to debate with the hon. member for Kenora-Rainy River some of the things he had to say. That is what we should be doing. That is how we should be conducting our discussions.

I disagree entirely, though, with the idea that there should be a calendar or legislative timetable. It is all very well for government members to sit over there as if they have been inspired from on high and as if the administration had a corner on brains and a divine right to have all its legislation accepted. Television will not cure this. It is a question of communicating to the people of this country what is being said. I could give example after example when, as a result of determined debate by a number of people who did not share the views of the government with regard to a bill, it finally got out among the people and the people learned of what was happening and said, "The opposition is right, and the government is wrong".

How many times has my hon. friend from Crowfoot (Mr. Horner) stopped the government cold because he and others organized a debate? Take Bill C-83. Was it not on the basis of those speeches that the government finally agreed that the bill must have been wrong? If we accept this timetable, this legislative sausage machine which so many government members advocate, this chamber will become merely redundant. It is a question of a minister making an explanation: nobody on the government side speaks, because to do so would be to delay the bill—a speech or two from the opposition, and then the vote. Legislation would go through on a steamroller. That is not parliament. That is not the democratic form of government. Canada is a big country with regional differences, and if we have some problems now with regional differences I can assure you they will be multiplied many times over if we ever get this legislative steamroller that some people advocate.

I do not dispute that there should be a rule of closure. What we were considering in the Committee last year was an eminently fair type of closure under which Mr. Speaker would have responsibility. I believe—and I myself have occupied that Chair—that there is a place for Mr. Speaker beside that of being a mere timekeeper. He has the sense of the House.

● (1730)

After a certain time, a member—this could be the chief whip or the parliamentary secretary—might wish to propose a motion for closure. He would have to sound out Mr. Speaker to ascertain whether he would accept it. If Mr. Speaker felt there were at least six members who had a real desire to speak, he would simply say, "No; only after the six have spoken will I accept the motion." The motion could then be put, but there would have to be more than just a bare majority; there would have to be, say, 100 members voting for the motion so that there could be full representation. This is a Draconian procedure, but I think the placing of it can be done; however, not at the instance of a minister of the Crown rising in his place, as is done now, and announcing that the debate shall be terminated after eight hours. The present rule 75(c) is totally wrong.

We can move the adjournment debate. We can also change the question period. I have some feelings about the question period. I believe we have totally deformed the idea. But if that is the way it is going to go, fine. Perhaps I am one of the awkward squad when it comes to that. There are many other things we could talk about within the amendment of our rules. We could have a totally new committee structure. I think our report stage on bills is one of our most awkward procedures.

I will conclude my remarks by saying that I welcome this opportunity to speak on this motion, and I make a plea to the government House leader to please bring forward motion No. 12 under the heading "Government Business." I think we can agree to a reasonable debate on it, and then let us get on with the job, instead of everybody complaining that the procedures of this House are archaic. Every member has the right to his own views on the rules. I cannot say that anyone should have preference over any other, but there is one thing that we must have, that is, when the task has been given to a group of people who are interested and knowledgeable, if they have general agreement then let us not have the least common denominator in the House act as a veto on the implementation of the recommendations for rule changes, even on an experimental basis. We could have been doing a lot of good work trying out some of these rules in private members' hour, as the chief government whip has proposed, or in the structure of committees as I have proposed, and in some better use of time as others in the committee have proposed. But we have stood absolutely still. All the good work that has been done has been relegated to the waste basket. However, it can be resurrected. Therefore I will ask the government whip and the government supporters to put some pressure on their House leader to get motion No. 12 before us. We will deal with it and proceed to effect some of the changes which I am sure most hon. members want.

Mr. Maurice Harquail (Restigouche): Mr. Speaker, I am very pleased indeed to have this opportunity during private members' hour this afternoon to participate in the debate on the motion put forward by the hon. member for Halifax-East Hants (Mr. McCleave). First of all I wish to state that I agree entirely with what the hon. member for Kenora-Rainy River (Mr. Reid) said when he spoke earlier. He is obviously one

who has a great appreciation of the rules and procedures of the House and of their importance in ensuring that business moves smoothly through the House. I, also, am aware of the great importance of this subject, and this is why I am delighted to have the opportunity to participate in this debate.

The hon. member for Halifax-East Hants has made several recommendations in his motion, the first of which is to cut by one half the time limit for speeches as set forth in the standing orders. Obviously this is a very worthwhile recommendation, but one wonders whether members on all sides of the House could reach agreement on this. He recommended also the setting up of a committee composed of members of all parties and of members of the parliamentary press gallery to supervise information on proceedings which take place in the House. I believe that this is an area which should be tightened up. All too often in the past important announcements and statements affecting the House, which should have been made in the House, were unnecessarily delayed and in some instances were in the hands of the press prior to being announced in the House. I believe we should debate this subject and look closely at the procedure we are following so that members can retain their privileged position as representatives of the people who should be the first to hear official statements, and the first to see copies of official documents relating to this House.

I find it difficult, however, to agree with what the hon. member for Edmonton West (Mr. Lambert) said this afternoon on this motion. I was rather surprised to hear as experienced a member as the hon. member for Edmonton West who, as I understand it, is a former Speaker of the House and who has had many years of experience here, taking up the time of the House in private members' hour in such a negative way rather than coming forward with positive suggestions and recommendations, which I believe he might well have done, thus giving us the benefit of his experience. I believe that we should take the procedures of this House more seriously and more positively so as to ensure that they will be respected not only by all members of the House but by the community at large. Therefore, I was very disappointed that we did not have the benefit of some positive recommendations from the hon. member for Edmonton West when he spoke a few moments ago and had such an excellent opportunity to make them.

Another matter that should be explored, I believe, is greater discipline in the House. When motion No. 12 is brought before the House, considered, and eventually implemented, I hope that the matter of discipline will be debated, especially in view of what we have seen in recent months. One thing upon which there should be some deliberation and debate is the matter of discipline. Discipline is something which will be needed if the rules and regulations of parliamentary procedure are to work. If there is discipline the public will respect hon. members in their work here in the House. If we, as the representatives of the people, are to be true leaders of our communities and provinces in this House, we should have discipline, and that should show in our every word and deed. If that were the case there would be fewer difficulties and fewer delays, and the respect of the public at large for the work we are trying to do here would grow.

• (1740)

I realize that this could be a topic for considerable discussion. I do not want to get off the topic of the rules of the House by belabouring the point about discipline, but if we could see the recommendations of the committee which to date has worked many hours, we could consider them, approve them, and perhaps adopt them, and we would then be able to enjoy the respect we all want.

On the matter of the so-called late show, the proceedings on the adjournment motion, I agree with the recommendation of the hon. member for Edmonton West that those proceedings should be held at a more reasonable time. Those proceedings are important, and rather than having a late show, perhaps the proceedings could be held from six o'clock to seven o'clock, or from one o'clock to two o'clock just prior to the question period. The committee should seriously consider this so that we might have a more reasonable time in which to give all hon. members an opportunity to express themselves and to participate in that particular order of the day.

The matter of closure was touched upon. No one likes closure. No one likes to see it used, but it is there for a very good reason. In past months it has proved its effectiveness, and I for one am convinced of its usefulness. It is obviously needed. If parties and members do not want to be reasonable and serious about a proposition which is put before them, and if they are hell bent, so to speak, on delaying the proceedings of the House, then it is proper for any government to invoke closure.

I join with the hon. member for Edmonton West, the hon. member for Kenora-Rainy River, and all other hon. members who are sincerely interested in seeing a modern approach to the proceedings of this House taken as soon as possible, and I urge the earliest possible implementation of such an approach.

Mr. J. R. Ellis (Hastings): Mr. Speaker, as the seconder of this motion I want to comment only briefly because we are getting close to the end of private members' hour. I want to commend the hon. member for Halifax-East Hants (Mr. McCleave) for bringing the motion forward. I commend also the hon. member for Kenora-Rainy River (Mr. Reid) whose contribution to the debate was exceptionally well put, well thought out, and added considerably to the ideas expressed in the motion.

The first suggestion of the hon. member for Halifax-East Hants is that the time for speeches be cut in half. I hope to lend some credence to that by sitting down after using half the time I might normally use before sitting down. Surely in a day of modern communications, of instant replays, and of 30 second ads there is a place for a brief speech by a member of parliament. Surely we can put before our colleagues in this House our thoughts on a particular piece of legislation briefly, even if we only say "I agree with Jones, I agree with Smith, I agree with Brown, and my addition to the debate is thus and

so," and sit down. That is probably the most important aspect of this motion. I have long felt that the 40 minute limit on speeches was too much.

Recently we were subjected to a speech lasting a couple of days, and I think that was to the detriment of the House. It was a very interesting ploy, it achieved a certain end, but I think there are other ways of achieving ends. I would like very much to see some rule changes in this regard.

There are three aspects of the hon. member's motion which I particularly want to support, and one has to do with the late show. The hon. member for Edmonton West (Mr. Lambert) commented on this, and in keeping with what I suggested I am going to say that I support what he said. Perhaps those proceedings could be held at six o'clock, and perhaps the time could be extended so that at least five hon. members could participate. Certainly there may not be very many hon. members present for the late show, but there are not very many hon. members here at ten o'clock anyway. That would not change. Those who are interested could sit in, and we would not want to take very much time away from the ministers or parliamentary secretaries who respond.

The hon. member recommended setting at five the number of hon. members who may oppose unanimous consent. It seems to me that to have 264 representatives from all of Canada halted in their desire to do something by one single member who may have an attack of dysentery or migraine headache is entirely unreasonable. Five is perhaps not unreasonable. This measure would certainly lend some credence to the word "unanimous". I do not think unanimous has to mean all but one. I think allowing five to oppose would not be entirely unreasonable.

So that we can have a serious look at this motion—and since there is quite a bit of time remaining before the end of private members' hour—I am going to resume my seat and will support the motion.

Mr. Gus MacFarlane (Hamilton Mountain): M. Speaker, I too wish to congratulate the hon. member for Halifax-East Hants (Mr. McCleave). He and I worked very hard on the sub-committee report on private members business. In that effort we had the counsel of the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member for Lotbinière (Mr. Fortin). We would have been happy to see more action taken as a result of some of the recommendations in that report.

I also want to congratulate the hon. member for Hastings (Mr. Ellis) for his honest recognition of the desire of people like the hon. member for Kenora-Rainy River (Mr. Reid) to bring forward some good initiatives with regard to procedure and organization. I think the hon. member for Edmonton West (Mr. Lambert) has done this in his report which was brought forward in committee, but I feel it is a slight distortion to imply in any way that the hon. member for Kenora-Rainy River was just talking about a sausage machine through which legislation would be processed. I think that it is rather unfair because that hon. member is honestly concerned with parliament, with the right of members to speak, and with the fact that parliament should operate in a way that would allow all of us a fair say in what is occurring, and at the same time make up a schedule which all would adhere to and from which the public could expect performance. I think that is really what he was saying and he was not in any way implying that any government should have the kind of control which would merely order legislation through.

• (1750)

In fact I might say that the hon. member for Kenora-Rainy River has quite often chastised people on this side of the House for attempting just to move legislation into a large barrel and push it through, rather than being certain that it is appropriate and that there is time enough to speak to it.

Another matter that concerns me is the reference to Motion No. 12 and that the government House leader should be bringing forward this motion. In his remarks the hon. member for Edmonton West said there should be a reasonable amount of debate. In the past when references were brought to the Standing Committee on Procedure and Organization it was agreed that we would not debate those motions; that the committee would come to agreement by having discussions and would bring forward a recommendation which had some chance of success, and at that time there would be an opportunity for all to debate the matter. But to debate before the matters come before us would seem to use unnecessary time. It is my understanding that it might be anywhere from three to four to five days.

I think the government House leader, being as responsible as anyone from Cape Breton is, would not want to interfere with normal legislation and stop to debate for three days whether we should send a certain reference to a committee to decide some matter of procedure. I think in all fairness we should remember that.

My concerns are somewhat different from those of other members. This may be because of my background in working with young people, in education, and possibly as a dean of students, and now as whip. I am terribly concerned about individual members. I think all people should have more concern about the members than their own special desire about how procedures should be organized in the House, or of their party and its special desires, or the government and its special desires. We should at this moment pay attention to what ordinary members of parliament—as all of us are regardless of where we sit, whether in the government, as ministers or as whips, basically we are all members of parliament—and we should be concerned about how each of us can best use our time here. We should have the opportunity to speak for our constituents.

It seems to me that if we cannot even come to an agreement, regardless of the initiatives which would help the government or give the opposition a better opportunity to look into estimates and things of that nature, all of which are terribly important—if we cannot even agree that there should be a way in private members' hour by which members can control that

hour, that it should not also be subject to the fact that possibly two House leaders might agree, or two whips, that something is going to happen—then it seems very wrong, Mr. Speaker, that government initiatives should have any control over private members' hour. There should be a moment in that private members' hour for private members. Yet we cannot agree on that because people want to tie that in with some agreement on what the government might want, or the opposition might want, or some other party might want.

I think we have to face up to time schedules. It seems to me that the press and the media should be made very aware of the fact that those of us who go home every Friday night do not go home for holidays but go home for work sessions, some of which are in the riding and some of which are in this parliament. Whips should be able to put on a card that members will be here from January 10 to January 24 in work session in parliament, and will be in their ridings from January 24 to February 2 at work sessions. We should be able to do that in a completely open way so that nobody says to a member in his riding, "Oh, you are on holiday from parliament." You certainly are not. You are visiting functions, you are meeting people, you are answering questions, you are acting somewhat as an ombudsman. We hear of countries like Sweden that have five ombudsmen. I maintain we have 264, or 318, or whatever the figure is going to be. Every member of parliament in this country acts as an ombudsman and requires time at home to do that.

One hon. member mentioned changing the hours, and particularly the time of the late show. But what about private members' hour? A lot of members who fly west or east like to try to get out on the first plane. If we sit until five o'clock they may just miss their plane by 20 minutes. If I go to Hamilton I either have to go at 5.15 or else go to Toronto and not get home until nine o'clock at night. If I leave at 5.15 I am in my riding at 6.10 and can attend a function that night, but because the House sits until five o'clock I cannot do that.

Maybe it would be better to have private members' hour from ten o'clock till 11 o'clock in the morning. That adjustment would have to be tied in with what we do in other procedures. That seems to be the hangup, that there is a negotiation. Maybe that is what the hon. member for Edmonton West was referring to when he spoke of the common denominator—if you get this then you have to get this; if you get that then you have to get that. No, I say. I say there is an opportunity for us to do something on procedure and we should be able to bring that motion forward without debate in this House and forward the reference to the Standing Committee on Procedure and Organization. They should come back with recommendations that are fair for all members and do not have such great reliance on the success of the government or of the opposition. Something should be done for private members at this moment; then I think we would find that members, House leaders, and people in the committee could probably go further into the committee stage and the allocation of time. If we cannot even do something for individual members of parliament to make things more reasonable for them, then I do not see how we can ever tackle the really heavy problems of procedure.

From what I can hear on any side of the House and from the people who have spoken, I think we do want to do something on procedure. This is a moment in parliament when people say it is something we should do. We are a product of the times; let parliament be for our times. May I call it six o'clock, Mr. Speaker?

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: Order, please. It being six o'clock the hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock tonight.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT, 1976

AMENDMENTS TO IMPLEMENT CHANGES IN IMMIGRATION POLICY

The House resumed consideration of the motion of Mr. Cullen that Bill C-24, respecting immigration to Canada, be read the second time referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, at the outset let me say that it is a privilege to speak briefly on Bill C-24, this most important bill on immigration. I was particularly pleased to hear the previous speaker, the hon. member for Halton (Mr. Philbrook), terminate his comments by emphasizing the importance of family re-unification. I tell the hon. member, through you, Mr. Speaker, that I share his views.

Before being elected to this House in 1972, and even since that time, I have been aware of many instances showing that the present act does really not address itself to the important humanitarian matter of family re-unification. I suspect that my views about the importance of the family unit are shared by most members of the House, and those fortunate enough to experience the warmth and close ties of family will have no difficulty in appreciating the need for family re-unification measures.

Instead of attempting to consider all aspects of the immigration bill now being debated on second reading in a global context, I have decided that it would be useful to limit my comments to a few specific issues which have been raised, and

to some which have not been alluded to yet. One of the major complaints voiced by many speakers in this debate is that the bill does not contain most of the important provisions of the government's immigration policy. It is readily apparent that a good deal of the policy will be established by way of regulation and order in council. As the minister knows, I have objected to this method in the past and repeatedly emphasized the importance of knowing the regulations when we attempt to discuss in detail the merit of any particular piece of legislation. Having said that, I have no difficulty in recognizing that the government and the minister require flexibility in the administration of a piece of legislation. However, I find it inexcusable that the major, operative portion of legislation, which is embodied in regulations, is not available for members of the House of Commons to assess. The regulations should be available to hon. members if they are to understand the implications of the bill and the policies of the government.

I recall, both when I spoke on the Environmental Contaminants Act and on the bill relating to amendments to the Animal Contagious Diseases Act, that it was readily apparent to all hon. members that one could not discuss many aspects of the legislation before the House because of the absence of regulations. It should be noted that in many instances bills have been introduced in this House which contained clauses which did nothing more than enshrine in legislalation previous regulations established without parliamentary debate. I suspect, unless the minister has a change of heart, that that may happen in this instance.

When the minister introduced this bill on March 10, he pointed out that clause 3 lays down in clear terms the basic objectives which the government considers should govern Canadian immigration policy now and in future. I think it is readily apparent that immigration objectives are useful in serving as a guideline for the interpretation of the act, but it must be emphasized that they are not enforceable by law. As the minister knows, future regulations may deviate substantially from the intent of the objectives as outlined in clause 3. I have no doubt that many of those objectives in the bill will be subject to examination during committee stage. I therefore anticipate that the minister will make available to us, and elaborate on, the innumerable regulations which it will be essential for us to know if we are to have a clear understanding of the government's immigration policy and the effect the bill will have on future immigration in Canada.

The hon. member for Provencher (Mr. Epp), in initiating the debate on behalf of our party, emphasized two important points. First, there is the necessity to develop a demographic policy which will ensure a future for all Canadians, a future in which not only economic opportunities exist but, equally, in which there is freedom, racial equality, and justice for everyone. Second, he correctly pointed out that the entire selection system by which immigrants come to Canada is not included in the bill. Earlier this afternoon the hon. member for Broadview (Mr. Gilbert) clearly pointed out the importance of the selection system, the necessity for each of us to understand it in depth and consider it in depth during the committee stage. It is obvious to me that those two factors are interdependent; and if Canadians are to understand clearly the government's immigration policy, if Canadians in future are to understand the manner in which a person may qualify for entry into Canada, I say it is evident that such details must be made available now to members of parliament, and indeed to all Canadians.

• (2010)

I want to limit my comments to three of the immigration objectives we find in the bill, namely, that portion that indicates Canadian immigration policy is to maintain and protect the health, safety and good order of Canadian society. The second deals with the facilitation of visitors into Canada for the purpose of fostering trade and commerce, tourism, cultural and scientific activities, and international understanding. Finally, there is the objective of promoting co-operation between the government of Canada and other levels of government and non-governmental agencies in Canada.

This does not imply that I intend to discuss each of these sections in detail. Obviously, for those who have studied the bill and the implications of each of the objectives, this would be impractical in the time frame allotted to us. Nor do I want to imply that the particular immigration objectives that I have referred to are more important than the other declared objectives within the bill. However, as I indicated somewhat earlier, I felt it would be useful to discuss briefly three important problems which I feel are supportive evidence of the difficulties members of parliament are experiencing in understanding the bill without having adequate information and without knowledge of the regulations.

I was pleased to learn that the bill abolishes a number of provisions which, frankly, are archaic and unjust. As the minister knows, and quite rightly indicated in his speech in the House of Commons, the 1952 act barred epileptics, the mentally retarded, and those who had been inmates of mental institutions.

I can also understand the minister's reasoning to include a portion of the inadmissible classes which includes persons suffering from any disease, disorder, disability or other health impediment as a result of the nature, severity or duration of which, in the opinion of a medical officer, they are or are likely to be a danger to public health or public safety, where their admission would cause or reasonably be expected to cause excessive demands on health or social services. If I interpret this correctly, a medical officer is given the ultimate right to determine whether an excessive demand on the health and social services exists. I suggest to the minister, in all sincerity, that I feel somewhat uneasy that a medical officer would be given unlimited discretionary powers to make such a decision.

Those involved in the delivery of health care are well aware of the stigma that has been attached to many medical problems in the past which has given rise to discriminatory practices. Those of us who have been involved in the delivery of health care recognize that in many instances medical technology and therapeutic advances have enabled many individuals

with medical problems to remain active and productive in our society.

For example, epilepsy has been mentioned by various speakers in this debate. I suggest it may well be used as a prototype for the problem I am discussing. It has been recognized that this group of individuals has been discriminated against for many years. We know that certain myths existed in the past regarding individuals with the problem of epilepsy. Fortunately, I am pleased to report, in many instances these myths are disappearing. In this regard I want to congratulate the minister for removing epilepsy from the inadmissible class.

Having said that, I could very quickly give other examples where we have a different perception of a medical problem today as compared to 20, 30 or 40 years ago. For example, our perception of tuberculosis as compared to 30 years ago is entirely different. It is viewed differently by the community at large.

The same could be said of conditions such as pernicious anemia which can now be treated. The patient is no different from the average man on the street who is presumed to be healthy. Other examples are diabetes, cardiovascular problems, many of our handicapped patients, thyroid problems, and many forms of cancer. The point I wish to make is that certain medical problems which may be considered inadmissible today, as epilepsy was in 1952, may appear archaic in the future with the advancement of medical technology.

It is not inconceivable that a medical officer in the future could deny admission to an immigrant on medical grounds and yet another medical officer could permit another individual with the same medical problem to enter Canada. This does not imply that one or the other medical officer is right or wrong. However, it does point out the difficulties of giving unlimited discretionary powers to a medical officer during an era where there are rapid changes in medical technology, and points out the need for an appeal procedure, advisory group, or some mechanism whereby such problems can be judged on the basis of recent medical data. If this occurs, there will be far less occurrence of the possibility of discrimination with respect to health or social problems.

During the debate of the bill dealing principally with *Reader's Digest* and *Time* magazines, the minister will recall I took exception to the Canadian content rule. Although I refrained from the use of the word "censorship", the so-called "Cullen Rule" was unquestionably one of editorial interference. During the debate I stressed a number of scientific journals and periodicals would be affected by the legislation, and emphasized the importance of maintaining an environment in which the free flow of scientific information would be permitted in the international community. That fundamental principle is once again expressed in the immigration objective dealing with the facilitation of visitors in Canada for the purpose of fostering trade and commerce, tourism, cultural and scientific activities, and international understanding.

The minister knows my concern for the free flow of information in the scientific community. Again it is readily apparent the regulations will determine the government's policy with respect to this fundamental principle, and I hope the minister will take the opportunity to clarify the government's position during the standing committee hearings when this bill is being examined very carefully.

I wish to make a few brief comments regarding the immigration of medical personnel into Canada. Let me emphasize that the comments I make with respect to the medical profession should not be viewed in isolation but are readily identifiable in other disciplines.

The Royal College of Physicians and Surgeons of Canada in presenting their brief to the Special Joint Committee of Parliament on Immigration failed to address itself to the commonly held myth that the medical profession is a "closed shop" and determines the number of Canadians students admitted to medical schools.

Historically, Canada has benefited from the immigration of exceptionally talented physicians. They have played an important role in serving the public in varying capacities ranging from family physicians to leaders in the academic and research community. Interrelated with this policy of immigration is the simple economic fact that it has been less costly for the government to import undergraduate students than to train them. Today foreign medical graduates comprise about one half of all the specialists certified by the College, and the majority of these remain in Canada to practice their specialty.

● (2020)

There is, however, another side of the scenario as well as the economic implications. First, there is the moral question arising from the acceptance of a significant number of specialist physicians from developing countries where their professional skills are in demand. A case can be made that Canada has developed to the point at which we should be a net exporter of health services rather than importer of health services.

The second point raised by the College is that an open door policy encourages "reverse discrimination" under which it is possible for foreign medical graduates to enter our system while highly qualified Canadian students are denied entrance into Canadian medical schools because of the large number of applicants with superior scholastic records. The brief states:

> Canada should move toward training sufficient undergraduate medical students to meet the needs of the country as a whole. We should look forward to being able to say to Canadian citizens: There are enough Canadian students to satisfy our needs; there are enough graduate programs to satisfy the requirements of these students if they all stay in Canada, and there are enough jobs for them all if they choose to stay here. Some will go to the United States, or to Britain or to other countries in Europe. We shall be able to accommodate some foreign medical graduates of a calibre equal to our own. There will continue to be movement across national borders.

The long term goal for Canada has been adequately outlined in the College's summary. Canada should be self-sufficient in physician manpower, maintaining a balance and ongoing emigration of specialist physicians, and adhering to the historical position that this country welcomes talented new citizens.

As I stated previously, the comments I have made with respect to the medical profession are relevant to other disciplines. Here again the regulations are critical and I do not see

any evidence in the bill before us that the government, in formulating its policy, has addressed itself to this important consideration.

Finally, Mr. Speaker, I wish to comment on the government's intention, as part of its immigration objectives, to promote co-operation with other levels of government and non-government agencies in determining immigration policy. In this regard I wish to refer to the subject of offshore seasonal help. I can think of no more important issue in terms of co-operation with other governments, and, in particular, with non-government agencies. As the minister knows, it is one which plays a significant role in my part of the country where we have found it essential to utilize offshore help in a number of agricultural operations. As the hon. gentleman knows, I have corresponded with him regarding this matter and I can appreciate the position he takes—that before authorizing the entry of temporary foreign workers the government must be assured that present and future employment opportunities for Canadians are not affected.

It is my impression that the agricultural industry is, and has been, prepared to assist the government in formulating specific plans of action to use the available Canadian labour force. In this regard I believe that Manpower personnel in my area are cognizant of the need to provide permanent, reliable, seasonal workers for the various agricultural sectors. The ones involved principally in my region are farm producers and canneries. What does concern me, however, is that the minister and his officials do not appear to understand fully the practical problems experienced by the agricultural community in attempting to plan ahead for the season in the absence of an offshore seasonal immigration policy.

A major complaint expressed by many farmers concerns the worker turnover. It is not uncommon for individuals to be sent by Canada Manpower, to work for a relatively short period, and then, without notice, move on suddenly to another part of the country at the height of the harvest season. In such circumstances a farmer often has to turn to one of his neighbours for assistance, and it is apparent that any effort to share work crews at such a late date presents problems for the growers involved. I myself am aware of cases where the harvest has not been completed before the first frosts came.

Then again, it has been brought to my attention on numerous occasions that many of the workers sent to farmers have no interest in the crops they are asked to harvest. This is, understandably, reflected in the work they do. Students are an important component of the work force during the summer months but it should be noted that when school starts in September the grower is often left without help. In many instances a large proportion of his crop remains in the fields and he must depend upon inadequate or uncertain help to get it harvested.

Another point which has been emphasized is the advantage of having a complete, homogeneous crew at work in the fields at harvest time. One of the values of the Caribbean work crews is that the experience and expertise they have gained from previous visits is readily apparent on their return to the agricultural sector. In this regard it should be noted that any change in the ownership of the operation can result in the sudden disappearance of a homogeneous work crew. I can assure hon. members that a newly established grower not infrequently finds his difficulties of operation compounded as he is confronted with the prospect of no farm labour.

The brief presented by the Landscape Ontario Committee for the offshore workers program outlines very well the problems faced by the industry. I will quote a few paragraphs:

> In Ontario, our busy season starts roughly April 1st. It is necessary to use seasonal labour from then until approximately November 15th. Seasonal labour is available from several sources, e.g.
>
> (a) local unemployed, through CMC
>
> (b) students, directly and through CMC
>
> (c) offshore workers
>
> Source (a)—Local unemployed are, as a general rule, very unsatisfactory, for several reasons. In the main, unemployed people registered with CMC, are not agriculturally oriented. They have very seldom had any farm work experience. They are not used to working on the land, not used to the working conditions that prevail in early Spring, in particular. For example: the wet cold weather and the muddy fields. We have had with many other nurserymen, much experience trying to hire Canadian workers for the season. We order these people from time to time. If we interview and hire say 20 workers, after two weeks we are lucky if *one* is still working. This is one of our greatest problems with local or Canadian workers, that they are hired for the season, but do not stay more than a few days or weeks. After the summer they will, if they have managed to stay that long, automatically become a burden to the U.I.C.
>
> The offshore workers we have are no burden to the Canadian economy. They pay in to the U.I.C. and C.P.P., but do not draw from it.
>
> Source (b) Students: Most Ontario nurseries hire large numbers of students each summer. In general, there would be at least four to five times as many students as offshore workers. For example, one of the average size nurseries employs some 55 people on a regular basis, made up of men and women. They employ some 50 students during the summer and another 8-12 people on a part time basis, as the need requires or more accurately as they are available. They have employed some 14 off shore workers the past three years and find that the arrangement works out very well with the number of regular workers, students, and part time help they have.
>
> Source (c) Offshore Workers: The off shore labour which we have had the past few years is qualified labour. They are fairly well educated, so they learn quickly, they are careful, cheerful, courteous and have high moral standards. They may not be the fastest, but they are steady and dependable, and are at work every day. For these reasons they fit in well to do those jobs which require a certain amount of skill, care and dependability. It has been impossible for us to hire someone in Canada to do these jobs, on a continuing basis (for at least one season). We are certain that agents of the local manpower offices, can attest to this situation.

● (2030)

As I indicated, the key problems as outlined by Landscape Ontario are not dissimilar to the experience of other farm sectors in the community. I want to add one additional caveat to what I have said, a caveat that is frequently overlooked in any discussion of offshore seasonal help. The view is frequently expressed that the program is simply for the benefit of the agricultural community, and what is often overlooked is that the Canadian consumer is directly affected by the activities of the agricultural community. I can assure you that a bumper crop is of little value to Canadians and is of little value to a country in need, a country that is starving, if it cannot be harvested. That is the critical point to be made: the crop must be harvested. In addition, it should not go unnoticed that as Canadians we have demonstrated a genuine concern in assist-

ing developing countries. I can assure you, Mr. Speaker, that in any discussions that I have had with innumerable offshore workers, principally Caribbean workers in my area, the money they have earned in the Canadian context has assisted them greatly in improving their standard of living on their return to their country.

In conclusion, let me reiterate that I have not attempted to discuss the global picture of the immigration policy for Canada. However, by referring to three of the immigration objectives outlined in clause 3 of the bill I have attempted, by way of illustration, to point out the difficulties that members of parliament are having, and indeed Canadians are having, in assessing the immigration policy when the operative portion of the legislation, namely, the regulations and the orders in council, are not available for debate.

During the committee hearings I hope the minister will take the opportunity to answer some of the questions I have raised and the questions that many other members have raised and, more important, that he will supply sufficient detail with respect to the regulations so that all members of parliament can adequately assess, not only the immigration objectives but, more important, the government's immigration policy.

[*Translation*]

Mr. Eudore Allard (Rimouski): Mr. Speaker, thank you for giving me the opportunity to take part in the debate on Bill C-24 dealing with immigration and refugees. As several members have already given a general picture of the situation I will limit myself to a few observations dealing mainly with refugees.

In 1969, Canada signed the United Nations convention on the status of refugees. At that time it took on certain legal obligations with respect to the status of refugees. The United Nations convention clearly provided that only people able to prove beyond any doubt their status of refugees are entitled to Canada's protection.

Clause 6(1) of the immigration bill provides that the refugee must meet the same requirements as an immigrant. However, this bill does not determine the special circumstances making him a refugee and somehow placing him in a quite different situation from that of an ordinary immigrant. In several cases, if not all, a refugee may well not meet the criteria normally applicable to an immigrant although his request to remain in this country is often more urgent than an immigrant's.

I think the bill should ensure that officials or those who will have to enforce this bill are able to make a clear distinction between the two types of people calling on the hospitality of this country, our democratic life, our sense of human values, as well as our desire to respect basic human rights to the highest extent possible.

Yes, those who urgently ask this country to receive them because human liberties are not or no longer being respected in their country of origin, and dare stand up in their country against those who want to maintain one line of thought from one party or one principle, should always receive a particular welcome from this country.

[Mr. Holmes.]

Through the years Canada has rejected all forms of extremism. It has looked for an original system based on the integrity of the elements making up our population. Whatever their orgin, the contribution of immigrants to the future of our country can be adverse only to the extent of our own weakness as regards our problems. A strong nation does not need legislation restricting immigration if the immigrant knows that he is accepted because he believes in the values of our country and its contribution to the full achievement of our country's expectations. But if he immigrates to teach political concepts threatening social harmony he will be treated as a subversive element. Canadian people have the most different and the most various origins. Our country became what it is presently owing to immigration.

In this context, Mr. Speaker, let us say that the immigrant coming to Canada wishes to start a new way of living. Our country should then recognize that it is an individual who, in his desire to start a new life, will contribute to the building of our country. We must in fact recognize that if all immigrants coming to our country wish to start a new life with more happiness, when they leave their own country it is often regretfully because of a change of political regime or because of the declared partisanship of their leaders.

The refugee immigrants who face those difficulties show human solidarity as they fight for freedom, for ideas as well as for human beings. They are also dynamic people whom we should consider as good elements for our country, all the more so because a man who is forced to emigrate does not come here to realize a long nurtured plan. For a simple reason of ethics we should consider them with more attention and better help them get established in our country after the difficult moments they lived in their country of origin. Canada should not be a restrictive land for some groups of immigrants, particularly those who come here to find freedom because in their country the right to freedom, to freedom of speech, is not recognized.

This is, Mr. Speaker, the few comments I had to make on Bill C-24 at this time.

● (2040)

[*English*]

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, the bill we are debating this evening has come before the House at the wrong time. When we were debating the citizenship bill at second reading over a year ago, I suggested that that bill should have waited until we settled our immigration policy, and having done that it would then have been in order to have brought forward the citizenship bill and debated it. However, for its own reasons the government has chosen to present these bills in the opposite order, so the citizenship bill is completed, and we now struggle with what is really the more basic and difficult task of establishing an immigration policy.

We have heard several speakers already in this debate, but I feel that in many ways we have not as yet grasped the nettle of immigration policy.

We have heard some interesting speeches. On Friday last the hon. member for Vancouver East (Mr. Lee), who is not

with us tonight, told us the sad story of discrimination against Orientals who immigrated, or who wished to immigrate, during the period of time from prior to the turn of the century on into this century, and right up until the end of the Second World War. That is a sad story indeed, but one should remember that the reprehensible steps which were taken to bring about that discrimination were taken by Liberal governments under Liberal legislation.

The hon. member did not even mention the most appalling discrimination, the decision to remove Japanese people from the coast and to attempt to return them to Japan, whether they were born in Japan or in Canada. The surprising thing is that the hon. member for Vancouver East sits on the government side, and after his retracing that long and sad history one would wonder what would have brought him to the point where he would have offered to stand for that particular party. It seems to be one more example of the Canadian people being ready to forgive all that happens on the government side, and not just to forgive all but always to forgive all. There have been recent examples of that tendency. The very people whose policies bring us to the point our economic situation is now at, and who bring our national unity situation to the point it is now at, as well as the immigration situation, are the people who are hailed as the only people to save the country.

The immigration policies put forward have a number of very highly idealistic bases. There is much talk of demography and what our demographic policy should be. I think this is a euphemism for a much simpler question: how many people can we afford to bring into the country at any one time? I will admit that there are sad aspects to the question of population, and I will get around to some of those a bit later.

There is a question about enriching and strengthening the cultural and social fabric of Canada, taking into account the federal and bilingual character of Canada. What a contradiction that is! Part of the problem which arises is the problem of national unity which is confronting us very sharply at this time.

I do not know whether the demand to enter Canada has fallen off at all. I suspect it has not because the situation in the rest of the world gets no better. However, I think people must be pausing now as they consider emigrating to Canada, and asking themselves whether there is some question as to whether the nation itself can exist much longer as one nation. One of the challenges to the country now is that a demand is made on the English-speaking part of the country to develop the same passion for national unity as that which is evidenced in the province of Quebec by those who argue that the country should be broken in two. It is rather difficult, in the face of federal government policy in a variety of areas, for the call of unity to be answered by the variety of peoples who constitute what is in a sense English-speaking Canada. We really must not be sanctimonious about the situation we have in Canada.

If one looks at "The Non-Official Language," the report of a study of Canadian multiculturalism handed down in 1975, there is a page which discusses generational differences in language and knowledge. This discusses mother tongue, and the report tells us that fluency decreases rapidly from generation to generation. This book is full of carefully prepared tables, but one table shows that 70.8 per cent of immigrants are fluent in their ethnic tongue. There are various reasons why not all immigrants of the first generation are fluent. Some come as small children, some come removed from their country of origin, but 70.8 per cent are fluent. When we consider the children of these immigrants, the second generation, 10.8 per cent are fluent. Of the third generation only .6 per cent are fluent. In subsequent generations none at all are considered fluent.

● (2050)

We find that in spite of the brave words about this nation being a mosaic of many peoples, about it being multicultural, that those are brave words only. There is a great illusion there. We cannot really hold ourselves up as being that much superior to the United States in the policies they have had, recognizing only one official language.

We have to be a little cautious about the promises we hold out to immigrants now compared to earlier years because they will be confronted with a choice of developing one of two languages, either English or French. I believe they will continue to face the same dilemma of immigration; that by the time the grandchildren are adults, there will be very little left of the original language and not too much of the culture. This is one of the "givens" of the situation, one of the unavoidable facts of immigration. I think we fool ourselves if we pretend otherwise. We fool ourselves even more if we pretend that by some process of federal spending, by some challenge to the people, we can reverse the situation to allow easily the retention of a geat variety of languages from generation to generation in this country.

We fool ourselves too if we pretend there is no bigotry, no prejudice in this country, and if we blind ourselves to the changes that have come about with bewildering speed in the last few years we make a mistake there as well. It seems to me that the patron saint of this country in recent times has not been Valentine but Archie Bunker, and through a variety of things that have been permissible in recent years we have made bigotry almost respectable. It does not surprise me that when a survey is made in metropolitan Toronto the results show a shocking level of bigotry amongst high school students. It does not surprise me to talk to a person about 20 years of age in British Columbia who says proudly, "I am bigoted," and that one then has to spend a long time with that person suggesting that there is nothing desirable about that, nothing that makes it respectable.

One realizes one is working against forces that have tended to educate and re-educate our young people, quite apart from the things done in our schools that have done it negatively. The jokes about immigrants in programs like "All In The Family" have led if anything to a rise in bigotry and prejudice rather than tolerance and understanding. I suspect that some of the people who initiated that sort of programming believed we had reached the stage of sophistication where it could be borne and

the result would be humour and increased tolerance. Everything seems to point in the opposite direction, however.

I suggest we could look at the rise and fall of immigration levels through the theory of the "necessary break". The breaks used to be out of our hands. The first came in World War I when there had been a great wave of immigration; a world war halted that and permitted a breathing space. In clause 3(d) of the bill it is called adaptation. I think assimilation might be a less popular but more accurate word.

The great depression provided another break. During those years there was little hope—and little hope in coming to Canada, so again there was a slackening of immigration. For a period of years World War II made immigration impossible. Since the end of World War II, however, immigration has risen and fallen for some 30 years. This was acceptable in a boom period but it becomes difficult in an economic slowdown. We cannot wish upon ourselves another break that is out of our hands. We cannot bear the thought of World War III doing that. If that happens there will not be any nation left, and if we go into another great depression we will not have a nation either. I suspect we must ask if, as a nation, we should not seriously slow the rate of immigration. I realize that is a question that cannot be asked, and I accept entirely clauses such as 3(f), which reads as follows:

to ensure that any person who seeks admission to Canada on either a permanent or temporary basis is subject to standards of admission that do not discriminate on grounds of race, national or ethnic origin, colour, religion or sex;

I must accept that. We cannot return to the time spoken of by the hon. member for Vancouver East when discrimination against certain groups was flagrant and blatant. Those days are gone.

One clause we can approve of is that which suggests the government of Canada should co-operate with other levels of government and with non-governmental agencies in easing the road to adaptation of immigrants. This is one of the great flaws in recent years; the federal government has set a policy for immigration and the municipal level has tended to pick up the load, particularly for schools. The load has fallen on the least powerful level of government, that with no sovereignty and no determination of the policy. It has been stuck with the bill and the efforts to make changes and pay for them in education and a variety of other aspects that a high level of immigration has brought about. This is where tension lies, where bigotries become exposed and feed on the fears that come about, particularly as we move into a period of economic decline.

I suspect there will always be adaptation; that we should almost insist upon. It is a great irony that we just passed the human rights bill a short time ago and yet we know that there are a great many cultures in the world that discriminate against women, for example. The very law that we passed is one that if we insist upon it, will run counter to the suggestion that there need be no cultural change or adaptation in this line. We ought to be careful that we do not become wildly inconsistent in our desire to seem to be tolerant and full of brotherhood.

[Mr. Johnston.]

The question of farm labour has already been raised. I think we should clearly understand the bill. If we believe in provisions such as clause 3 that practice will be a difficult one to continue. The thread which runs through all our debate on immigration is this: we must have these people, to do jobs Canadians will not do.

• (2100)

Is it not strange that a country which 100 years ago rejected aristocracy yet retained the monarchy—the notion of aristocracy running against the grain of the hardy, independent settlers of that time—should now seek to establish another kind of aristocracy? Apparently some Canadians are not to do some jobs; they are not to do the dirty, uncomfortable menial jobs. We are to bring in people from outside who, forced by economic pressures in their countries, will do those jobs for us. Is it not contradictory that we should think some jobs are beneath human dignity?

If some jobs are degrading, change them. Do what is necessary to make them fit for human beings to perform. Or, if the problem lies in our educational system and the people we are raising in this country, people who have no sense of loyalty or duty, we should tackle it from that side. But we are on a dangerous path if we think we can have two categories of citizens, one kind above doing any menial job, and another kind we constantly replenish or bring in from outside to do our dirty work. It is to our credit that, under our immigration policies, such numbers in this country are at a low level.

Contrast our situation with that of some nations of Europe who have brought in migrant labourers but have not provided for their social needs. If those labourers had been granted citizenship, those countries would have found it necessary to provide for their social needs. As it is they allow them to stay for one year, or three years, or whatever the period is, rather than accepting them into the community. We have chosen the more honourable route, but if we are not careful we shall depend more and more on bringing such workers into this country. We have already used this approach in agriculture and certain industries. Clearly, we shall need to consider carefully what is implied in sub-paragraph (f) of clause 3.

It seems to me, all the same, that we must have done something right in this country, for we have achieved over the years some levels of common justice, tolerance and decency; otherwise why would we continue to attract inquiries from the countries mentioned earlier? In 1974, 750,000 people inquired about coming to Canada. That suggests that our levels of freedom are not all that bad. We know that the cause partly is that virtually every other part of the world has closed its borders to immigrants and we remain one of the few open countries. That is part of the reason for the pressure.

The hon. member for Vancouver East suggested that people from Asia had taken a chance on Canada. Mr. Speaker, I can draw on familiar experiences; my grandfather came from Sweden. He did not have much chance in Sweden, and anybody who has seen Troel's film, "The Immigrants", part one, will understand the conditions in which my grandparents lived

in Scandinavia. They would know that there was no chance at all for those in Scandinavia.

Sometimes, after my grandfather had been in Canada for a while, he used to grow nostalgic, talk about the old land and say that things were not that bad over there. Whenever he talked this way my grandmother would remind him of exactly what it was like. She had known what it was to labour in the fields without owning the land and without any chance for a shift in social status as the years and generations went by. I suspect that this is still very much the case in many countries, and we, as a country, offer people in all parts of the world hope for a better life, hope for a system of government free and democratic.

May I now refer to a letter I received, in common with other hon. members, when the government brought out its green paper. The document to which I refer is a statement on immigration policy by a group of University of Toronto faculty. It is a distinguished group; there are at least 30 names signed on the back of the letter. There is a dean of theology of St. Michael's College, a professor of religious studies; there are people from the departments of political economy, mathematics, fine arts—the list of names is long. The letter was guaranteed to make a mere member of parliament curl up like a worm on a hot rock. Yes, there was a mass of academic distinction backing that letter. I think all hon. members received a copy of that letter of May, 1975. I was critical of it.

As you will recall, the green paper was a hesitant document. It skirted around every issue and refrained from spelling anything out. It did not grasp any nettles; even so, this group of academics found a lot in it to attack. If I may quote, they said:

> When official Canada speaks of regulating immigration, it seems always to mean preventing too much immigration. Though directly racial conditions on immigration were eliminated from law in 1967, recent practices and pronouncements express the official apprehension—especially toward the non-white or south-European applicant . . .
>
> We reject the underlying assumption that 'those others out there' are to be dealt with as best profits the entrenched Canadian. The question should not be how many immigrants our existing social system can profitably accommodate, for our social system is changing. The people's concern must rather be to set a social and economic policy, and in that context to set a population policy and an immigration policy. The aim should be to serve human needs—of Canadian (including native Canadians) but also of prospective immigrants.
>
> Freer access to Canada would not solve problems of population or poverty or repression elsewhere; but it would provide one further dimension of freedom; it would offer some hope.
>
> And would the immigrants' gain be at the expense of the present wage-earning group? The government's attitude tends to encourage this notion. It is a notion which gives employers leverage to pit a favoured group of workers against a less favoured. We do not think such a division should be accepted. We doubt that white Canadians have a stake in the maintenance of a pool of lower-paid labour, either within our borders or abroad.
>
> Immigrants do not threaten our culture, they enrich it. Their labour is an asset to our economy, not a burden. A policy of welcome is possible.

I replied, individually, to each of those academics and learned, from the few who replied to me, that many of them had not read the letter they purported to sign. It seems to me that there was room for a reply, that there was no need to cringe and no need for embarrassment. In my reply I commented first on the general woolliness of thought in the letter of the academics. I said that one can agree with the opening statement about the "wage of intolerance". That is true.

● (2110)

I question whether the Fathers of Confederation had really considered setting up Canada as a multiculture at that time. They did mention two official languages, but no more. I suspect that if they really wrestled with the problem of multiculturalism they might have spelled that out a little more clearly, but they did not. I think it was a measure of tolerance that they did include two official languages, and we know the problems that have arisen from that decision. My letter continues:

> To suggest that concern about immigration policy is a creation of government is simply false. " . . . official Canada speaks . . . the official apprehension." The green paper was long-awaited. It comes finally as a delayed response to public concern, and, as you say, it is tentative. The government was pushed reluctantly into producing a green paper.
>
> Who is the "entrenched Canadian" who can profit from "those others out there"? Those who speak to me about immigration have seen rights promised them in perpetuity stripped away (the British subject, for example).

We have had the culminating effect of this in the past few years with the declaration of the new Citizenship Act. Dismay is still striking hundreds of former British subjects, long time Canadian residents, when they realize they are not Canadian citizens. They are bewildered and dismayed. For anyone to describe those people now as entrenched is making a grave mistake.

They know that newly arrived immigrants have rights the native born do not have. This adds to the confusion because the immigrant can nominate and sponsor, but the Canadian born cannot. There is no way I can apply to bring a citizen from some other land to this land and have that work. One finds that one has fewer freedoms in the land in which one was born. That is another source of confusion and dismay. I again quote from the letter:

> They see Canadian citizenship going at a bargain rate—

That was written before Bill C-20 was passed, with the reduction from five to three years required to qualify. I takes the native born 18 years before he can vote. The immigrant waits three. I would not want to lower the voting age any more. In fact it probably works well at 18. There is, however, still that question there. I then said, and I quote:

> Who can be or feel "entrenched" when as you correctly observe, "our social system is changing"?
>
> If in your collective wisdom you know where "The people's concern must rather be"—then proceed to spell out the "social and economic policy", the "population policy", and "an immigration policy" that are imperative. Why that policy should be geared to the "prospective immigrants" I do not see. I know that no country elsewhere in the world is gearing its policies to benefit me should I decide to leave my native land. As the grandson of immigrants from Sweden I stubbornly insist that, should I decide to emigrate anywhere, the onus would properly be on me to make the necessary adjustments.
>
> Your argument for "freer access" is couched in confusing rhetoric. Who can object to "one further dimension of freedom"? But, if the strains of freer immigration fracture this land, who then would benefit?
>
> Finally, you must think again about your rhetorical question, "And would the immigrants' gain be at the expense of the present wage-earning group?" What makes you think that that is just a "notion" encouraged by the "government's attitude"? How can you explain it to the Vancouver wage-earning taxpayer

footing the bill to pay for special classes to teach immigrant children basic English? He sees it in actual dollars and cents on his tax statement. How will you exlain it as a "notion" to the Vernon, B.C., resident whose son is studying medicine in Guadalajara, Mexico—in Spanish!—because he cannot find a place in a Canadian medical school which has a disconcerting percentage of overseas students enrolled?

Confronted by the "wave of intolerance" that you correctly perceive you could do better than to fuel the fire. For the sake of all our immigrants old and new, for the sake of all our minorities, we need an immigration pause to permit the spirit of tolerance to grow again.

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I appreciate immensely the opportunity to say a few words about the bill before us at the present time, Canada's new immigration bill. It is the first change in our immigration laws since 1952.

My colleagues encouraged me to speak on this matter because I could speak with experience. It is no secret to any of my colleagues that I am a new Canadian, like four million others who live in Canada at the present time.

I speak with reluctance, as well, because as a Canadian who was adopted by the people of this great land as one of their own, having come here as an adult at the age of 19, deep down I still have the feeling that I am in debt to this great land and this society. I have been in Canada for 26 years. I have been a Canadian for 21. I do not think that my debt to this land will ever be paid.

I will tell you in a few words, Mr. Speaker, what my feelings are. I came to Canada at the age of 19 from a country with an overdeveloped culture, and an overdeveloped sense of nationalism. At the time Canada represented a refuge. It represented all those things which caused me to consider leaving my homeland, my friends, mother, father, brother and sister. I felt cheated. It was like when one discovers his father and mother have been lying to him all his life about Santa Claus and the Easter Bunny.

In postwar Germany my whole world had tumbled in. I was old enough to make a commitment at the age of 12 when the war was finished. It was a commitment to something that I thought was great, unique, and worth while fighting for. One grew up a little faster in those days than one does today. My whole world tumbled in after I learned that I had been cheated out of a childhood and a teenage life, which one considers essential.

To me, Canada meant security and comfort. It replaced what I had lost in relation to a family, community and country, because all that was destroyed. I compare myself with people who come to our country today from the Third World. They have learned what it is like to starve. I did that during the last few years of the war. I learned to examine the thin line between humanity and bestiality. I learned that really only a mother has deep human instincts when things get tough. I rediscovered all those great human feelings in Canada.

● (2120)

To a youngster from Central Europe, reading some of the books and news releases, and seeing care parcels arrive, Canada was a land of unlimited possibilities, as was all of North America, because the American people felt such strong ties to Central Europe—their hearts were bleeding because of what had happened to their relatives and friends. They were very charitable. I learned to appreciate those people, and it became an obsession; I never doubted but that this was the land in which I wanted to settle and bring up my family, a land where everybody is equal before the law and where the only credential, when applying for work, is the will to work and the determination to better oneself. Oh yes, I wanted to better myself and I wanted to work.

My Canadian dream was fulfilled beyond all my expectations. I can hardly imagine what I would have said if anyone had told me in 1951, when I arrived in Halifax on an Italian ship, that some day I would be sitting in this House of Commons taking part in a debate about immigration and about demographic strategy. I would have said: That is too much to expect. But I think I have earned the respect of a significant number of Canadians whom I represent here in the House of Commons, who have asked me to speak for them, and who have given me credit for what I have achieved, not only for myself and my family but for the community in which I live and the area in which I settled. And I did settle in one of the frontier areas, and I have no hang-up about the suggestion that more immigrants should do the same. Perhaps I adopted the right attitude. My wife came here two years after I did.

I wanted to be a Canadian as soon as possible. I felt I had nothing to go back to and I applied for citizenship after five years. Looking back, though, I realize I did not really become a Canadian until seven years later—the first time I could afford to go back to my homeland and visit my father and mother and my family. When I got back to Canada and stepped off the plane in Edmonton I knew, then, that I was a Canadian. I had not known until them. I could really assess the potential this great country holds for those who make a commitment to it. My spirit was set free here and I achieved all my goals, including some I had not even set.

Now, as I look at this bill and the changes in the legislation, I begin to question whether the kind of freedom, the kind of achievement I was able to accomplish, would be possible for immigrants who come to our shores in the future. I must admit, of course, that today we must take account of the fact that over the last 25 years we have, in a sense, created a unique cultural identity and that we have, of course, the right and the responsibility to enrich and strengthen this cultural and social fabric. But how was this identity achieved, how did it evolve? We cannot overlook the fact that the identity, such as it is today, and the cultural basis, such as it is, have been established or achieved through the efforts of people who came mainly from Europe, people who enjoyed an ecumenical relationship in a religious sense, people who reflect a common denominator. Historically, the Anglo-Saxons came from Germany. It was two founding nations which laid the basis of the culture with which we identify today.

In each of the post-war periods people came here from war torn countries to find a new beginning, and most of them achieved their goals. Most of them became integrated into our

society. I can recall the days when four or five hundred people in Toronto would turn out for a social gathering run by the German club. Today one would have to look all over the city to find 40. They have all become integrated into the society we have established—and so they should have.

Today, things are changing. The fact is we have not managed well in an economic sense. In terms of the standard of living, we are not No. 3 any more in the world but No. 10 or No. 11. Our land is not as attractive to Europeans as it once was. We still find Europeans coming here, but they do so mainly to join members of their families who arrived here years ago.

The main flow of immigrants today is from Third World countries. These are people who possess entirely different social values, fundamentally different religions, fundamentally different behavioural attitudes toward society. Our immigration policies must, of course, be structured in an attempt to find a way to integrate these people into the system we have established. There will be discrimination, as there already has been, against these people. I should like to think I was never discriminated against. I know I was not. My commitment was always firm. Since I came here I have spoken English in the home because I wanted my children to be able to speak freely, without accent, while they attended school. I assimilated into the society as quickly as I could. But the people I am speaking about would find it much more difficult to do so. This bill will make it even more difficult for them because it contains some clauses which will be a serious affront to the freedom we enjoy in this country.

● (2130)

You cannot legislate against discrimination no matter how many immigration or human rights bills you bring before the House of Commons, particularly when you deliberately establish immigrant ghettos in areas of our land such as our cities or in the frontier areas. There will be restrictions against those new immigrants for no other reason than that they must work within the framework of our present social and cultural fabric. They will not have the same freedom that I have in making a contribution to the cultural evolution of this land. We have now set ourselves up as the demagogues who direct the further cultural revolution. We are doing this through the CBC and we are doing it by restricting foreign publications from coming into our country. These people will not be allowed to make the kind of contribution that I did.

I want to give an illustration and to cite an example of what I am saying. I can recall the time when I was working in a mine. There were no delicatessen stores there that we have everywhere today, and we were thirsty for a glass of wine with a meal. We wanted very much to go into a restaurant and enjoy a good meal with a glass of wine. It took a while for us to adjust to the fact that one had to spice one's meat in the restaurant with salt and pepper, because one does not do that where I come from in the Black Forest area. The meals there are spiced, and if you do not like the way the food is prepared in one restaurant, you go to another one. That adjustment was not too hard, but one had acquired a certain taste before coming to this country, and customs are hard to break.

I recall that there was nowhere I could buy, for instance, European sausage because there was a law in existence that any meat made into sausage had to be cooked. That ruled out all the fancy sausages that the Poles, the Germans, and the Ukrainians make which are made from smoked meat. I had some friends who were also from central Europe. They saved some money and set themselves up as businessmen. They set up a delicatessen store. They moved to Vancouver. They were able, they had determination, and they worked hard to change that particular law. Several of them became millionnaires in the delicatessen business when they started to make this fancy European sausage. A few years later one could enjoy a glass of wine with a meal in some of the better restaurants, and lo and behold in the last few years you are able to read on the label of your wine bottle the year the wine was made and whether the wine is from the Rhine, the Moselle or the great wine growing areas in France. So in a remote sense I have made a contribution to the evolution of our culture because it is now an in thing to go to a good restaurant and to eat a well spiced meal with a glass of wine.

What about these new immigrants who are now being asked to conform to what is here? What contribution will they be able to make? What contribution will they be allowed to add to our society? In my opinion the Immigration Act does not need to spell out that we should foster the development of a strong and viable economy and the prosperity of all regions of Canada. Apart from the great freedom we have enjoyed so far in this country, there is only one reason why immigrants come here, that is to be prosperous, to achieve a degree of prosperity for their families and themselves, and in so doing to contribute to the prosperity of our society as a whole. Indeed our economic welfare will depend on a prudent and imaginative immigration policy. If one considers that one out of six Canadians today was not born here, and that all but half a million of us who are not of native ancestry come from immigrant stock, it is not hard to imagine that a further increase in our industrial capacity and in our gross national product will depend on the number and types of immigrants which our country will attract in the future.

What about the freedom which once attracted people from all parts of the globe? This brings me to the great philosophical expression of what the main purpose of this new policy is. It reads:

> It is to support the attainment of such demographic goals as may be established by the government of Canada from time to time in respect of the size, rate of growth, structure and geographic distribution of the Canadian population.

Here is another very serious restriction on the freedom that any future Canadians will enjoy. We will now have to rely on them to develop the frontier areas in the underdeveloped regions of our country. We have to rely on the immigration policy for regional development. I sympathize with the government, of course. Everything else has failed. Our Regional Development Incentives Act has not worked. Canadians want to go where they can achieve for themselves the best standard

of living, and that is in our cities. I look at other more advanced industrial nations and, if I may be allowed to make a comparison, if I look at West Germany, for instance, a country with 66 million people, I find that there are two cities in Canada that have a greater population than any city there.

Any attempt the government has made to decentralize our population, any previous attempt in demographic strategy, has failed. So we are now looking to the Immigration Act to develop our frontier areas. What will that mean? It will mean that if, as we have said, we wish to develop the potential of north eastern British Columbia, in which lies vast resources of energy, particularly coal, we will tell the Minister of Manpower and Immigration (Mr. Cullen), after consultation with the province and the Minister of Regional Economic Expansion (Mr. Lessard), that we need 12,000 coal miners for that area in British Columbia. He will then send his people all across the world to find 12,000 coal miners.

Of course there is no explanation for the fact that the Hindus and the Pakistanis are most likely to work in the saw mills. They will find work in north eastern British Columbia because there is a heavy demand for saw mill workers there in spite of the high unemployment figures. I suppose that the Italians and the Greeks will work in the mines—I do not know who will work in the coal mines. What we will be doing is establishing ethnic immigrant ghettos in these frontier areas in addition to the ghettos we have already established in our cities. That is a very serious affront to civil liberty, freedom of movement, and the cardinal principles of democracy and freedom which I and all Canadians have enjoyed so far.

● (2140)

There will now be conditions attached to immigration. Immigrants will have to conform to our social structure, and they will have to move into certain areas. But how long will they have to stay there? Will there be a date attached to it? Do they have to stay there two years? The region I come from was not developed by people who were forced to live there. Every day industries grow and corporations move into areas to take over from the small businessmen who developed them in the first place.

Corporate executives are transferred into Prince George, I suppose, as a penalty. They would much rather be in some head office in Toronto. Every minute of their time spent there is a nightmare for them. A person cannot wait until he has enough seniority in his company or within the civil service structure to move to Victoria, Vancouver, Ottawa or Toronto. He does not really contribute anything to that area because he does not even like it there, nor will immigrants who are forced to move to places like the Quintette mountains to develop a coal mine. Those immigrants will hate every minute of it, and they will be very anxious to see the day when they will be allowed to become full-fledged Canadians after perhaps three years, and when they can move out of the hell holes to which they have been sent.

This is a very serious matter, and in my judgment this bill will discriminate against people who will be offered refuge in

[Mr. Oberle.]

our country and who will be told when they come here that they will have almost equal rights except the right to vote in elections because they will not have equal rights. They will not have the kind of freedom previous immigrants have enjoyed.

I am more concerned about what the bill does not say then what it does. I would like to know more about the people who will make the regulations and the people who will consult with other governments and with other interested groups about the demographic strategy and about the placement of immigrants. I would like to know who will make a value judgment about a person's capability in our social structure, or a value judgment as to where in this country these people can make their contributions. Will we continue to have the kind of silliness and stupidity which were inherent in previous regulations when some peole came to our country to get the feel of it, discovered that they liked it, wanted to apply, and had to leave the country before they could apply? But before they left the country they had to hire a lawyer.

I—and I am sure many of my colleagues—have several cases on file about people who had to see a lawyer with whom they made a deal to work on their behalf while they were gone. I can think of one particular case which I am sure the minister remembers. I am thinking of the case of a Chilean family which was located in Prince George. They should have been allowed to stay here. They assimilated well into the Prince George scene. There were letters from service clubs, from individuals, and from the mayor saying that the man had a job. He was a refugee. He could not be sent back to his country, yet the committee, or whoever it was, ruled that he was not a refugee under the regulations established by the minister.

This family had to leave, but they were told not to worry. They were told that all they had to do was get out of the country, apply, and that they would be brought back in somehow. However, they did not trust the system very much, so they hired a lawyer to look after their interests. Three months later they came back. They had to travel all the way to Spain with all their children and come back, and now they are back in Prince George. The father is working at his old job now, and everything is as it should have been in the first place, except for the fact that for the next 25 years they will be paying a lawyer's bill, and they do not even know how much it is. The lawyer probably asked me and some of my colleagues to do all the dirty work, but he is the one who will be sending a bill. There is a price for those people to come to this country, and at this moment they do not even know what it is, but I intend to find out.

Who makes these silly regulations, and how do they fit into the fundamental principle which should be attached to the immigration policy of a country like Canada which espouses democratic principles and fundamental civil rights and liberties? I am disappointed that this bill does not add anything; it takes something away from the things which I thought made this country great.

Of course there are reasons for the bill, and I can understand them, but we have not been very skillful disguising the

true intent. The government did not hear what it wanted to hear in the debate which was carried out across the country. The government was told about discrimination and about the need to close our borders to immigrants, so the government had to come up with something. The information did not come from the green paper. The government had to come up with something, and it really does not fit into our scene at all.

The multicultural dream was just a dream, because one of our founding cultures felt threatened by the fact that other cultures should find fulfilment in this society. I for one am not offended by the fact that I should attune to one of the founding cultures which made this country great. I felt that was a condition and a commitment which I had to make when I came here, but why put on this charade? Why say that our identity is one of many cultures? Why do we not spell it out as it is, and why are we not honest with people? Why does it always have to be the devious way? Why does the government always have to work behind people's backs? This bill spells out for the first time the objectives of Canadian immigration policy in philosophical terms, but it falls short of what most of us expected after the charade which was perpetrated by this government.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, even with my short experience in the House of Commons I have no hesitation in stating that this is one of the most important pieces of legislation this august body will face in some time. Here we are after many years attempting to determine just what kind of immigration policy the country should have, keeping in mind our goals and what we would like to have in terms of a greater Canada.

I hear a lot about the founding races, and I know what that means, but I want to tell the House that in his wisdom my father, during the first world war, came to this country from St. Vincent, British West Indies, and my mother hailed from Jamaica, of the British West Indies at that time. They had a hell of a time when they came here, but what sticks out in my mind is that of all the countries to which they could have gone they picked this country.

● (2150)

As a result of the beautiful union which occurred when they arrived in this country of mine, I was pleased to be a first generation Canadian. When I listen to people throughout this land who indicate to me that because people such as I have just referrred to, my mother and father, had a different social background, that they could not integrate, could not face the problems of this country, could not make a concrete contribution, then I want to reflect back on my childhood and start punching. That is the way I used to bring about racial harmony.

When I hear this nonsense expressed by certain people who ought to know better, I thank God that my seatmate, the right hon. member for Prince Albert (Mr. Diefenbaker), requested that I seek election to this House of Commons.

Some hon. Members: Hear, hear!

Mr. Alexander: At one time a person of my particular hue, being a member of the visible minority—a black man or a black woman—was not accepted by any of the main line parties. Let us acknowledge history. They did not want you; they did not ask you; they thought you could not make a contribution.

I hear a lot about the Anglophone and the Francophone. Every now and again we have to sit back and look at who has done the hard work in this country in order to bring it to the position it is in now—people who took it upon themselves to say that all they wanted was an opportunity to work, and notwithstanding the horrendous attitudes that prevented them from getting ahead, they were prepared to come here in order to grasp opportunities and in order to help the country. That is the kind of stock I come from; that is the message I would continue to preach.

I wanted to be a member of the special joint committee on immigration. In the local newspapers of Ottawa, Vancouver, and all the big cities I read about attitudes that I knew existed. I wanted to find out their extent; I wanted to determine to what extent the country is multiracial and multicultural. Make no mistake, Mr. Speaker, at one time it was not multiracial or multicultural. It was strictly WASP. When I think of the changes over the years from the White Anglo Saxon Protestant attitude to one of multicultural and multiracial acceptance, I know that is what is making this nation great.

Do not let us downplay this multicultural and multiracial aspect. At one time no one would admit that is what this country is all about. But it is what this country is all about. It is a country of the beautiful mosaic; it is a country where the arms of compassion, of friendship, stretch around the entire world.

During the committee hearings, however, I saw the bigots; I saw the racists, black and white. I saw the WASPS. I saw the Western Guard. I saw them all in action.

I want to say that in my 55 years, knowing what went on in the past, seeing what is going on today, I know that the attitudes of these small groups here and there, whose vocal, poisoned, disruptive and dangerous philosophy of superiority is based on race, can only bring about division, hate, suspicion, fear, and violence. It is unfortunate that so much of that small vocal minority gets so much attention, and yet it should get that attention because I know; you know, Mr. Speaker; we all know that we cannot afford such attitudes, and it is my view that Canadians do not want them.

I appreciate the new attitude at the courts, Mr. Speaker. I will not spell that out, but it is said that racial attacks will be dealt with more harshly. Some people may say "I am English and white; should the same type of treatment not be meted out to the person who attacks me because I am English?" That is a foolish and irresponsible argument. When you are part of the visible minority you cannot hide. If you cannot get along because you are Francophone, all you have to do is become Anglophone and move anywhere in the world and you will be accepted if you so desire. If you are Anglophone and want to become Francophone, you can do it by learning the language

and moving anywhere in the world. But, Mr. Speaker, when you are a member of the visible minority you cannot do that. You cannot change your name and you cannot hide. You cannot learn another language and hide. You are a member of the visible minority, and as such you stand out.

That is why I appreciate the courts moving in the direction they are today. It is about time. That is why I can appreciate the Ontario Human Rights Commission and the job it is trying to do, even though it may be questioned at times. It may be an impossible job, but it is attempting to bring about a proper attitude. That is why I can appreciate the honourable Roy McMurtry, Attorney General of Ontario. I am not singling him out because he is Conservative but because he seems to be one of the champions of those who feel the poisonous arrows of injustice. He is speaking out on their behalf.

That is why I can appreciate what the Minister of Justice (Mr. Basford) had to say on the introduction of the human rights legislation. Even though we have reservations with respect to that bill, at least we are moving in the direction where people who have long suffered and faced obstacles, and on occasion have surmounted those obstacles, can have hope and faith in government.

That is why I can appreciate the introduction of the anti-hate literature bill. Some people might say we are infringing on the right to freedom of speech. I can tell you, Mr. Speaker, freedom of speech can only go so far with me. When I find that freedom of speech affects a human being to the extent that the person believes himself or herself to be a second class citizen, and so becomes possessed of a feeling of uselessness, then I step in. That can be the end of freedom of speech. You can equate it to yelling fire in a theatre where there are hundreds of people but no fire. Freedom of speech goes just so far. Mr. Speaker, I am just getting started, but it is now ten o'clock.

● (2200)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

HEALTH—PROPORTION OF CARE COSTS ATTRIBUTABLE TO DISEASES RELATED TO ALCOHOL AND TOBACCO

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, as reported on page 1329 of *Hansard* for November 24 last, I asked the minister a question about rising health care costs. I wanted to know what percentage of those costs could be traced back to cigarette smoking and alcohol. The minister stated that he had actually cut health care expenditures by $42 million.

[Mr. Alexander.]

I am glad to note the presence of the minister this evening. I appreciate some of the things he has done in the health care field, but do not appreciate his cutting health care expenditures by $42 million and all that means. What does it mean, Mr. Speaker? It means that the provinces are to be deprived of millions of dollars. In the long run that surely means that the quality of the health care of the patient, the taxpayer of this country, will be lower. The taxpayer will suffer when we close down hospitals, when we close wings, when we take nurses off floors. Yes, the patient will suffer when we reduce the quality of health care.

The question remains, how real is that expenditure cut of $42 million, because over-all government expenditures are to rise by more than 15 per cent? Here the minister is cutting health care costs; and health care is one of our most important social fields.

I want to know two things, Mr. Speaker. I do not know how much the minister will save; I know that. I want to know what part of those health care costs were attributable to conditions related to cigarette smoking, and what part to the consumption of alcohol? Actually I want to know, in terms of health care costs, just how much cigarette smoking and alcohol consumption cost us.

The minister has been honest with us. Nobody actually knows the figure. A few statistics will show you that cancer of the lung leads in categories of cancer which kill men. The figures for women are slightly lower. This situation has developed over the last 40 years. Forty years ago cancer of the lung in women was rare.

A committee, headed by the hon. member for Hull (Mr. Isabelle), was set up to look into this question. We found that cigarette smoking was a common denominator not only in cancer but in emphysema, bronchitis, asthma, and allergies. Findings indicate that cancer deaths in Canada run at between 4,000 and 5,000 people per year, and another 10,000 to 12,000 deaths per year are attributable to emphysema, bronchitis, asthma, and allergies.

The minister stated that fewer people are smoking. He is probably right. I want to know how effective the anti-smoking campaign has been. For instance, do people still smoke in public places in hospitals and health centres? The minister may have taken a small step in the right direction. But he is intelligent and knows he can do better in this field.

I have been able to learn that 6,000 people, up to the age of 65—I am putting it in round figures—die from smoking-related diseases; 30,000 cases are treated by physicians in their offices, or in emergency rooms or hospital beds; and smoking-related diseases account for over 800,000 patient days in hospitals. If my figures are right, that involves an expenditure of about $80 million, a staggering figure. Can the minister not do something to cut this figure down?

There are no statistics available in Canada with regard to the alcohol problem, but United States figures show that between $25 billion and $27 billion a year is spent on treatment of alcohol-related diseases. Reducing this to Canadian

figures, which are probably fairly accurate, it would come to about $2 billion. The minister knows that in France people drink alcoholic spirits from the time they are little kids because of their water supply. In that country 40 per cent of the hospital beds are occupied by alcoholics or those with alcohol-related problems. Properly studied and researched, why could this not be cut in two, or even eliminated?

Alcoholism and alcohol-related diseases rate next to cancer and cardiovascular disease as a cause of death and illness. Besides the suffering, financial strain, ruined social life, family life gone, and possibly having killed someone while drinking, the alcoholic may wind up on skid row.

Of those who use alcohol, 10 per cent have a problem. Five per cent are alcoholics and cannot handle the problem successfully.

Alcohol is part and parcel of our society. The cocktail route is part of the program. However, for 5 per cent of the people, it is a bumpy road to hell. Invariably the alcoholic ruins his home life.

I have seen a lot of sociability with alcohol, but I have seen the other side of the tracks as well and it is bad. We have treatment for the alcoholic. Alcoholics Anonymous, and medication help. However, if research could come up with the right antidote for alcoholism, and it were harmless in itself, lives would be saved as well as the miseries and the cost. Remember, with all the taxes the government collects, it is not a quarter of the cost in dollars, to say nothing about the human wreckage caused by alcoholism. What we need is more research, more warnings, and maybe a few more taxes to solve this problem.

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, obviously the hon. member will not expect me in three minutes to be able to answer all the questions he raised during his speech. I listened with great interest. As usual, the hon. member made a well researched contribution to our discussions.

With regard to the $42 million so called saving the hon. member referred to, as I mentioned in the House on November 24, this is a reduction in our expected expenditures under the shared cost programs. In fact our cost went up by 12 or 13 per cent. I do not have the exact figures now, but I suspect it would be around 15 per cent. What it meant was that, thanks to measures such as seat belt legislation in particular, and other measures, we have been able somehow to reduce the expected rate of growth in health costs.

As far as the figures he mentioned for smoking and drinking are concerned, obviously we are talking in broad figures. It is very, very difficult to arrive at hard figures. He is right that I referred to the figure of $2 billion, including indirect and related economic costs, for alcoholism in Canada. I mentioned that on November 24.

As far as smoking is concerned, we estimate the total in health and economic costs to be around $500 million in Canada. This is no doubt a very, very high cost. Fortunately we live in a society where we respect freedom of choice of individuals. The health danger can be fought through education and research, as the hon. member mentioned, rather than mere banning which has proven quite useless in the past. The causes are of many natures and kinds. The solutions will have to be multifaceted. What we need is a diverse approach to this very difficult problem.

I thank the hon. member for again bringing this matter to the attention of the House and the country. If we are to make any real progress in this field of smoking and drinking, citizens must be aware of the problem, particularly young citizens. Those growing up at the present time should be made aware of the real situation and the implications of it at a very early age.

TRANSPORT—DATE OF DECISION ON PROGRAM FOR HIGHWAY CONSTRUCTION IN ATLANTIC REGION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, as reported at page 3803 of *Hansard* on March 9, I asked the Minister of Transport (Mr. Lang) whether a decision had been reached on the implementation and funding for a highway strengthening program in the Atlantic region. He indicated there was a small ray of hope, that they were getting closer to a decision. I hope that the parliamentary secretary will be able to tell me some definite dates and the amount of funding involved.

● (2210)

Tonight I want to try to impress upon the parliamentary secretary, and through him, the minister, the emergency situation which exists as a result of the almost complete deterioration of the trans-Canada highway in the province of Newfoundland, more particularly in western Newfoundland, which to my mind is the most heavily used and most deteriorated in the province. While I refer to that section of the highway as part of the trans-Canada Highway I do so with tongue in cheek, because to call it that is an insult not only to the engineers who designed it but to the people of Newfoundland who voted for Confederation on the strength of the promise that the highway would be one of the advantages they would receive; but instead they were taken, and taken for too long.

While time will not give me the opportunity to go back in history, I want to refer to a recent statement by the president of the CNR when he referred to the decline of rail passenger service. The trains, he said, have been losing business because of improved air services, and because it took nearly twice as long to cross the island by train as it did by automobile; CN sought to reverse the decline in passenger business by replacing trains with buses and the volume of passenger traffic had increased steadily ever since. He went on to say that the road cruiser service has the potential of being self-supporting since rates are set on the same basis as those of the other two bus operations in the Atlantic provinces. But he also went on to say that Canadian National's rail freight operation is now suffering increased erosion of traffic from highway operators and that its share of freight traffic into Newfoundland has dropped from 87 per cent in 1972 to 61 per cent in 1976.

To my mind, this is hypocritical because what he is camouflaging is that the reason the railway's share of freight traffic has declined is because of the complete and utter failure of the company to compete and to upgrade its rail freight service. Mr. Bandeen is correct, however, in stating that in order to retain at least part of its share of traffic the CN has sought to take advantage of highway facilities which are available to its competitors. He goes on to say that CN Express intends to make greater use of truck operations in order to provide service equivalent to that of its competitors.

Not only has Canadian National failed to compete by allowing its freight and express services to deteriorate, but it is contributing to the deterioration of the highway because of its failure to take advantage of a monopoly service which it has enjoyed for so many years. In order to avoid straying from the purposes of my representation, if inded it has failed to live up to its responsibility, and looking to the problem as it exists, figures show that truck transport has increased in Newfoundland by some 95 per cent, and will continue growing beyond the ability of government to cope with a situation which could reach emergency proportions.

It is worth mentioning, too, that in spite of an excellent report in Volume C of the voluminous Trans-Newfoundland Corridor Studies we have only reached another stage at which a commission will be appointed to inquire into the transportation situation in Newfoundland. Mr. Speaker, there have been enough words expressed and bandied about with regard to the objective of a comprehensive, intermodal system of transportation in Canada. For some reason or other the government does not want to realize that the basis of any economy is a transportation system to provide infrastructure support for the potential resources of all sectors of the nation. This base is vital in the Atlantic region to allow our eastern region to contribute to the Canadian economy.

The part of our transport system to which I refer is a highway system which up to this point has been accorded only a passing interest. The implementation of a highway strengthening program is vital to that infrastructure support. A year ago today the province of Quebec received $90 million for such a program, and I can only hope that the government will see fit to construct through Quebec a highway to link up central and western Canada with Atlantic Canada for the benefit of all of Canada. I look to the parliamentary secretary to give me the good news, which should have been forthcoming long before now, on a highway strengthening program in the Atlantic region which would benefit the whole of Canada.

Mr. Marcel Roy (Parliamentary Secretary to Minister of Transport): Mr. Speaker, first of all I want to thank the hon. member for the comments he made, but I would like to repeat to him the answer given by the minister on March 10 when he said, "We are closer to the day when the decision will be made". I want to assure the hon. member that now we are coming closer to the day when the decision will be made.

This question has been raised many times. I would like to refer the hon. member to the "late show" on February 22 concerning this situation.

[Mr. Marshall.]

[*Translation*]

And in order to demonstrate that the minister is interested in the problem of transport in the Atlantic area, I would refer the hon. member to the meeting which was held on last August 31 and which embodied the first discussion between the federal minister and the four premiers of the Atlantic provinces. On February 7 last, another meeting was held in Charlottetown for the premier of the Maritime provinces where Mr. James Morgan, minister of transportation and communications represented Premier Moores of Newfoundland. During that meeting, Mr. Lang reiterated the undertaking of the federal government vis-à-vis regional economic expansion. To this purpose, he has insisted upon the fact that a transport system should be used to achieve social and economic objectives at the national and regional levels and to provide an effective service across Canada.

The Maritime premiers and Mr. Morgan have stated that they are satisfied with the importance with which Mr. Lang claimed he considered the development of a transport system as an effective means of reaching the regional economic objectives. Everybody present at this meeting recognized the advisability of improving passenger services in the Atlantic provinces. According to a joint study carried out by the federal and provincial governments, a cheap way to improve passenger services in the area would consist in maintaining and improving only one transcontitionental service.

This study has further indicated the possibility of compensating the loss of passenger railway service in certain communities by improving both air and bus services. Mr. Lang, Mr. Morgan and the Maritime premiers have accepted the idea that the best way to improve passenger services would be through special financial assistance to improve air and bus services in the area. Changes in existing railway passenger services would occur only later on, for the demand is somewhat weak and the cost of subsidies is very high. It was also agreed that the report and findings should be submitted jointly to the Canadian Transport Commission which will hold hearings concerning the railway passenger services in the area.

[*English*]

I would like to assure the hon. member that, as I mentioned in my opening remarks, the announcement will be made, and the date for the announcement of this decision is closer.

● (2220)

TRANSPORT—RECOMMENDATION OF DR. HALL ON TRUSTEESHIP OF PENSION FUNDS FOR RAILWAY EMPLOYEES

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I and railroad pensioners all across Canada are hoping that the parliamentary secretary can inform us tonight when the government will be taking a stand on Dr. Noel Hall's report on railway pensions. I hope the parliamentary secretary can at least give us a partial answer tonight, as this problem has been with us for many years, and it is certainly time for some government action.

I asked a question on this matter of the Minister of Transport (Mr. Lang) on Friday, January 28, and it is reported at

page 2494 of *Hansard*. It had to do with the fact that the Hall report on railway pensions had finally been published, and since it virtually threw the question of the improvement of railway pensions back to the companies and to the government, I asked the minister if he could tell us what steps the government was taking to try to improve railway pensions. My specific request was that the trusteeship of both CNR and CPR pension plans be placed in the hands of an independent trust company, as recommended by Dr. Hall, and the minister informed me at that time that the report was still under study.

Just last week I received a letter from the Canadian Railways Employees' Pension Association. The letter was in regard to Bill C-228, concerning CNR employees', pensioners' and beneficiaries' trust funds. Bill C-228 is a private member's bill which was presented by the Minister without Portfolio, the hon. member for St. Boniface (Mr. Guay). This private member's bill is a cruel hoax which tries to kid pensioners that a private member's bill will increase their pensions. That is a lot of nonsense. The letter states:

> Bill C-228 is a private member's bill which received first reading on October 22, 1976. This bill, if enacted, would exempt Canadian National Railway Company from its legal obligation to pay into the CNR Pension Trust Funds the sums of money required annually in order to comply with the Pension Benefits Standards Act.
>
> If Bill C-228 were enacted, many millions of dollars now being paid into the Pension Trust Funds by CNR each year could be deferred. That money would continue to be owed by CNR and an interest rate of 7½ per cent per annum would be charged to CNR and credited to the pension funds as it became due each year. When the current interest rate for money is approximately 10 per cent, it is to be expected that CNR, if this bill were passed, would not pay any money into the pension trust funds probably for many years, and certainly not until interest rates came down to less than 7½ per cent per annum.

We want action from the government in dealing with the Noel Hall report. The government has had the report since January 20, and it is time we heard something, and not by way of a private member's bill.

In addition, the letter goes on:

> If CNR had paid their pension obligations from the beginning, as their employees have done, the pension trust funds might now be fully funded. If those funds had been properly invested, inflation and the indexing of pensions would likely not be the insurmountable problem they appear to be today.
>
> Dr. Hall has recommended '. . . That the trusteeship of both CNR and CPR pension plans be removed from the hands of the Boards of Directors of the respective companies . . . '.
>
> On behalf of Canadian Railways Employees' Pension Association, we recommend to you that, if and when Bill C-228 is called for second or third reading, you vote against it.

I will certainly be voting against it.

> If a bill is introduced in the House to exempt CPR it should likewise be defeated.
>
> We wish to remind you that eleven years ago the Pension Benefits Standards Act was passed by Parliament. It requires a reasonable degree of financial responsibility by all Canadian employers in the handling of pension trust funds. The pension contribution record of CNR does not warrant special consideration for that Company.
>
> The time for financial sanity in the handling of these pension trust funds is long overdue.

A recent letter by Harold N. Campbell, who is the chairman of the Canadian Railways Employees' Pension Association stated the following:

> During the last six or seven years The Canadian Railways Employees Pension Association, London Area, have bombarded Federal Members of Parliament, the Management and union leaders with much of the morbid detail with little or no response.

One is certainly long overdue. We need some definite action from the government because hardships are mounting each day for these pensioners.

I should like to point out that only the Progressive Conservative Party had a policy paper on railway pensions in the 1974 election. The paper is being updated but it cannot be finalized until the government makes a decision about the Hall report. As the railway pension critic of this party I shall make a number of recommendations to my caucus. One is the need for a full review of the pension industry in Canada. I understand that the government is going to initiate an actuarial study of indexed pensions. I am also going to suggest the "heritage fund" concept in order to aid existing railway pensioners and survivors, and will recommend a partially indexed pension supported by matching employer-employee contributions. I will recommend placing the trusteeship of the C.N. pension plan in the hands of an independent trust company, and better representation for pensioners in the collective bargaining process.

In our 1974 policy position paper we called for the extension of the 2 per cent formula back to the first day of service. This, of course, would have to be done through the collective bargaining process.

In order to aid existing pensioners and survivors Dr. Hall suggests a "heritage fund" based on a 1 per cent levy of existing pay rolls shared equally by current employees and the companies to provide full adjustment for past increases in the cost of living.

• (2230)

[*Translation*]

Mr. Jacques Olivier (Parliamentary Secretary to Minister of Labour): As we all know, Mr. Speaker, the matter of railway pensioners is dear to the government and to the majority of hon. members. We all know that this is a very complex issue and within the three minutes alloted to me it would be extremely difficult to give all the details.

The Hall report contains 277 pages and was tabled and published on January 20, 1977 by the Minister of Labour (Mr. Munro).

The report deals at length with the Canadian railway pension plans. This is a matter both difficult and complex and it is exactly because of its technicalities that it was extremely difficult to have it translated into French, which explains the delay in publishing it. During his thorough inquiry, Dr. Hall considered a number of issues concerning railway pensions. The issue which seemed to him, in the course of this inquiry, as being the most urgent was the problems which face present pension plans in view of the effect of inflation.

Throughout his report, Dr. Hall clearly indicates that he feels he should avoid making recommendations when the parties to collective negotiations can deal with the matters or

problems at hand within the scope of negotiating procedures. The matter of improving railway pension plans is one of the fields which Dr. Hall feels should fall to the parties to improve through both consultations and collective negotiations.

To help the parties deal with the very complex matter of knowing how to protect pensions against erosion of inflation, Dr. Hall made a number of evaluations providing various means of indexing the cost of living under railway pension plans. However, the choice of one or the other of those methods was left entirely up to the parties, that is the unions and the employers, who would take into account their general priorities in the field of pensions, and other fields, where possible. In the course of his study, Dr. Hall dealt at length with comparison of the railway pension plans with other plans.

The pension plans of the railway companies do compare favourably with the best, in both the public and private sectors. However, Dr. Hall does make a number of specific recommendations in an effort to have greater similarity between the provisions of the pension plans of the two large railway companies. And the government agrees with the hon. member that that is a desirable objective.

As far as the trust provisions were concerned, it was felt that railway plans were different from others. As a result of those conclusions and the concerns expressed by the unions about present trust provisions, Mr. Hall suggested that from now on the administration of the CN and CP pensions plans be entrusted to an independent trust company rather than to the board of directors of the respective companies. This is evidently a recommendation which will require careful consideration by the parties involved.

The railway companies and unions are considering the recommendations and problems raised by their implementation. Following that study, the parties will meet to review thoroughly the Hall recommendations. Department of Labour officials will be closely following the discussions between the parties in which the Minister of Labour will take part in due time.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow afternoon at two o'clock.

Motion agreed to and the House adjourned at 10.34 p.m.

HOUSE OF COMMONS

Tuesday, March 15, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

THE CANADIAN ECONOMY

REQUEST FOR MEASURES TO STIMULATE THE ECONOMY—MOTION UNDER S.O. 43

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, pursuant to the provisions of Standing Order 43 I request the unanimous consent of the House to move a motion concerning a matter of urgent and pressing necessity. In view of the alarming revelation of Statistics Canada that 932,000 Canadians are unemployed, the highest number of unemployed ever, keeping in mind that the hidden jobless added thereto undoubtedly indicates that unemployment has definitely passed the million mark, an unacceptable and indefensible state of affairs given the productive capacity of this nation, and in view of the fact that it is now an undisputed fact that this country is in the midst of a national crisis of catastrophic and disastrous proportions requiring immediate government action, I move, seconded by the hon. member for St. John's East (Mr. McGrath):

That this House condemns the government and in particular the Minister of Finance for not having introduced a budget by now, thus totally ignoring the advice and predictions of the Conference Board of Canada and others, all of whom have predicted for some time this crisis, failing government action; further; that this House demands that the Minister of Finance on motions tomorrow indicate what meaningful, concrete and immediate steps the government will take in order to deal with and reverse this trend of increasing unemployment; and further, because of the time lag of months involved before the proposed budget will have any effect, that this House directs the Minister of Finance to introduce a budget within one week involving tax cuts for middle and lower income Canadians, stimulus for growth and as well a definitive statement of intention regarding the decontrol and postcontrol periods.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. Pursuant to the Standing Order the unanimous consent of the House is required for the presentation of such a motion. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

REQUEST FOR BUDGETARY PROVISIONS TO REDUCE LEVEL OF UNEMPLOYMENT—MOTION UNDER S.O. 43

Mr. Derek Blackburn (Brant): Mr. Speaker, I rise on the same matter of urgent and pressing necessity under the provisions of Standing Order 43. In light of today's official unemployment statistics which show that 932,000 Canadians are unemployed, in view of the fact that an additional 557,000 Canadians are the hidden unemployed of this country, making a total of nearly 1.5 million Canadians now unemployed, and in view of the tremendous economic waste and human misery associated with this high level of unemployment I move, seconded by the hon. member for Northwest Territories (Mr. Firth):

That this House urges the government to bring in a budget providing substantial direct job creation measures as well as a personal income tax cut for low and middle income Canadians to provide the stimulus needed in the economy to lower the level of unemployment, and that if the Minister of Finance fails to provide such measures in the budget, he be requested to resign his position.

Mr. Macdonald (Rosedale): No.

Mr. Speaker: Order, please. The presentation of such a motion repuires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

MANPOWER

SUGGESTION MORE FUNDS BE GIVEN TO CANADA WORKS PROGRAM—MOTION UNDER S.O. 43

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to introduce a motion dealing with an important matter of pressing necessity.

According to the latest statistics published this morning it seems that the unemployment rate has reached a record high since 1958, which is liable to alarm any Canadian concerned with the future of his country and more especially with the future of unemployed young people. I therefore move, seconded by the hon. member for Champlain (Mr. Matte):

That Parliament urge the Department of Manpower and Immigration to review its policy of Canada Works and Youth Works programs and that higher votes be allotted to those programs to create more jobs at a time when private enterprise is no longer in position to take the available manpower in the country.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

[*English*]

THE CANADIAN ECONOMY

PROPOSED AGREEMENT WITH NEWFOUNDLAND FOR JOINT PROGRAMS TO CREATE JOBS—MOTION UNDER S.O. 43

Mr. James A. McGrath (St. John's East): Mr. Speaker, I rise under the provisions of Standing Order 43 to seek unanimous consent to move a motion of urgent and pressing necessity. In view of the alarming growth in the unemployment rate in Newfoundland as evidenced by figures released today by Statistics Canada showing a 1.5 per cent increase for the month of February, up sharply from the same time last year, giving the province a 15.1 per cent seasonally adjusted rate, which is twice the national average, or an actual rate of 17.4 per cent, I move, seconded by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall):

● (1410)

That the government immediately enter into an agreement with the government of Newfoundland to provide additional federal funding for job creation ventures.

Mr. Speaker: Presentation of such a motion pursuant to the Standing Order requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

PROPOSALS TO STUDY MEASURES TO REDUCE LEVEL OF UNEMPLOYMENT—MOTION UNDER S.O. 43

Mr. David MacDonald (Egmont): Mr. Speaker, my motion is along similar lines but I hope because of its reasonable nature it will find general acceptance on all sides of the House. It relates to the fact that there are 59,000 more people unemployed this month than last and that out of the projected job creation in last year's budget of 250,000 jobs we have only created less than half, something like 112,000. In light of the announced intention of the government to bring down the budget on March 31, I move, seconded by the hon. member for Dartmouth-Halifax East (Mr. Forrestall):

(1) That there be an immediate consultation with the provinces by a ministerial team composed of the Minister of Finance, Minister of Manpower and Immigration, President of Treasury Board, Minister of Industry, Trade and Commerce and the Minister of Regional Economic Expansion prior to the final formulation of specific budget proposals.

(2) That the government make an immediate review of spending proposals in the 1977-78 estimates, with a view to redirecting them to areas of continued and growing unemployment, and

(3) That the government appoint immediately a special interdepartmental federal-provincial task force to work with the major sectors of the economy, particularly industry and labour, in order to achieve a sufficient set of measures to substantially reduce Canada's disastrous unemployment situation.

[Mr. Speaker.]

Mr. Speaker: Presentation of such motion can be done only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

* * *

PENSION ACT

PROPOSED AMENDMENT TO PROVIDE THAT PENSION FOR PRISONERS OF WAR APPLY TO ESCAPERS AND EVADERS—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my motion relates to a different subject but one of equal seriousness and urgency. I move, seconded by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall):

That this House urges the Minister of Veterans Affairs to introduce the necessary amendments to the Pension Act so that the compensation for prisoners of war provided therein will apply to escapers and evaders, in accordance with representations made recently to the minister by the Canadian Branch of the Royal Air Forces Escaping Society, and also to the limited number of Canadian veterans still living who were prisoners of war during World War I, as recommended by the Standing Committee on Veterans Affairs in its report to the House on June 12, 1975.

Mr. Speaker: Presentation of such a motion pursuant to the Standing Order requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

ENERGY

SUGGESTED STUDY OF RECYCLING OLD OIL FROM VEHICLES—MOTION UNDER S.O. 43

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43. In view of the alarming reports in regard to the possibility of an energy shortage and taking into consideration that oil is a non-renewable resource but can be a reusable resource, I should like to move, seconded by the hon. member for Selkirk (Mr. Whiteway):

That this House instruct the Minister of Energy, Mines and Resources to launch an immediate study in co-operation with the petroleum industry into methods of recovering, recycling and reusing old oil from all types of vehicles and that the results of this study be presented to the Standing Committee on National Resources and Public Works.

Mr. Speaker: Presentation of the motion for debate can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

CANADIAN WHEAT BOARD

PROPOSED AUDIT BY AUDITOR GENERAL—MOTION UNDER S.O. 43

Mr. Arnold Malone (Battle River): Mr. Speaker, I rise under the provisions of Standing Order 43. It being the case that there is presently a very high level of discontent and frustration felt by prairie grain producers as a result of the unexplainably low final payment for the crop year just completed, and in view of the fact that the Canadian Wheat Board, which came into being in 1935, has never been ad audited by the Auditor General of Canada, I move, seconded by the hon. member for Selkirk (Mr. Whiteway):

That this House recommends to the Auditor General that he do a complete and thorough audit of the Canadian Wheat Board in the next fiscal year.

Mr. Goodale: No.

Mr. Speaker: There not being unanimous consent, the motion cannot be presented. Oral Questions.

ORAL QUESTION PERIOD

[*English*]

THE CANADIAN ECONOMY

REQUEST FOR BUDGETARY PROVISIONS TO REDUCE LEVEL OF UNEMPLOYMENT AND REVIEW OF JOB CREATION PROGRAMS

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is for the Acting Prime Minister and the architect of the economic policy which has created unemployment at the highest level in the history of Canada. Those statistics released today, if one includes total unemployment among status and non-status Indians and the 50,000 plus Canadians who have stopped looking for work because under this government they simply believe that there are no jobs for them to find, indicate that there are more than one million Canadians now out of work. I would ask the Minister of Finance, without revealing the details of this budget, whether he will give a firm commitment to those more than one million Canadians who are out of work that a primary target of that budget will be to break this pattern of growing unemployment and to let Canadians get to work?

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, I would confirm that while the rate of employment in Canada increased substantially since December, the participation rate has also increased and it has to be a matter of concern—

Some hon. Members: Oh, oh!

Mr. Paproski: Oh, come on.

Mr. Macdonald (Rosedale): —that so many Canadians are unemployed. As I have indicated, I would hope to present the budget on March 31.

Mr. Clark: Mr. Speaker, the Minister of Finance has expressly declined the invitation to give a commitment to this House now that a primary target of the budget which he is bringing in too late on March 31 will be to break the pattern of unemployment which has marked his tenure as Minister of Finance.

Mr. Paproski: Shame! Resign.

Mr. Clark: Since the job creation programs of this government have created less than one-half of the quarter million jobs forecast in the budget of last May, I ask the Acting Prime Minister if he and his colleagues are going to undertake an immediate review of the adequacy of job creation programs now in place, and whether they are seriously considering as an emergency measure the possibility of changing the priority of government projects that are already in the works, to give priority to those regions of Canada which are most directly affected by the shocking figures released today?

Mr. Macdonald (Rosedale): Mr. Speaker, it has been a long-standing practice under our system that the government makes a presentation of its economic policy at the time of the budget. My response to this question of the hon. gentleman, as to the previous one, is that I would intend to make a statement on economic policy on March 31.

Mr. Baker (Grenville-Carleton): Back to the Primrose Club.

Mr. Clark: Mr. Speaker, the answer of the Minister of Finance to the more than one million Canadians out of work is, wait a while longer; we will offer you no hope.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Clark: Mr. Speaker, there has probably never been a government in the history of this country that has shown more contempt for the people and parliament.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

EMERGENCY PROGRAMS TO CREATE JOBS FOR YOUNG PEOPLE

Mr. Joe Clark (Leader of the Opposition): Let me direct a simple question to the Minister of Finance. Since those figures released today indicate that there is a particular crisis for the young who are starting their work careers without jobs to go to, will the government introduce special emergency programs to create jobs for those young Canadians who are now forced to start their work careers without jobs to go to.

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, to repeat the answer for the third time to the hon. gentleman, it makes some sense to present the government's economic policy in the context of the budget.

Mr. Hees: That's what you have been saying all along, and look what it has done.

Mr. Macdonald (Rosedale): I would intend to do so. I am interested in the various proposals which the Leader of the Opposition has to make.

Some hon. Members: Oh, oh!

Mr. Hees: Look at what the last budget did.

Mr. Paproski: Do something, or resign.

Mr. Macdonald (Rosedale): I will be giving substantial attention to the particular groups within the work force who have been suffering from unemployment.

Mr. Hees: That's what you have been saying for years and years.

TIME LAG BETWEEN INTRODUCTION OF BUDGET AND EFFECT OF PROVISIONS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I direct a supplementary question to the same architect of economic disaster. I would ask the Minister of Finance this question: Considering the time lag between the announcement of fiscal policy changes, if any, and their effect—and I am thinking of the budget—does the minister concede that the federal government can do little to affect substantially the level of unemployment in 1977? I ask this in view of the certain time lag between the introduction of the budget and when the figures actually come into effect.

● (1420)

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, that very much depends upon the nature of the measures that are announced.

REQUEST FOR STATEMENT ON STATE OF THE ECONOMY PRIOR TO PRESENTATION OF BUDGET

Mr. Lincoln M. Alexander (Hamilton West): Once again the minister has shown a callous disregard for the over one million out of work. In light of the fact that the people of Canada have been consistently kept in the dark with regard to forecasts and targets for job creation, unemployment and growth for 1977, is it the position of this government that a statement as to the state of the economy will not be made until the introduction of the budget? Why can we not have that statement in very short order in order that we can determine whether in fact the government has moved in a proper direction once the budget has been introduced?

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, it has always been a fact that it makes some sense to make a presentation both with respect to the prospects for the year in relation to which the budget is given and the measures that are proposed. I intend to follow that very sensible practice.

[Mr. Macdonald (Rosedale).]

UNEMPLOYMENT—ESTIMATE OF MONTH IN WHICH LEVEL REDUCED—CONSULTATION WITH PROVINCES ON JOB CREATION PROGRAMS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is also for the Minister of Finance. In view of the fact that the total number of unemployed and the rate of unemployment have been steadily increasing for more than a year, has the department estimated in what month, if any, they can see a reduction in either the number or the rate of unemployment? If they made those kinds of estimates, is the minister now prepared to tell the House that or is he prepared to do that when he presents his budget at the end of the month?

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, the budget presentation will include an estimate as to the prospects for employment during the year.

Mr. Orlikow: Considering the very serious nature of the unemployment problem in all parts of the country, is the government giving consideration to meeting with the provinces to discuss with them what programs, together or separately, the federal and provincial governments can implement to put people back into productive labour now or in the very near future?

Mr. Macdonald (Rosedale): Mr. Speaker, as part of the pre-budget preparation, I did have such a meeting with the provincial finance ministers.

SUGGESTED RELEASE OF FUNDS TO CREATE JOBS FOR YOUNG PEOPLE

Mr. David Orlikow (Winnipeg North): In view of the fact that statistics released today show that over 16 per cent of our young people are now unemployed and in view of the very small number of people, mainly young people, who will be unemployed as a result of the implementation of the first phase of both the Canada Works and Canada Youth Works programs because only $60 million of the $200 million is being released now, will the minister consider recommending to his cabinet colleagues the release of the $160 million which is to be made available in October at this time so that we can use that money to put young people, who want to work, to work now instead at the end of a long summer?

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, the response to this is inherent in the response I gave to the hon. member for Hamilton West. Indeed, one of the aspects that would have to be considered is whether, as opposed to changes in the fiscal policy and the taxation policy, it might be appropriate to increase or redirect funds into certain areas such as assistance for this particular group of the unemployed.

[*Translation*]

CANADIAN NATIONAL RAILWAYS

REQUEST FOR EXPLANATION OF LAY-OFFS AT RIMOUSKI

Mr. Eudore Allard (Rimouski): Mr. Speaker, my question is directed to the Minister of Transport.

In recent weeks many workers at the CN office in Rimouski and the surrounding region have been laid off. Could the minister tell the House why there is a sudden reduction in manpower in that place where the level of unemployment is already high?

[*English*]

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I do not know about this particular matter, but I will be glad to look into it.

[*Translation*]

Mr. Allard: Mr. Speaker, could the minister tell the House if he intends to examine the situation of those workers and recommend their reintegration into other services of the CN?

[*English*]

Mr. Lang: Mr. Speaker, for the time being I will content myself with trying to determine from CN what the facts are.

* * *

MANPOWER

EMERGENCY MEASURES TO CREATE EMPLOYMENT IN NEWFOUNDLAND

Mr. James A. McGrath (St. John's East): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration on behalf of some of the unwilling non-participants in Quebec and the Atlantic provinces. Given the serious unemployment situation in those five provinces which has increased by 20 per cent in the last 12 months and given the forecast by the Conference Board that this region will see another increase during the present year of 17 per cent, can I ask the minister, also bearing in mind the fact that whatever budgetary measures are brought down by the minister in a few days time will have no immediate impact on the region, whether he is prepared to enter into discussions to provide for emergency programs now, programs which would expedite, for example, essential expenditures in the line of public works, transport and so on in a coordinated effort to provide jobs for this region?

Hon. Jack Cullen (Minister of Manpower and Immigration): Although the unemployment rate for Newfoundland did in fact increase there was also a sharp rise in employment in the province.

An hon. Member: Go on!

Mr. Cullen: An hon. member says "Go on!" but that is the case. Employment in Newfoundland did, in fact, increase; there was a larger increase in the size of the labour force, thereby increasing the size of the unemployment. It is not a question of reacting in panic at the last minute. It was indicated back in October that we foresaw high levels of unemployment in the area this winter and it was for that reason the government saw fit to put $158 million into job creation programs. It is not a question of reacting in panic at the last minute. I might say to the hon. member that his colleagues on this side of the House brought so much pressure to bear that Newfoundland will actually rate fourth in the sums of money which will be paid into the provinces.

Mr. McGrath: It is disheartening to learn that the minister draws any satisfaction from these disastrous figures in my own province showing an increase of 1.5 per cent over this time last year for a real rate of 17.4 per cent, not to mention the numbers who are unemployed—about 25,000—but who do not appear on official records. I ask the minister, notwithstanding any programs already in place, given the serious situation which exists now, at least to take into consideration the suggestion made by the Leader of the Opposition and other members of the House to refunnel government programs in this region, especially in my own province and Quebec, to expedite public works projects to provide jobs now, not down the road when the minister's economic policies are in place.

Mr. Cullen: I take no refuge whatsoever in the figures. I indicated that there was in fact concern. I thought there should be some measure of balance by indicating that employment did in fact increase in that particular province. I do not think it is any answer to react in panic to the situation. We recognized what the situation was going to be and for that reason we put this kind of money into Canada Works and Young Canada Works and a series of other projects and we indicated this would be done last October. We do not wait until the very last minute and then say I think in panic we should react and do something else.

CONSULTATION WITH PRIVATE SECTOR ON JOINT PROGRAMS TO INCREASE EMPLOYMENT

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question, too, is for the Minister of Manpower and Immigration. Is it the intention of the government, in the light of the fact that various job creation programs enacted by the government have not had the desired effect and have in some areas been counter productive, to enter into consultation with the private sector such as the Canadian Manufacturers Association or, in the case of British Columbia, the resource industries, to work out joint programs which would not only stimulate the economy but people to work?

Hon. Jack Cullen (Minister of Manpower and Immigration): As my colleague, the Minister of Finance, has indicated it is precisely for that reason that he met with his opposite numbers. I met with my opposite numbers in the provinces to indicate how, at the government level, we could do specific things. There will be other areas which will be announced in the budget, as the minister said, on March 31 and which will

have the appropriate impact so far as private enterprise is concerned.

* * *

FINANCE

POSSIBILITY OF BUDGETARY ACCOMMODATION OF GOVERNMENT AND INDUSTRY JOINT JOB CREATION PROGRAMS

Mr. F. Oberle (Prince George-Peace River): Could I ask the Minister of Finance in order to accommodate joint job creation programs, and I am talking about government and industry rather than government and government, whether he is prepared to accommodate such programs in his budget and adjust the fiscal program in the light of tax concessions to industry so that this kind of program could be implemented shortly after budget day?

Hon. Donald S. Macdonald (Acting Prime Minister): I will consider the hon. member's suggestion.

* * *

● (1430)

MANPOWER

SUMMER STUDENT EMPLOYMENT PROGRAM—REQUEST FOR INCREASED FUNDS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I have a supplementary question for the same minister. In view of the fact that the intended 1977 summer student employment program budget is much less than last year, would the minister indicate while he has the opportunity whether he would increase that budget in order to provide jobs for students who will be coming out of school very soon; and would he indicate what his intentions are regarding increasing that budget?

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, I thank the hon. member for his approbation of the program that we have put in place. Recognizing high youth unemployment we have some five or six programs now. We have the SSEAP program, the job experience training program and a series of others. So it is not just Canada Works but Young Canada Works which is in effect right now. I thank him for his support.

YOUNG CANADA WORKS PROGRAM—REQUEST FOR INCREASED FUNDS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): A further supplementary question, Mr. Speaker. In view of the fact that under the Canada Works and Young Canada Works programs the frustrations of the people and organizations involved are shown by the fact that this is the only way they can provide jobs, that the number of applications are reaching tremendous proportions and the amount allocated is going to discourage rather than encourage them from keeping on with the program, I wonder whether the minister would take the suggestions which were made earlier by other members and bring forward the funds from the second phase of Young Canada Works to provide employment now?

Hon. Jack Cullen (Minister of Manpower and Immigration): I have noted the representation, Mr. Speaker.

* * *

REGIONAL ECONOMIC EXPANSION

PROGRAM FOR JOB CREATION IN ATLANTIC REGION

Mr. David MacDonald (Egmont): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. Since the minister has just returned from the Atlantic provinces and I am sure has been made well aware of the very serious situation there respecting unemployment, I wonder whether he indicated to his provincial colleagues what initiatives he was planning to take under his department, particularly in the area of job creation, inasmuch as his estimates this year have substantially reduced by some 10 per cent the major job creation facility under the act, namely the Regional Development Incentives Act?

[*Translation*]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, indeed I had the pleasure to meet Premier Campbell yesterday. We discussed at length the situation in general and I took the opportunity, for such was the purpose of the visit, to sign the amendment concerning the agreement and provide $89 million, that is the funds required for the next three years of this agreement. In my opinion, this is a substantial contribution to give a new impetus to the economy of Prince Edward Island.

I might add that I also announced the granting of three subventions to industries which will be established in the West Royal Park which we contributed to develop. We are still considering other requests. We hope to be able to help in creating jobs which will meet the island's requirements.

[*English*]

Mr. MacDonald (Egmont): Mr. Speaker, I will look forward to reading the minister's press releases, but I should like to address the particular issue as to whether or not, with respect particularly to the five eastern provinces, which have something like 371,000 people unemployed, his department is going to produce any new major initiatives, and whether he is making any particular recommendation to his colleague the President of the Treasury Board with regard to a reordering of federal expenditures in the next fiscal year. At the moment the Department of Regional Economic Expansion would appear to be almost irrelevant to the pressing issue of very serious unemployment in this country.

[*Translation*]

Mr. Lessard: Mr. Speaker, I do not think one can argue that the action taken by the department is not in line with the

objectives or with the situation in the Atlantic provinces. Of course we do not pretend to solve all problems, but I think that an investment of over $200 million for next year to support and develop the economy of the Atlantic provinces is certainly appropriate action. As concerns the recommendations I must make to my cabinet colleagues, the hon. member and the House can be sure that this is exactly what I do, what I did recently, and what I intend to do again at the next meeting of the cabinet and even later this afternoon.

* * *

[*English*]

TRANSPORT

FINANCIAL COMMITMENT TO DEVELOPMENT OF URBAN TRANSIT—GOVERNMENT POSITION

Mr. Alan Martin (Scarborough West): Mr. Speaker, in the absence of the Prime Minister I should like to direct my question to the Minister of Transport. In view of the considerable and continuing interest in the subject on the part of city dwellers across Canada, will the minister indicate the state of the government's deliberations on the issue of its outstanding financial commitment to urban transit?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I can only indicate that at this point there has been no change since a similar question was answered some 10 days ago, namely that while we have a significant program in the $100 million available for commuter assistance, a decision has not been taken as to whether or not that is all that we are able to see our way to do.

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GOVERNMENT ADMINISTRATION

USE OF GOVERNMENT AIRCRAFT TO PERMIT MEMBERS AND SENATORS TO ATTEND PARTY AT SAINT JOHN—POSSIBLE BREACH OF GUIDELINES

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a question for the Minister of Transport. Can the Minister of Transport tell us whether or not his department has made arrangements for a government aircraft to fly MP's and Senators to Saint John, New Brunswick, to attend a St. Patrick's Day party and to hear the Minister of Agriculture address a banquet? If so, does this fall within government guidelines concerning use of government aircraft?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am not aware of the details of that trip but I will inquire.

Mr. Nystrom: A supplementary question, Mr. Speaker. Since his office confirmed this with my office this morning, and in view of doubts that are being raised by it, will he cancel the plane and let the minister, and MP's and Senators who want to hear him spread his fertilizer in New Brunswick, go commercial?

Mr. Lang: Mr. Speaker, I will follow something of a practice of not making a decision until I have the facts.

* * *

FINANCE

POSSIBILITY OF CHANGE IN METHOD OF GETTING ADVICE ON ECONOMIC POLICY

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Finance. Given the fact that obviously we have some very, very serious economic problems in unemployment, inflation, the balance of payments, in fact in everything, is the minister giving any consideration to changing the way in which advice is proffered, and when economic policy is made changing the players in this role, so that these disastrous conditions will not be perpetuated on the Canadian people any longer?

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, I am not exactly certain what the hon. member means when he speaks of changing the way in which advice is being proffered. If he has some structural changes to suggest I would be glad to talk to him privately.

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ECONOMIC COUNCIL OF CANADA

PROPOSAL TO CONVERT COUNCIL TO SHORT-TERM FORECASTING UNIT

Mr. James Gillies (Don Valley): A supplementary question, Mr. Speaker. Is the Minister of Finance giving any thought to converting the Economic Council of Canada from the program it has followed in the past to a short-term economic forecasting unit that will proffer to the Department of Finance more accurate information about the way in which the economy is operating?

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, there is a study ongoing into possible changes in the structure of the Economic Council of Canada but not specifically so as to divert its attention from the medium and long-term to the short-term.

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THE CANADIAN ECONOMY

REASON FOR FAILURE TO PROVIDE MORE EMPLOYMENT FOR YOUNG PEOPLE

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, my question is also to the Minister of Finance. In view of the fact that Statistics Canada figures released today show unemployment among young people in February increased by 32,000, to the point where every second unemployed Canadian at the present time is between the ages of 15 and 24, and in view of the findings of the report released today

by the Canadian Council on Social Development which show that since 1953 the rate of unemployment among young people relative to total unemployment in Canada has been steadily increasing and describes the situation as "economically, politically and socially explosive", can the minister explain whether the government finds this trend acceptable and, if it does not find it acceptable, why has it so far failed to turn the situation around?

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, the critical element, of course, is that this particular group has been the fastest growing group among the Canadian work force. This is one of the reasons this particular group has been suffering from the highest level of unemployment. I agree that it has to be a matter of concern and indeed it is one of the reasons why over the years we have directed specific policy measures at those in the youth group as well as winter employment measures. Some of those, I noted, have been opposed by the hon. gentleman and his colleagues and I am glad to see an awakened concern in this regard.

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MANPOWER

PROPOSED CHANGE IN OCCUPATIONAL FORECASTING PROGRAM—GOVERNMENT POSITION

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, the minister's proposals have failed dismally. May I direct my supplementary question to the Minister of Manpower and Immigration. Has the minister read the report released today by the Canadian Council on Social Development and, if so, can he tell the House whether he accepts the findings in the report, or the recommendations, that occupational forecasts should become depoliticized and demystified, which recommendation states that the current forecasts of the Department of Manpower and Immigration are based on a labour scarcity by the 1980's assumption that may never materialize and recommends that Canadian occupational forecasting programs of the Department of Manpower and Immigration be changed because it is incomprehensible, not just for teachers but also for young people. If he does agree, is he prepared to take some action to implement that recommendation?

● (1440)

Hon. Jack Cullen (Minister of Manpower and Immigration): Mr. Speaker, no, I have not had the opportunity today as yet to read the report on social development. I did, however, have the honour of addressing that particular group and I indicated to them where the problems were in so far as youth unemployment was concerned.

Miss MacDonald: You indicated to them?

Mr. Cullen: I indicated to them the increase in the number of young people who have moved into the labour force, and I suggested to them some of the initiatives the government was taking to do what is necessary in this field, namely, bridge the gap between the school and the work force where there seems to be tremendous difficulty.

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EXTERNAL AFFAIRS

ALLEGED INADEQUACY OF ICNAF MANAGEMENT QUOTAS FOR FISH STOCKS—GOVERNMENT ACTION

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I should like to direct my question to the Secretary of State for External Affairs. At present, discussions are under way within the minister's own department to determine the future of ICNAF and the establishment of fishing quotas for next year. In view of the fact that fisheries resources have drastically declined, indicating that ICNAF's management quotas were not adequate to cope with the complexity of stocks and the intensity of effort that has been applied, would the minister indicate what initiative he plans to take to establish proper management of this valuable resource?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, the ICNAF meetings to which the hon. member refers are concerned principally with the future of that organization in view of the changes resulting from the declaration of the 200 mile limit by a number of countries. To the best of my knowledge, the specific matters referred to by the hon. member are not being discussed at this meeting, but I know that my colleague, the Minister of Fisheries and the Environment is now developing a regime or plan for the years beyond 1977. Undoubtedly he will be putting that forward in due course. I think he would be in a better position than I to indicate, in management terms, what is being planned.

POSSIBILITY OF ARBITRATION OF BOUNDARY OF 200-MILE FISHING ZONE BETWEEN CANADA AND UNITED STATES

Mr. Lloyd R. Crouse (South Shore): In view of the fact that no permanent solution was found to the problem with regard to the ownership of Georges Bank before the 200 mile limit between Canada and the United States went into effect, will the minister indicate whether it is the government's intention to call in a third country to arbitrate this matter, or just what does he propose to do in this regard?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): The situation with regard to negotiations with the U.S. on the boundary question is that, as I explained in part at least to the House some days ago, we entered into an interim agreement to the end of 1977 to give the negotiators time during this year to see if they can achieve a final solution. However, to ensure that the matter would not drag on interminably, we also agreed that if at the end of 1977 no agreement is reached, there would be a third party reference, and this is the basis now on which the negotiations are proceeding. Needless to say, I think both countries would prefer if we were able to reach agreement during the remaining months of 1977.

COMMUNICATIONS

CN-CP TELECOMMUNICATIONS—SUGGESTED DELAY IN CLOSURE OF OFFICES PENDING PUBLIC HEARING

Mr. Howard Johnston (Okanagan-Kootenay): Mr. Speaker, my question is for the Minister of Communications. I should like to ask if the minister is prepared to respond to the request that there will be no further closures of CN-CP telecommunications offices until public hearings into the policy of eliminating telecommunications services can be held.

[*Translation*]

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, I am sorry, but I did not understand the question of the hon. member. Would it be asking too much to have him repeat it?

[*English*]

Mr. Johnston: J'essayerai encore. Is the minister prepared to respond to the request that there be no further closures of CN-CP telecommunications offices until public hearings into the policy of eliminating telecommunications services can be held?

[*Translation*]

Mrs. Sauvé: Mr. Speaker, I have received many requests concerning the possibility of closing down a number of telegraph offices. Even the representatives of the CN and CP have put their case before me. I was also visited by union representatives who are naturally highly concerned about the fate of the people working in those local telegraph offices.

The Department of Communications has looked into current trends in the use of telegraphic services, and it may be that the CRTC will hold public hearings, as requested by the hon. member, to give the public the opportunity of discussing the problem.

[*English*]

Mr. Johnston: I wonder if the minister could tell us why CN-CP telecommunications, which is a monopoly, should be able to phase itself out of business without opportunities being provided for private industry or, as a truly desperate last resort, the Post Office to take over the business of telecommunications? I fear that the public hearings, if not held soon, may come too late.

[*Translation*]

Mrs. Sauvé: Mr. Speaker, the hon. member is anticipating the conclusions that may be arrived at as a result of the public hearings. Obviously, if public hearings are held we shall discuss that specific issue, namely whether it would be useful to open telegraph offices in all small cities across the country and whether the use people make of the telegraph service still justifies the maintenance of those offices. Should the CN and CP decide to close their offices, I believe it would be possible for the private sector to take the service over if it were interested in doing so.

[*English*]

INDIAN AFFAIRS

SETTLEMENT OF LAND CLAIMS IN BRITISH COLUMBIA—POSITION OF FEDERAL AND PROVINCIAL GOVERNMENTS

Mr. Hugh A. Anderson (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. Both the former NDP government led by Mr. Barrett and the present government under Premier Bennett promised a settlement of long standing land claims including cut-off lands. Can the minister advise the House that in his meeting later this week with his B. C. counterparts every effort will be made by the federal government to resolve these long standing differences, and can the minister advise the House whether it is the provincial or the federal government that is dragging its feet in this matter?

An hon. Member: Author?

Hon. Warren Allmand (Minister of Indian Affairs and Northern Development): Mr. Speaker, since my appointment I have had three meetings with the Hon. Allan Williams, the British Columbia minister, and there have been many meetings between officials with respect to cut-off claims in British Columbia. I am having another meeting this Friday in Victoria, and I hope that we can proceed further on this matter. I might say that I will meet with the cut-off lands committee on Friday in Victoria as well. It is not for me to say who is dragging his feet. This is complicated issue and it takes a lot of negotiations.

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HEALTH

POSSIBILITY OF BANNING CIGARETTE ADVERTISING—GOVERNMENT POSITION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of the fact that the minister expressed last week, as he has done on other occasions, his deep concern with respect to the hazard to health involved in cigarette smoking, is the minister considering the introduction of legislation along the lines proposed some years ago by his predecessor, now the Minister of Labour, to ban cigarette advertising?

Hon. Marc Lalonde (Minister of National Health and Welfare): No, Mr. Speaker.

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FINANCE

PROPOSAL TO CANCEL TAX DEDUCTIBILITY ACCORDED TO CIGARETTE ADVERTISING—GOVERNMENT POSITION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to address a supplementary question to the Minister of Finance. In view of the answer we have just

received from the Minister of National Health and Welfare that he does not propose to bring in legislation to ban cigarette advertising, will the Minister of Finance consider, in the preparation of his budget, the introduction of a measure to cancel the tax deductibility that is granted to cigarette advertising, which means that Canadian taxpayers are paying for their own deaths?

Hon. Donald S. Macdonald (Minister of Finance): I will treat that as a representation.

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[*Translation*]

MANPOWER

CANADA AND YOUNG CANADA WORKS PROGRAMS—POSSIBILITY OF SUPPLEMENTARY GRANTS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, my question is for the Minister of Finance.

Following the announcement made by the Minister of Manpower and Immigration concerning Canada Works and Young Canada Works programs—

An hon. Member: It does not work tremendously well!

Mr. Lambert (Bellechasse): Somebody is telling me that it does not work tremendously well, and it is the truth. Many people have submitted projects under these programs. However it seems that the funds allocated to these programs make it impossible to give a favourable answer to all the many serious projects which have been submitted. Therefore, could the Minister of Finance tell the House whether additional money would be allocated to these two programs to meet the demands of project sponsors so that they could go on taking an interest in them and that these programs be implemented within the next few weeks, meeting the expectations of Canadians and creating many jobs?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the Minister of Manpower and Immigration has already made that suggestion and I am considering it in the context of the new budget.

Mr. Lambert (Bellechasse): Mr. Speaker, in view of the very clever answer of the Minister of Finance, I would like to know whether what he intends to bring forward in his budget speech is already settled or whether the representations made by the Minister of Manpower and Immigration and some hon. members still have some value and would be seriously considered by the minister.

Mr. Macdonald (Rosedale): Mr. Speaker, I consider the representations made by my colleague and the hon. member as very important.

[Mr. Knowles (Winnipeg North Centre).]

• (1450)

[*English*]

AIRPORTS

CAR RENTAL CONCESSIONS—AMOUNT OF SETTLEMENT TO TILDEN AND AVIS—POSSIBILITY OF FURTHER LEGAL CLAIMS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question for the Minister of Transport. My question arises out of a recent cabinet award to Tilden Car Rentals of the sum of $5,000 to help defray certain legal expenses. Has the government approved and has payment been made or is it going to be made to Avis Rent-A-Car in the amount of $143,000? Can the minister indicate to us whether included in that payment was an amount covering legal expenses?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I can confirm that a settlement of that order was made. I would have to check to see whether the legal expenses were identified as such as a separate item. The settlement was, of course, in total in relation to the claim and costs.

Mr. Forrestall: I wonder if the minister can confirm to us whether the government is facing any more legal settlements of this nature, and if so, can he indicate briefly what firms are involved? Would the minister now care to meet the commitment made last fall or in the early part of the winter that he would table a rationalization of the tendering procedure with respect to this matter?

Mr. Lang: There are some further discussions going on with other companies affected by the disputes which occurred between the government and Tilden in particular. The discussions are a little difficult to identify in a concrete way at this point, but I would be glad to make a report from time to time.

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[*Translation*]

THE CANADIAN ECONOMY

MEASURES ADDITIONAL TO BUDGET IN ORDER TO COMBAT UNEMPLOYMENT

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I want to ask a question of the Minister of Finance.

Since the unemployment rate in Quebec has gone up from 7 per cent to 9.7 per cent in February, 1977 and since the number of unemployed Canadians has increased from 19,000 to 268,000 in the same period, I ask the minister what immediate steps, apart from the budget that will be introduced in the House, we can expect from the present government, with the support of 60 members from the province of Quebec, to improve that unbearable situation and to convince our fellow citizens in the province of Quebec that federalism is still profitable?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, as I just said, I find it more sensible to present the

over-all economic policy of the government within the context of the budget.

[*English*]

YOUTH UNEMPLOYMENT—SUGGESTED IMPLEMENTATION OF PROPOSALS OF CANADIAN COUNCIL ON SOCIAL DEVELOPMENT

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I would like to address a question to the Minister of Finance. It relates to the alarming rate of unemployment of 16.1 per cent for those between 14 and 24 years of age. A study by the Canadian Council on Social Development entitled "Youth and Employment" advises the development by the federal government of long-term solutions rather than merely increasing short-term efforts, such as Canada Works and Young Canada Works, and advises the publication of more accurate job market forecasts, the establishment of a national youth agency to encourage joint consultation and future planning and increased assistance to vocational programs. Will the minister assure the House that a serious commitment will be made on the part of the federal government to solving the crisis of youth unemployment by following the advice and the proposals of the Canadian Council on Social Development?

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, as I have already said, the position of this particular group in the work force is a matter of concern to the government, and we are giving it very careful attention.

Mr. Dick: I would like to ask a supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. The hon. member for Norfolk-Haldimand.

Mr. Knowles (Norfolk-Haldimand): Mr. Speaker, my question is for the Minister of Manpower and Immigration, but he has stepped out, so I will ask it at another time.

REASON FOR FAILURE TO CREATE NUMBER OF JOBS PREDICTED IN LAST BUDGET AND INCREASE IN IMPLICIT PRICE INDEX

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Finance. As the minister feels reluctant to refer to subjects he may touch on in his budget, I wonder, referring to his May 25 budget in which he predicted that there would be 250,000 jobs created in Canada, whether he will indicate why that number of jobs was not created and why less than 50 per cent of that number of jobs were created?

Hon. Donald S. Macdonald (Acting Prime Minister): Mr. Speaker, without accepting the accuracy of the hon. gentleman's assessment I have to acknowledge, as I previously indicated to the House, that the rate of growth anticipated last year did not come about.

Mr. Stevens: If we accept the minister's statement that the rate of growth was not what the minister initially anticipated, would he indicate why in his budget of May 25 he indicated that inflation on the implicit price index scale would be 9 per cent in 1976 when it actually turned out to be 9.4 per cent? Why did the figure go up if growth was slow?

Mr. Macdonald (Rosedale): The rate of the consumer price index went down rather than up.

Mr. Stevens: No, the implicit price index.

Mr. Macdonald (Rosedale): I point out to the hon. gentleman that the rate of growth in Canada as well as the rate in all the OECD countries did not attain the levels anticipated.

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ADMINISTRATION OF JUSTICE

SUGGESTED DENIAL OF BAIL TO RAPISTS—GOVERNMENT POSITION

Mr. Bob Brisco (Kootenay West): Mr. Speaker, my question is for the Minister of Justice. In the last month in the city of Nelson there have been three separate and distinct cases of rape. In each instance the accused was released on bail. Where there is a clear risk that acts like this can be perpetrated again, is the minister prepared to make representations to the British Columbia attorney general or to make changes in his own legislation so that rapists will not be released on bail to do further injury to hapless and helpless victims?

Some hon. Members: Hear, hear!

Hon. Ron Basford (Minister of Justice): Mr. Speaker, the representations which were made to the court at the time of these bail applications would depend on provincial Crown counsel, and therefore I will be happy to make inquiries of the attorney general of British Columbia to determine the backgrounds of these three cases.

* * *

ROYAL CANADIAN MOUNTED POLICE

POSSIBILITY OF REPRESENTATIONS FROM FORCE ON SELECTION COMMITTEE AND APPOINTMENT OF COMMISSIONER FROM WITHIN RANKS

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a two-part question for the Solicitor General. Has the minister received any representations from the commissioner or any other member or members of the Royal Canadian Mounted Police with respect to setting up the selection committee to appoint the next commissioner of the force in September, and if so, what was the nature of those representations?

Second, has the minister received a request from the commissioner or a member or members of the RCMP that the next commissioner be drawn from within the ranks of the force, and if so, what is the minister's response to that request?

Hon. Francis Fox (Solicitor General): Mr. Speaker, in answer to the first part of the hon. member's question, I have not received any representations as such on setting up the

selection committee. I have, however, received representatives of the divisional staff of the RCMP who have brought forward a number of suggestions. One of those suggestions was that the new commissioner be drawn from the ranks of the RCMP.

* * *

AGRICULTURE

BEEF—BASIS OF PAYMENT OF SUBSIDY

Mr. Bruce Halliday (Oxford): Mr. Speaker, my question is for the Minister of Agriculture, and it relates to the subsidy on beef. If a farmer makes a claim for the subsidy and submits both live and dressed weights to the minister's department, which weight will be used for payment?

An hon. Member: The minister's weight.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I heard an hon. member say "the minister's weight". The other day I heard a farmer say that the minister is worth his weight in gold.

Some hon. Members: Hear, hear!

● (1500)

Mr. Whelan: Mr. Speaker, the stabilization support payment is calculated on the live weight basis. Dressed weight will be converted to live weight and calculated for payment in the following manner: Dressed weight of grade A steers will be considered to be 57 per cent of live weight; dressed weight of grade A heifers will be considered to be 56 per cent of live weight.

Mr. Speaker: Order, please. Perhaps the information sought might be obtained in some other way.

* * *

PUBLISHING

REQUEST FOR CONTINUED SUPPORT FOR "THE PERFORMING ARTS IN CANADA"

Mrs. Ursula Appolloni (York South): Mr. Speaker, my question is for the Secretary of State. Bearing in mind the sad lack of Canadian magazines devoted to the arts, and in response to thousands of Canadians who deplore the fate now facing the publication entitled *The Performing Arts in Canada*, would the minister use his good offices to prevent the demise, due to financial difficulties, of this magazine?

Hon. John Roberts (Secretary of State): Mr. Speaker, I am not sure my good offices extend that far. I will raise the matter for consideration. As the hon. member knows, the Canada Council has been concerned about this question, and decided that the magazine did not warrant the continuation of its subvention. I will intervene with the Canada Council to this extent, that I shall seek further information on the matter the hon. member has raised.

Mr. Dick: Mr. Speaker, I rise on a point of order on a matter which arises out of the question period. I directed a question to the minister. Although there was some preamble to it, I do not think it was longer than the preamble to five or six other questions asked this day or any other day. Your Honour denied me the opportunity to ask a supplementary question. Immediately afterwards another hon. member asked a question and was allowed to ask a supplementary. It seems to me that there was a discriminatory balance as between one member and another. I do not represent a third party—

Some hon. Members: Oh, oh!

Mr. Dick: I am not talking to the hon. member for St. Boniface. Perhaps he would be quiet, or explain how he earns his salary.

Some hon. Members: Oh, oh!

Mr. Dick: I was trying to raise a matter concerning youth unemployment which is at its highest level since 1953, and I feel it is unfortunate that a supplementary question was not allowed. A list was tendered to Your Honour by the opposition party. It is only a guide, I realize, for use in the question period, but it indicates the thrust or direction of opposition questions on a certain day.

Mr. Speaker: Order, please. The hon. member is absolutely right. The discretion of the Chair always has to be used, regrettably, to discriminate every day between one hon. member and another. At the end of the question the hon. member had the floor. I think that if I had wanted to take a hard line I could have asked him to sit down before repeating a question which had been put in almost exactly the same language previously in the question period. However, I did not want to do that. I tried to recognize members from every region. There were many repetitious questions on unemployment, obviously, because today the unemployment figures were released.

I made an effort to get around to as many different regions and hon. members as I possibly could, to see at least if a new aspect or light could be shed on the matter from different regions. It seemed to me that the hon. member was not raising a new aspect but was repeating one which had already been discussed. In any case, I let that go. The questioner who followed him was the hon. member for York-Simcoe who, despite the lateness of the question period, raised at least, so it seemed to me, a sufficiently fresh aspect to warrant one supplementary question, and I recognized him before going to other hon. members who had been rising for some time. But that is a decision the Chair must make every day. Although the Chair may appear to discriminate as between one member and another, its decisions have nothing to do with anything of that nature.

Mr. Marshall: Mr. Speaker, I rise on a point of order. I can understand that Your Honour could not allow me to introduce a motion under Standing Order 43 at 2.15. However, there is a matter of great importance which should be corrected as soon as possible because the question is causing undue alarm across the country, particularly at the seal hunt. Mr. Speaker, my point of order relates to misinformation emanating either intentionally or unintentionally from certain news media. This information indicated that only 40,000 seals were observed at the front, whereas information from the Department of the Environment, who are the experts, indicates that there were over 100,000 seals. I think the government should consider this proposal—

Mr. Speaker: Order, please. I regret, as much as the hon. member does, that he was not able to put his motion during the time allotted for motions under Standing Order 43. I attempted to proceed on a regional basis. There had been one such motion from the region of Newfoundland, proposed by the hon. member for St. John's East. I thought, in fairness, it was proper to let hon. members from other regions put their motions as well. On this particular day most of them concentrated on the same subject. However, since that time has now expired, I really cannot recognize the hon. member now or revert to that item of business. I regret that.

ROUTINE PROCEEDINGS

[*Translation*]

AGRICULTURE

Second Report of Standing Committee on Agriculture—Mr. Daudlin.

[*Editor's note: For text of above report, see today's Votes and Proceedings.*]

* * *

[*English*]

ANTI-INFLATION ACT

REFERENCES TO ADMINISTRATOR RESPECTING NATIONAL GROCERS COMPANY LIMITED

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I should like to table references to the administrator, under the Anti-Inflation Act, with respect to National Grocers Company Limited, the town of Fergus and the city of Brantford.

Order Paper Questions

ADMINISTRATION OF JUSTICE

TABLING OF AGREEMENT IN CONNECTION WITH BOEING COMPANY OF UNITED STATES

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I wish to table, in both official languages, the text of an agreement and statements between the Department of Justice of Canada and the United States department of justice relating to procedures for mutual assistance in the administration of justice in connection with the Boeing Company matter, signed today in Washington on my behalf.

* * *

CANADA SHIPPING AMENDMENT ACT (NOISE POLLUTION)

MEASURE TO PREVENT NOISE POLLUTION ON INLAND WATERS

Mr. G. H. Whittaker (Okanagan Boundary) moved for leave to introduce Bill C-407, to amend the Canada Shipping Act (Noise Pollution).

An hon. Member: Explain.

Mr. Whittaker: Mr. Speaker, the purpose of this bill is to prevent noise pollution on inland waters by requiring that small pleasure craft be equipped with an underwater system to prevent unnecessary noise. At present, many small pleasure craft have unmuffled exhausts resulting in unbearable noise for people living on or close to inland waters.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

JUSTICE AND LEGAL AFFAIRS

CONCURRENCE IN THIRD REPORT OF STANDING COMMITTEE

Mr. Mark MacGuigan (Windsor-Walkerville) moved that the third report of the Standing Committee on Justice and Legal Affairs, presented to the House on Friday, March 11, be concurred in.

Motion agreed to.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 651, 785, 822, 1,137, 1,275, 1,311, 1,317, 1,401, 1,488, 1,498, 1,537, 1,552, 1,604, 1,650, 1,695, 1,710, 1,714, 1,724, 1,742, 1,744, 1,809, 1,828, 1,832 and 1,871.

Order Paper Questions

[*Text*]

DEPARTMENT OF SOLICITOR GENERAL—PERSONNEL

Question No. 651—Mr. Lachance:

Between the date of the presentation of the last budget May 25, 1976 and October 12, 1976, did the Department of the Solicitor General, National Parole Board, Royal Canadian Mounted Police and Canadian Penitentiary Service hire, dismiss or transfer employees to other departments and, if so, how many?

Hon. Francis Fox (Solicitor General):

Ministry Secretariat		Canadian Penitentiary Service and the National Parole Service	
Hired	45	Hired	769
Dismissed	0	Dismissed	17
Transferred	19	Transferred	52
Royal Canadian Mounted Police		National Parole Board	
Hired	572	Hired	26
Dismissed	0	Dismissed	0
Transferred	40	Transferred	4

NOTE: The figures shown do not reflect a true accountability of the number of persons hired as opposed to the number of transfers and dismissals by reason of the fact that the question made no mention of resignations, retirements, discharges, deaths, etc., for example: (a) The figure of 769 persons hired by CPS/NPS is accounted for in part by 327 term employees hired for short term assignments replacing employees on annual leave, sick/maternity leave, language training, etc., 64 hired under student programs, and 265 in-department transfers and promotions (including acting appointments). (b) The figure of 572 shown for persons hired by the R.C.M.P. is partially offset by 97 persons pensioned, 292 resigned and 58 discharged.

LANDING INSTRUCTIONS—QUEBEC CITY AIRPORT

Question No. 785—Mr. Cossitt:

1. During the summer of 1976, did Mr. Henry Garbatz, a private pilot from Montreal, accompanied by his wife and two daughters, approach the airport at Quebec City and ask the control tower for landing instructions and, if so (a) on what date (b) at what time of day (c) what are the names of all controllers on duty in the tower at the time?

2. Did Mr. Garbatz specifically ask in English, if he should approach from the left or the right side and did he receive the following reply from an air controller on duty: "You can use whatever way you want. I don't really give a . . . ." and, if so (a) what was the name of the controller (b) for what reason did he make such a reply insofar as (i) off-coloured language is concerned (ii) not properly instructing Mr. Garbatz (c) what connection, if any, was there between the fact that Mr. Garbatz asked his question in the English language?

3. Was there an investigation made of the incident and, if so (a) by whom (b) on what dates (c) what were the results (d) did tapes of the conversation prove that Mr. Garbatz was correct in his allegations (e) was the matter hushed up and, if so, for what reason (f) was a recommendation made and a decision adopted by the Department of Transport to take no action to deal with the situation on the grounds that it was not propitious to do anything because of the controversy at the time over the use of two languages by air traffic controllers?

[Mr. Goodale.]

4. Did Mr. Garbatz write the Minister of Transport outlining the situation and alleging that he had received no clear instructions and that improper language had been used and, if so (a) on what date (b) on what date was it received by the Minister (c) has the Minister answered the letter and (i) if so, on what date (ii) if not, for what reason?

5. Is it government policy to permit off-coloured language to be used by air traffic controllers for aircraft asking instructions and (a) if so, for what reason (b) if not, for what reason was such a situation permitted, in this case?

Hon. Otto E. Lang (Minister of Transport): 1. Yes. (a) July 7, 1976. (b) 10:01 a.m. (c) It is not consistent with the tradition of a non-political public service to disclose names of officials who perform tasks in the course of their public duty.

2. Mr. Garbatz did ask in English if it would be permissible to make a left or right hand approach and as there was no other conflicting traffic the controller made an inappropriate remark. (a) Same reply as 1(c) above. (b) (i) There was no reason for such a reply. (ii) Mr. Garbatz was subsequently provided with proper instructions. (c) There was no connection.

3. Yes. (a) By unit management and headquarters officials. (b) July 9, 1976. (c) The investigation revealed that the offensive remark was made. (d) Yes. (e) No. The controller involved was severely reprimanded on July 9, 1976 and warned that a further occurrence would not be tolerated. (f) No.

4. Yes. (a) July 7, 1976. (b) July 12, 1976. (c) Yes (1) August 26, 1976.

5. (a) It is not the policy of the government to permit the use of offensive language in communications between air traffic controllers and pilots. (b) The use of such expletives is not permitted under any circumstances.

"PRINCESS OF TASMANIA" VESSEL

Question No. 822—Mr. Muir:

1. Did Canadian National charter the vessel, *Princess of Tasmania* for the North Sydney—Newfoundland Ferry service and, if so, for what period?

2. What was the classification of the vessel as to ownership, charter, crew and cost per day?

3. During the period that the *Princess of Tasmania* was under charter, how many days was the vessel not in service and for what reason?

4. Was the *Princess of Tasmania* offered for sale to Canadian National and, if so, at what price?

Hon. Otto E. Lang (Minister of Transport): 1. The M.V. *Princess of Tasmania* now named the M.V. *Marine Cruiser* was chartered by the Department of Transport for a period of five years. It is operated by Canadian National Railways under the "Entrustment Order" for the Newfoundland ferry services.

2. The vessel was owned by the Australian Coastal Shipping Commission and purchased by Bahamarine Limited. The charter party is a bareboat charter with Bahamarine Ltd., at a daily rate of $1,379 Canadian and is Canadian crewed.

3. The vessel is used to provide additional capacity to meet summer tourist demand and is held in a laid-up state during the rest of the year unless required in freight service. It was acquired for the Gulf service in order that the M.V. *Lucy*

Maud Montgomery then operating in the Gulf could be returned to the PEI service where her capacity was required.

	No. of days operated	No. of days not operated
1973	153	212
1974	186	179
1975	131	234
1976 (to Nov. 30)	75	260

On those days the vessel did not operate she was in lay-up status at Point Edwards or on refit at St. John's. The refits have been normal for the age of the vessel.

4. The vessel was offered for sale on a general basis by the owners. The offering price was $2,250,000. The vessel was not purchased by the Department of Transport since it did not conform to the long-run policy of acquiring high capacity, relatively fast vessels to provide an improved standard of service at less daily cost.

DEPARTMENT OF PUBLIC WORKS BULLETIN NO. 13

Question No. 1,137—**Mr. Horner:**

1. Did the Minister of Public Works make an offer as stated in the Department's Bulletin No. 13, dated April 1, 1974, and, if so, did he make it with the consent and advice of the Department of Justice?

2. How many cases were dealt with by the government on the extended period as set out in the Bulletin?

3. Does the government take the position that the offer and the filings made pursuant to the offer should not have been made and, if so, does it propose to take any action to recover monies paid?

4. Has the government the power to act in accordance with the Bulletin re Pickering and elsewhere and will it consider on the merits, requests that the Department of Justice file pursuant to Paragraph 29(1)(b) of the Expropriation Act, claims that through oversight were not filed pursuant to the Minister's Bulletin No. 13 so as to permit persons to have proper compensation determined by the courts?

Hon. Judd Buchanan (Minister of Public Works): 1. Yes, with the consent and advice of the Department of Justice.

2. Forty

3. No.

4. In reply to the first part of the question, the Minister of Public Works may at any time request the Attorney General to file a notice in the Federal Court pursuant to paragraph (b) of subsection (1) of section 29 of the Expropriation Act, and as a consequence of that request, the Attorney General may file such notice; whether, in any particular case, the court would have jurisdiction to entertain the legal proceedings commenced by the Attorney General would depend on the facts of that case. Regarding the second part of the question, the Department of Justice is prepared to examine any case where it is alleged that through an oversight former owners have not commenced action within the statutory time period or otherwise complied with Bulletin No. 13 in order to determine whether, on the facts, the Federal Court has any jurisdiction to determine the compensation payable to such persons.

VANCOUVER INTERNATIONAL AIRPORT

Question No. 1,275—**Mr. Leggatt:**

1. What are the per passenger costs of (a) Air Canada (b) CP Air at Vancouver International Airport?

2. (a) What profit/loss did Vancouver International Airport show in 1974-75 (b) what profit/loss is projected for (i) 1975-76 (ii) 1976-77?

3. How many (a) small private and corporate plane landings (b) commercial airlines' scheduled flights (c) commercial airlines' non-scheduled flights and for charters, were there at Vancouver International Airport in the last year for which figures are available and, in each case, what percentage of total landings does this represent?

4. What are the cost estimates for the proposed third runway at Vancouver International Airport?

Hon. Otto E. Lang (Minister of Transport): 1. (a) The per passenger handling costs for Air Canada at Vancouver International Airport, based on January to November, 1976, were $3.52. This figure was computed for all boarding and deboarding passengers and covers reservations, ticketing and baggage handling services. (b) The per passenger handling costs for CP Air are not available within Transport Canada.

2. (a) For the fiscal year 1974/75 Vancouver International Airport showed a net loss of $2,503,173. (b)(i) In the fiscal year 1975/76 Vancouver International Airport generated $15,750,287 in revenue and incurred expenses of $13,904,640 for a net profit of $1,845,647. It should be noted that the revenue of $15,750,287 includes $4,362,827 in Air Transportation Ticket Tax. These figures do not include costs for Air Navigational and Air Traffic Services. (b) (ii) Occasioned by the increase in the landing fee tariffs the first six months financial performance suggests a profit of approximately $4,000,000 for the fiscal year 1976/77.

3. Aircraft movement statistics for Vancouver International Airport for the year 1975 were obtained from the 1975 Annual Report, issued by the Aviation Statistics Centre, Statistics Canada. The available statistics are not broken down in the exact grouping as requested, however the following is provided:

Total Aircraft Movements:				203,253
Itinerant	198,416	=	97.62 per cent	of total
Local	4,837	=	2.38 per cent	of total
	203,253		100.00 per cent	

Local aircraft movements are not broken down further into the various categories. The following statistics pertain to itinerant movements only.

Itinerant Aircraft Movements by Type of Operation:				
Air Carriers—unit toll	66,615	=	33.57 per cent	of total itinerant
Air Carriers—charter	3,534	=	1.79 per cent	of total itinerant
Other commercial	67,558	=	34.05 per cent	of total itinerant
Private	51,891	=	26.15 per cent	of total itinerant
Government (civil and military)	8,818	=	4.44 per cent	of total itinerant
	198,416		100.00 per cent	of total itinerant

Itinerant Aircraft Movements by Gross Take-off Weight:

4,000 pounds and under	80,919	=	40.78 per cent	of total itinerant
4,001 pounds-9,000 pounds	22,687	=	11.43 per cent	of total itinerant
9,001 pounds-19,000 pounds	22,815	=	11.50 per cent	of total itinerant
19,001 pounds-39,000 pounds	2,451	=	1.24 per cent	of total itinerant
39,001 pounds-79,000 pounds	7,080	=	3.57 per cent	of total itinerant
79,001 pounds-159,000 pounds	34,916	=	17.60 per cent	of total itinerant
159,001 pounds-199,000 pounds	9,403	=	4.74 per cent	of total itinerant
199,001 pounds-314,000 pounds	5,518	=	2.78 per cent	of total itinerant
314,001 pounds and over	12,627	=	6.36 per cent	of total itinerant
	198,416		100.00 per cent	of total itinerant

Definition of Terms: "aircraft movement"—an aircraft landing, take-off, or simulated approach; "air carrier movement"—all unit toll movements plus those charter movements by aircraft over 18,000 pounds performed by Canadian and foreign operators with an official ICAO or Transport Canada designator; "itinerant movement"—one in which the aircraft enters or leaves tower control; "local movements"—(a) movements by aircraft which operate within the airport traffic pattern or local practice area; (b) simulated approaches or low passes; "other commercial"—commercial operations not included in 'Air Carrier'; "private movements"—movements by aircraft registered as "Private", owned by individuals or companies and not used for hire or compensation.

4. The latest cost estimate which was prepared in February, 1976 for the proposed parallel runway at Vancouver International Airport is $26,271,800.

INVENTORY LOANS PLAN

Question No. 1,311—**Mr. Crouse:**

1. What amount was advanced by the government to ground fish operators during 1969 under the Inventory Loans Plan?

2. What firms received the money, and in what amounts?

3. What percentage has been repaid, of the total advanced, and by what firms?

4. In Digby County, Nova Scotia, what repayments have been made?

5. What steps have been authorized for the collection of those funds outstanding?

6. If uneven amounts are collected from various operators, how will the government proceed to ensure equity among the various operators?

Mr. Jim Fleming (Parliamentary Secretary to Minister of Fisheries and the Environment): 1. $3,846,517.89.

Company	Principal
Fishery Products Ltd.	672,800.00
Earle Brothers Fisheries Ltd.	42,500.00
A. Norcott Limited	3,500.00
Newfoundland Quick Freeze	130,300.00
Bay Bulls Sea Products	18,700.00
Fort Amherst Sea Products	16,100.00
John Penny and Sons Ltd.	58,800.00
Cabot Seafoods	8,200.00
Burgeo Fish Industries	57,600.00
Gaultois Fisheries	60,700.00
Atlantic Fish Processors	174,100.00
Harbour Grace Fisheries Coop	269,814.60
Booth Fisheries Canadian Co.	255,000.00
Bonavista Cold Storage Co.	405,000.00
Job Brothers Ltd.	79,500.00
P. Janes and Sons Ltd.	13,000.00
Ocean Harvestors Ltd.	180,000.00
Alfred C. LeBlanc	19,300.00
Beothic Fish Processors Ltd.	1,600.00
Swim Bros. Ltd.	14,000.00
H. B. Nickerson and Sons Ltd.	68,600.00
Riverport Seafoods Ltd.	66,500.00
Acadia Fisheries Ltd.	125,500.00
Arctic Fishery Products Ltd.	32,800.00
Bickerton Cooperative Ltd.	23,600.00
Comeau and Saulnier Ltd.	3,400.00
Mersey Seafoods Ltd.	24,000.00
Clare Fisheries Ltd.	900.00
Comeau Seafoods Ltd.	6,300.00
National Sea Products	424,953.29
Keith O. Raymond	2,900.00
Pierce Fisheries Ltd.	1,700.00
L. H. Comeau and Sons	3,100.00
O. D. Trask and Sons Ltd.	7,500.00
Marris and Thereault Ltd.	4,600.00
Swim Brothers Fisheries Ltd.	49,300.00
La Cooperative de Pêcheurs de l'Île Ltee	76,600.00
Grand Harbour Fishermen's Coop	6,150.00
Usen Fisheries Ltd.	44,100.00
Quebec United Fishermen	284,000.00
Pêchprod Ltd.	48,400.00
St. Lawrence Sea Products	61,100.00
	$3,846,517.89

3. Fifty-three per cent of the total principal advanced has been repaid. The repayment of principal was made by: A. Norcott Limited; Newfoundland Quick Freeze Ltd. (in full); John Penny and Sons Ltd. (in full); Burgeo Fish Industries; Gaultois Fisheries (in full); Atlantic Fish Processors Ltd. (in full); Harbour Grace Fisheries Coop (in full); Booth Fisheries Canadian Co. Ltd.; Bonavista Cold Storage Co. Ltd. (in full); Beothic Fish Processors (in full); Ocean Harvesters Ltd.; H.B.

Nickerson and Sons Ltd.; Riverport Sea Foods Ltd.; Arctic Fishery Products Ltd.; Comeau and Saulnier (in full); Mersey Seafoods Ltd. (in full); Clare Fisheries Ltd. (in full); Comeau Sea Foods Ltd. (in full); National Sea Products Ltd. (in full); Keith O. Raymond; Pierce Fisheries Ltd. (in full); La Coopérative Des Pêcheurs de l'Île Ltée (in full); Usen Fisheries Ltd.; Quebec United Fishermen; Pêchprod. Ltd.; St. Lawrence Sea Products Ltd.

4. $11,760.

5. Periodic letters and visits.

6. All companies are required to repay their loans and interest on amounts owing will continue to be assessed.

SEALANT ON RUNWAY AT MIRABEL

Question No. 1,317—**Mr. Beatty:**

1. Has there been any deterioration of the sealant between the concrete slabs on the runway at Mirabel Airport and, if so, have repairs been made or are they likely to be made within the next year?

2. (a) How much sealant, if any, will have to be replaced (b) what was or is likely to be the total cost for repairs and how much of that cost will be borne by the taxpayers?

3. (a) What has been the cause of the sealant's deterioration (b) was it anticipated, at the time the airport was built, that the sealant would deteriorate at its present rate?

Hon. Otto E. Lang (Minister of Transport): 1. There has been deterioration of the sealants between the concrete slabs on the runway at Mirabel Airport. Some repairs have been made and it is anticipated that repairs will continue to be carried out each year along with preventative maintenance.

2. (a) It was estimated that approximately 5 percent of the sealants may come out each year. (b) These will have to be replaced at an estimated annual cost of approximately $100,000. The proportion of this cost that is related to the ongoing maintenance will be budgeted in a normal manner. The allocation of the costs of replacing material due to other than normal causes will be established through legal consultation.

3. (a) The cause of the sealants failure to perform is a lack of adhesion related to a number of factors. The proportion attributed to each factor is not resolved. (b) The present rate of deterioration was not anticipated. Since this condition is not unique there is considerable industry interest in improving the performance of these materials for the Canadian climate.

AIR CANADA FLIGHT ATTENDANTS

Question No. 1,401—**Mr. Halliday:**

1. For each of the past 12 months for which figures are available, how many Air Canada flight attendants were hired on a full-time or regular basis, and on a part-time basis?

2. How many in each classification were lost through resignation or other form of attrition per month?

Hon. Otto E. Lang (Minister of Transport): The management of Air Canada advises as follows: the only flight attendants hired by Air Canada in 1976 on a permanent basis were company employees who were already working in other positions but who had submitted applications and asked to be considered for the position of flight attendant. Employees hired on a part time basis fall into two categories. Students registered in Canadian universities are hired for the duration of the summer university vacation period while Temporary Employees are hired for periods of between two and six months. Although initially hired as Temporary Employees, flight attendants in this classification are often later declared permanent when operational requirements demand.

1. Total hired—1976

	March	April	May	June	July	October
Permanent basis				2	23	
Temporary basis	35	38	70	70	52	
Summer students			85	42		
Temporary employees made permanent	35	38				55

2.

January 8	February 15	March 11
April 9	May 21	June 22
July 28	August 32	September 17
October 10	November 9	December 10

CIVIC SQUARE TOWER OFFICE BUILDING—BARRIE, ONTARIO

Question No. 1,488—**Mr. Rynard:**

1. Are there any government departments located in the Civic Square Tower Office Building in Barrie, Ontario and, if so, which ones?

2. What is the rent per square foot for office space in the Building?

Mr. Alexandre Cyr (Parliamentary Secretary to Minister of Public Works): 1. Yes; National Health and Welfare; National Revenue (Excise); Manpower and Immigration.

2. First floor, $8.00 p.s.f.; fourth floor, $7.00 p.s.f.; sixth floor, $7.00 p.s.f. and $7.29 p.s.f.

INSULATION

Question No. 1,498—**Mr. Herbert:**

Does the government monitor and publish its findings of the insulation values of wool batt and loose wool insulation material used in residential buildings and, if so, is any comparison made between the relative insulation values and the price of (a) different types of material (b) different manufacturers (c) domestically manufactured and imported materials?

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Building Research Division, of the National Research Council of Canada, and the Office of Energy Conservation, Department of Energy, Mines and Resources, have both published tables of data comparing the insulating ability of different insulating materials. Two

such publications have been forwarded to the honourable member. These are: (a) "Adding insulation to house attics" published by NRC. (b) "100 ways to save energy and money in the home" published by the Department of Energy, Mines and Resources. The NRC publication provides a sample of comparative data on the relative cost and effectiveness of several insulating materials, however, no agency is currently publishing such an economic comparison on an ongoing basis. The limitation of these comparisons is that they fail to consider other equally important parameters such as installation cost, resistance to fire, etc. No agency publishes comparative data identifying the product of a specific manufacturer. The evaluations carried out by NRC are performed under commercial contract with the manufacturer or his agent. The results of such specific evaluations are therefore confidential. Central Mortgage and Housing Corporation requires that certain materials used in National Housing Act construction, including all of the insulation, be tested for compliance with certain standards, notably C.S.A. Standard No. A-101 in the case of mineral wool insulation. All suppliers who wish to serve this market i.e. those using imported or their own domestically manufactured goods, are obliged to have their products tested for acceptance.

DEPARTMENT OF JUSTICE—EMPLOYEES FROM PRIVATE EMPLOYMENT AGENCIES

Question No. 1,537—**Mr. McKenzie:**

1. Has the Department of Justice obtained (a) part-time (b) full-time employees from private employment agencies in (i) British Columbia (ii) Alberta (iii) Saskatchewan (iv) Manitoba (v) Ontario (vi) Quebec (vii) New Brunswick (viii) Nova Scotia (ix) Prince Edward Island (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies (b) average hourly rate paid to employees (c) total amount paid by the Department in (i) 1975 (ii) 1976?

Hon. Ron Basford (Minister of Justice):

1. (a) Yes.

		1974-75	1975-76
I	British Columbia	23	26
II	Alberta	1	2
III	Saskatchewan	4	2
IV	Manitoba	Nil	Nil
V	Ontario	163	253
VI	Quebec	1	Nil
VII	New Brunswick	Nil	Nil
VIII	Nova Scotia	Nil	Nil
IX	Prince Edward Island	Nil	Nil
X	Newfoundland	Nil	Nil

(b) No.

2. No, Main Estimates

		1974-75	1975-76
3.	(a) British Columbia	5.80	6.00
	Alberta	5.60	5.60
	Saskatchewan	4.80	4.80
	Ontario	5.70	6.00
	Quebec	6.25	N/A

[Mr. Poulin.]

(b) Information not available. This information is known only to the private employment agency and its employee.
(c) I 1974-75 $191,827.66
II 1975-76 $209,008.23

MINISTRY OF STATE FOR URBAN AFFAIRS—EMPLOYEES FROM PRIVATE EMPLOYMENT AGENCIES

Question No. 1,552—**Mr. McKenzie:**

1. Has the Ministry of State for Urban Affairs obtained (a) part-time (b) full-time employees from private employment agencies in (i) British Columbia (ii) Alberta (iii) Saskatchewan (iv) Manitoba (v) Ontario (vi) Quebec (vii) New Brunswick (viii) Nova Scotia (ix) Prince Edward Island (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies (b) average hourly rate paid to employees (c) total amount paid by the Ministry in (i) 1975 (ii) 1976?

Hon. André Ouellet (Minister of State for Urban Affairs): For the Ministry of State for Urban Affairs: 1. The ministry has not obtained part-time or full-time employees from private employment agencies, employees being people placed on our paylists at the central pay office.

2. Not applicable.

3. Not applicable.

UIC—BENEFITS

Question No. 1,604—**Mr. Herbert:**

1. By province, in each of the past five years, how many persons received unemployment insurance benefits for the full period of their entitlement?

2. Does the government monitor whether and how such persons find monies to survive after the termination of receipt of unemployment insurance benefits?

Hon. Jack Cullen (Minister of Manpower and Immigration): 1. In so far as the Unemployment Insurance Commission is concerned: statistics are not available prior to 1973 and since then only by region.

	Atlantic	Quebec	Ontario	Prairie	Pacific
1973	71,716	115,209	125,346	44,623	50,674
1974	53,816	92,547	81,599	20,166	39,032
1975	69,422	118,551	115,390	17,184	45,777
1976	70,282	139,927	105,746	17,125	42,288

NOTE: These statistics show the number of claimants who were active in the last week of their entitlement. However, it does not follow that these individuals have received UI benefits for every week of entitlement utilized: some, for example, had to serve weeks of disqualification and/or disentitlement, others had earnings.

2. The Unemployment Insurance Commission has surveyed UI exhaustees in an attempt to determine what happens to these individuals when they have exhausted their UI benefits. These surveys were carried out in 1973 and again in 1976. It

was found that the majority of exhaustees (63 per cent) were able to find work, on average, within six weeks while only a few 8 per cent, i.e. about 2 per cent of total claimload, resorted to welfare. Those who found a job worked, on average, four months out of the six month period investigated.

TRANSPORT—COST OF PUBLICATION "AT HOME WITH TRANSPORT"

Question No. 1,650—**Mr. Mazankowski:**

What is the cost of the Department of Transport publication *At Home with Transport* and how many issues were printed?

Hon. Otto E. Lang (Minister of Transport): Transport Canada spent $1,357.28 for its publication "At Home with Transport" and 5,000 copies were printed through the Printing Bureau of Supply and Services, Canada.

PROPOSALS MAINLINE AIR CARRIERS AND REGIONAL CARRIERS FOR ROUTE CONSOLIDATION

Question No. 1,695—**Mr. Howie:**

Have any proposals been made by (a) Air Canada (b) CP Air (c) Air Canada or CP Air in conjunction with Pacific Western Airlines, Transair, Nordair, Québecair or Eastern Provincial Airways to consolidate routes or services and, if so, what do these proposals consist of?

Hon. Otto E. Lang (Minister of Transport): No proposals by mainline or regional air carriers for consolidation of routes or services have been made to the Canadian Transport Commission. Many carriers have, however, been reviewing their route networks to find ways in which air services can be rationalized and made more economic. Transport Canada is also giving high priority to a review of the roles of the mainline, regional and local carriers to determine whether a redefinition of these roles could be in the public interest.

STUDENT SUMMER EMPLOYMENT

Question No. 1,710—**Mr. Howie:**

For the year 1976, did the Department of Consumer and Corporate Affairs have any student summer employment programmes in (a) Canada (b) New Brunswick and, if so, in each case (i) what were they (ii) how many persons were given direct summer employment and what were the wages (iii) what was the cost?

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Yes.

(a) Canada

(i) Program	(ii) Numbers	Wages	(iii) Cost*
Career Oriented Summer Employment Program (COSEP)	31	$69,216.32	$26.18
Non-Career Oriented Summer Employment Program (NCOSEP)	29	$70,776.42	$146.34
Puppet Program	21	$23,284.79	$29,754.74

(b) New Brunswick

Included in the above for the province of New Brunswick is the following:

Puppet Program	1	$1,267.44	$2,085.30

*Cost is interpreted as travel expenses and other related costs.

SOS STUDENT SUMMER EMPLOYMENT PROGRAMME, 1976

Question No. 1,714—**Mr. Howie:**

For the year 1976, did the Department of the Secretary of State have any student summer employment programmes in (a) Canada (b) New Brunswick and, if so, in each case (i) what were they (ii) how many persons were given direct summer employment and what were the wages (iii) what was the cost?

Hon. John Roberts (Secretary of State): (a) Yes. (i) Student Community Services Programme and Hostel Programme. (ii) Student Community Service Programme—2,604 persons at $120./week. Hostel Programme, 371 persons at $120./week. (iii) Student Community Service Programme—$5,308,000. Hostel Programme—$790,458. (b) Yes. (i) Student Community Service Programme and Hostel Programme. (ii) Student Community Service Programme—141 persons at $120./week. Hostel Programme—29 persons at $120./week. (iii) Student Community Service Programme $259,805. Hostel Programme—$46,389.60.

TRANSPORT—HEAVY LIFT FACILITIES AT PORT OF SAINT JOHN, NEW BRUNSWICK

Question No. 1,724—**Mr. Fairweather:**

1. Does the National Harbours Board provide, on a regular basis, heavy lift facilities at the Port of Saint John, New Brunswick and, if not, are there any other major ports in Eastern Canada or on the Pacific Coast without such service?

2. Was the *Glenbuckie* fulfilling such a service at Saint John?

3. Was the *Glenbuckie* withdrawn from service and, if so, on what date?

4. Will alternative facilities be provided and, if so, on what date?

5. Have complaints been received by the National Harbours Board concerning the withdrawal of heavy lift capability from the Port of Saint John?

Hon. Otto E. Lang (Minister of Transport): The National Harbours Board advises as follows: 1. Heavy lift facilities have been provided by the Board at Saint John, New Brunswick, by means of the floating crane *Glenbuckie* from the mid-1940's until September 8, 1976. On that date the *Glenbuckie*, because of damage to her hull, was temporarily withdrawn from service pending the outcome of a study by the Port Authority in association with local stevedoring company managers regarding future heavy lift capability for the port. The National Harbours Board ports of St. John's, Halifax, Sept-Îles, Quebec, Trois-Rivières, Montreal, Churchill and Vancouver have heavy lift services provided either by the Board or the private sector.

2. Yes, although very few lifts were required to be made over the past four or five years because port operators have used land-based mobile cranes instead.

Order Paper Questions

3. The *Glenbuckie* was temporarily withdrawn from service on September 8, 1976.

4. Alternative facilities are available from private enterprise and have been used in lieu of the *Glenbuckie*.

5. No.

JOB CREATION BRANCH—RIMOUSKI CONSTITUENCY

Question No. 1,742—**Mr. Allard:**

1. Was a job creation centre established in the Constituency of Rimouski and, if so, on what date?

2. What (a) are the names of the persons employed by the Centre (b) is the duration of their employment (c) is the number of persons (i) employed by the Centre (ii) who occupied a position in the Public Service (iii) who were born in the Region?

Hon. Jack Cullen (Minister of Manpower and Immigration): 1. Yes. The office was established as a Job Creation Branch regional office when the Branch was organized in September, 1973.

2. (a) Name of Employee	(b) When Hired
Georgette Desjardins	October 1976
Claude Dubé	December 1973
Liliane Berthelot	December 1976
Donald Gagné	August 1975
Doris Boissonneault	December 1976
René Dubé	August 1975
Gaston Lizotte	August 1975
Louis Blanchette	November 1975
Normand Morin	November 1975
Michel Bolduc	December 1976
Louise Bourdage	December 1976
Gilles Morissette	August 1975
Edgar Caron	December 1976
Monique Cheron	December 1976
Ronald Cyr	December 1976
Jean-Claude Larocque	December 1976
Claire Lévesque	December 1976
Louis Poulin	December 1976
Guy Laroche	December 1976
Gilles Dufresne	February 1977
Jacinthe Desjardins	December 1974
Joanne Ouellet	September 1976
Pierre Lemieux	June 1975
Marthe Boucher	January 1977
Micheline Côté	January 1977
Ginette Pelletier St. Laurent	January 1977

(c) (i) 26; (ii) 5; (iii) 19.

[Mr. Lang.]

APPROVAL OF PURCHASE OF C. AND G.T. RAILWAY COMPANY BY CNR

Question No. 1,744—**Mr. Allard:**

Has the purchase of C. and G.T. Railway Company by Canadian National Railways been approved by the government and, if so, on what date?

Hon. Otto E. Lang (Minister of Transport): Yes. It was approved by Order in Council P.C. 1975-2355 of October 2, 1975.

RCMP—AGREEMENT BETWEEN NEWFOUNDLAND AND GOVERNMENT WITH RESPECT TO SERVICES

Question No. 1,809—**Mr. Crosbie:**

1. Has the agreement between Newfoundland and the government with respect to the services of the RCMP expired and, if so (a) on what date did it expire (b) is the contract continuing on a temporary basis until a new agreement is reached?

2. (a) Are negotiations now underway between Newfoundland and the government for a new agreement covering RCMP services (b) has the government agreed to provide 50 per cent of the cost of RCMP operations in Newfoundland under a new agreement or is it insisting on Newfoundland assuming more of the cost?

3. (a) What proposal has been advanced by the government in connection with cost-sharing for the new contract for RCMP services in Newfoundland (b) has the province agreed to any new cost-sharing arrangement and, if so, what is the agreement?

Hon. Francis Fox (Solicitor General): 1. Yes. (a) March 31, 1976; (b) yes.

2. (a) Yes; (b) see reply to part 3(a).

3. (a) The proposed policing agreement offered to all provinces under contract and the territories is based on a direct costing approach. It provides for the provinces and territories to pay 52 per cent of the cost in the first year (1976/77) with an annual 1 per cent escalation until 56 per cent is reached in the last year of the agreement (1980/81). (b) Yes. As stated in (a) above.

REGULATIONS TO CLARIFY CERTAIN ASPECTS OF ABORTION LAW

Question No. 1,828—**Mr. Jones:**

Has the government taken any steps to promulgate or enact regulations to clarify and define certain aspects of the law on abortions and, in particular, with respect to clear guidelines and restrictions on the duties and responsibilities on therapeutic committees on abortions set up under the provisions of the Criminal Code and, if so, what are they?

Hon. Ron Basford (Minister of Justice): The government has not taken any steps to enact regulations regarding the abortion law. On the basis of the findings of the Committee on the Operation of the Abortion Law, tabled in the House on February 9, 1977, the government will discuss with the provinces ways of improving the application of the law.

NATIONAL DEFENCE—INSTALLATION OF ELECTRICAL EQUIPMENT AT CFB GAGETOWN

Question No. 1,832—**Mr. Howie:**

1. Do any plans exist for the installation of electric meters in PMQ residences at CFB Gagetown and, if so, what is the estimated cost of such an operation?

2. For the (a) year ending March 31, 1975 (b) year ending March 31, 1976 (c) the period April 1, 1976 to February 1, 1977, how much was paid and to whom, for (i) electric stoves (ii) refrigerators (iii) service and parts for electric stoves and refrigerators in PMQ residences at CFB Gagetown?

Hon. Barney Danson (Minister of National Defence): 1. Yes. However, an estimate of costs cannot be given at this time due to factors such as; whether salvaged old equipment can be utilized; the policy of the New Brunswick Electric Power Corporation, and the type of metering technique required.

2. (a) Year ending March 31, 1975, (i) $9,472, Enterprise Foundry, Sackville, N.B.; (ii) Nil; (iii) $15,361, Kenny Refrigeration Services, Fredericton, N.B. (b) Year ending March 31, 1976, (i) $55,010, Roy and Gibson Ltd., Assumption, Que.; (ii) $6,737, Roy and Gibson Ltd., Assumption, Que.; (iii) $12,160, Oromocto Electric, Oromocto, N.B. (c) April 1, 1976 to February 1, 1977, (i) $40,820, Roy and Gibson Ltd., Assumption, Que.; (ii) $28,417, Roy and Gibson Ltd., Assumption, Que.; (iii) $13,457, Oromocto Electric, Oromocto, N.B.

NATIONAL DEFENCE—BOOKSTORES IN GERMANY

Question No. 1,871—**Mr. Fairweather:**

1. Are bookstores on Canadian Forces Bases in the Federal Republic of Germany called "Stars and Stripes" and, if so, for what reason?

2. Do they contain any Canadian books?

3. Who is the distributor for the bookstores?

4. Will arrangements be made to ensure a supply of Canadian books to Armed Forces Bases in Canada and abroad?

Hon. Barney Danson (Minister of National Defence): 1. Yes. The bookstores at Lahr and Baden are operated under concession agreements with Stars and Stripes and have been operated under this agreement for the past nine years in Lahr and 25 years in Baden. Approximately a year ago a study was conducted on the feasibility of replacing the Stars and Stripes concession with a purely Canadian bookstore. However, the study showed conclusively that the operation would be too small and too distant from Canada to be financially viable. Stars and Stripes order in bulk and also act as the distributor to the numerous outlets in Europe and other parts of the world.

2. Yes.

3. See part 1 above.

4. Canadian books and periodicals are available in both official languages and efforts are continually being made to improve the number of variety of Canadian books and magazines sold in these bookstores.

[*English*]

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

Mr. Fairweather: Mr. Speaker, I wonder if the parliamentary secretary would pay particular attention to starred question 1,187 which I placed on the order paper on November 26 last. It has serious nutritional import and could affect nutrition in Canada. My question reads:

What evidence has the nutrition branch of the Department of Agriculture produced to support the statement that "Beef makes people ferocious?"

The Minister of Agriculture alleged that beef-eating makes people ferocious. I am serious in asking this question and can hardly wait for the answer. Will the parliamentary secretary please provide it?

Mr. Goodale: Mr. Speaker, as is usual with all questions, we will seek to provide the information requested as soon as possible. I am sure the House will be interested in the response.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I wonder if I might draw to the attention of the parliamentary secretary question No. 1,229 which has been standing in my name on the order paper since December 1. Its subject matter has to do with the decentralization of one particular government department as opposed to an agency or branch. It contains certain questions as to protections for the public servants who are involved. I am particularly concerned about a representation set forth in part 6 of that question as the Minister of Veterans Affairs stated in a letter dated October 28, 1976, that employees are protected to the fullest. I want to know what the government means by this kind of blandishment. I would appreciate the parliamentary secretary looking into that question. It has been there for a considerable time.

• (1510)

Mr. Goodale: Mr. Speaker, there are a number of questions on the order paper relating to the general matter of the decentralization of government. I can assure the hon. member that the answers are being collected and will be provided to the House as quickly as possible. I will take special notice of the point the hon. member has just raised and see if I can quickly obtain an answer.

Labour Conditions

MOTION TO ADJOURN UNDER S.O. 26

[*English*]

LABOUR CONDITIONS

HIGH LEVEL OF UNEMPLOYMENT

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I ask leave to move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles), the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the revelation this morning that the continuing chronic level of unemployment has reached a genuine emergency, with 932,000 persons officially unemployed—the highest level since the great depression and the highest level in the history of Statistics Canada. It is noted that these figures do not include over 500,000 persons who are the hidden unemployed, combining for a total of nearly 1½ million Canadians actually wanting work and employment. It is clear that the human misery and economic waste associated with this scandalous level of unemployment constitutes a crisis and an emergency situation.

Mr. Speaker: The hon. member for Winnipeg North (Mr. Orlikow) gave the Chair notice pursuant to Standing Order 26, of his intention to move the motion he has just proposed pursuant to the Standing Order. I would indicate, as I have on previous occasions when motions related to unemployment have been raised pursuant to Standing Order 26, that the matter, being one of continuing and chronic concern, it is not, in my opinion, a proper subject of special debate under Standing Order 26. That language was repeated by me as quoted at page 2296 of *Hansard* for January 24, 1977. I again refer hon. members to it.

In this particular situation there is, of course, an additional consideration; that is, it is one, as indicated in Standing Order 26(5), regarding which the Chair ought to take into account opportunities which are likely to present themselves for a discussion of the particular problem that is raised in the notice of motion given pursuant to the Standing Order.

In this particular instance I can scarcely ignore the announcement that the Minister of Finance (Mr. Macdonald) will put forward a budgetary statement on March 31 and that the motion accompanying it will be debated for some six days. I understand there may not be specific agreement about the exact timing of those days, but nevertheless the debate will, I am sure, follow either immediately or very closely thereafter and unemployment, naturally, will be a very large feature of that debate. Accordingly, for those two reasons I regretfully decline the application for allowing a special debate on unemployment at this time pursuant to Standing Order 26.

[Mr. Goodale.]

BUSINESS OF THE HOUSE

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order. Last evening there was some question as to what the government would be proceeding with tomorrow. I understand from a conversation I had with the parliamentary secretary that it is the intention of the government to proceed tomorrow with the immigration bill. I would like confirmed, for the convenience of members of the House, that this in fact is the intention of the government.

Mr. Goodale: Mr. Speaker, that would be our intention. Of course, it will depend on whether the debate on the immigration bill proceeds to conclusion today. If that is not the case, it will be our intention to proceed with it tomorrow, barring some unforeseen development about which we do not know at the moment.

Mr. Baker (Grenville-Carleton): Mr. Speaker, in reply to the House business question posed last Thursday the government House leader indicated that he was not quite sure in what order he would be calling the Unemployment Insurance Act and the transportation act. Almost a week having passed, can the government indicate what business will be following the completion of the immigration bill tomorrow?

Mr. Goodale: Mr. Speaker, I do not know if I can give the hon. member a firm indication at this stage. In a preliminary way, however, I suggest to him that the unemployment legislation will follow the immigration legislation.

Mr. Baker (Grenville-Carleton): Thank you very much.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT, 1976

AMENDMENTS TO IMPLEMENT CHANGES IN IMMIGRATION POLICY

The House resumed, from Monday, March 14, consideration of the motion of Mr. Cullen that Bill C-24, respecting immigration to Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, in continuing the debate you will recall that last night I tried to make the point in forceful terms regarding the contribution that has been made, can be made and will be made by immigrants who come to Canada, including the visible minorities. I tried to bring to the attention of this House that notwithstanding the great contribution they have made, people from all over the world, of all races, colour and creed, some of them because of very high visibility, have been meeting certain

problems the like of which have been explored and been brought to the attention of this nation. That is why, just before I concluded last night, I indicated that I was pleased with the activities of the Ontario human rights commission, the attitude and activities of the hon. Roy McMurtry and the introduction of the Canadian human rights legislation. At the same time I commended the Minister of Justice (Mr. Basford) for his role in that regard and indicated why I supported the "hate" bill.

These men and/or legislation are not actually talking about or legislating morality or love. That is not the point. What these men and these matters I have referred to in terms of legislation are doing, and will continue to do in my estimation, is spell out the type of conduct and/or attitudes which one finds unacceptable in this country at the present time. This is a type of unacceptable conduct that has been geared toward people who can be called progressive, intelligent, tough, proud, ambitious and law-abiding, many of whom are within the visible minorities.

In my travels throughout this country I have found that there are people from all backgrounds living, working and playing together, all dedicated to the advancement of a greater Canada. It is my view that Canadians as a whole will welcome this type of stuff, if you will, notwithstanding the irrational ravings of the bigots and racists. In my travels I found that the vast majority of Canadians realize that immigrants have built this country, are building it now and will continue to build it. Immigrants played a leading role in the mainstream of Canadian life. Success stories abound. At the same time, I found that there are many people, perhaps too many, who have conveniently forgotten that they are recent immigrants themselves and thus would deny the opportunities that they had as immigrants by saying, "Close the door. We do not need any more".

● (1520)

Frankly, that is not an attitude which permeates the immigrant society, but it appeared on these trips of ours across the country too often. I found that the immigrants who come to this country, regardless of race, colour, creed or sex, have integrated and become a meaningful part of the mainstream of Canadian life. I say without hesitation that Canada will need a continuous stream of immigrants. Although certain temporary difficulties arise, there is no denying that the benefits of immigration have proven to be permanent and meaningful.

On this fact-finding tour, if you will, that many of us had the honour of pursuing, I am pleased to say that the non-partisan committee was able to destroy many myths regarding immigrants. I think it is edifying for the Canadian public to know what this excellent committee was able to recommend. I would ask you, sir, to direct your attention to issue 53 of the Minutes of Proceedings and Evidence of the Special Joint Committee of the House of Commons. On page 7 we read the following:

> Canada needs immigrants. The committee is of the opinion that Canada should continue to be a country of immigration. In reaching this central conclusion committee members were particularly impressed by demographic and economic arguments as well as by the need to take account of family and humanitarian considerations for reasons specified elsewhere.

That is clear enough, and I commend the committee for reaching such a conclusion. We have heard much about the demographic factors and the declining fertility rate. What did the special joint committee have to say about this? I quote again from the report at page 9:

> The committee is well aware that in a time of high unemployment new immigrants may be seen by the unemployed in particular as competing for too few jobs... The committee accepted Dr. Harvey Lithwick's assertion that it is disastrous for the country to tie immigration policy to short-term economic developments. Immigration is a long-term investment in human resources. Its conclusion from this body of evidence was that for population reasons it is important to maintain a moderately steady flow of immigration.

I should like to bring yet another section of the same report to the attention of the House:

> Contradictory testimony was received regarding the significance of the contribution an expansionist immigration policy could make to the economies of scale. In the main, members of the committee went along with Dr. Raynauld's comment that this argument that immigration should be continued because it contributes to economies of scale was a very weak one. The committee believes that the benefits of immigration are obvious providing there are reasonable employment opportunities. Of course, immigration causes some special direct costs, as the brief of the Atlantic Provinces Economic Council pointed out, particularly in the fields of education, training and adjustment services. But these costs are balanced by the fact that immigrants arrive with training and experience acquired at no cost to Canada. All of this leads the committee to the conclusion that Canada would contribute to its own economic well-being by continuing to welcome immigrants in moderate numbers.

What about the fact of prejudice against immigrants? I want to quote from the report once again because this issue was dealt with very specifically and the committee did reach a conclusion in this regard. I read from page 10 of the report:

> A persistent theme of submissions hostile to immigration was the view that immigrants crowd into cities, exacerbating housing shortages, increasing the crime rate, bringing in infectious diseases, taxing the welfare rolls and government services and taking jobs from Canadians. The Mayor of Vancouver made the point that immigration to Vancouver had exercised great pressure on land and therefore on housing prices; immigrants had brought talent, money and culture, but they had not brought land. This is primarily a spatial question, not a racial question.
>
> The committee recognizes that all these are problems faced by rapidly growing cities, and concluded that they are caused by the economic, social and cultural dynamism of cities and their attractiveness to Canadians and immigrants alike. In fact, Canadians migrating within Canada from the country to the cities and from province to province are the main impulse for city growth.

In other words, when we talk of the harmful effects of immigration upon housing, social services, education, and so on, we are expressing a scapegoat philosophy. The committee destroyed that myth as it applies to employment, social services and the other services referred to. I again quote the report:

> Similar misconceptions also abound regarding the impact of immigration on social services and benefits and health care. None of the testimony supported with facts the popular notion that newcomers are using these services more than the native-born. If anything, the committee has the impression that use of such services by immigrants falls below the national average for the obvious reason that many come from countries where such services are traditionally provided by the family. Indeed, it would appear that interprovincial and rural-to-urban migrants make greater use of government support than persons from abroad.

Reading further from the report:

> Nor do immigrants participate less actively in the work force than long-term residents. Selection criteria are designed to ensure that newcomers are well equipped to secure employment.

That is an extremely important point. Another aspect was dealt with later in the report. I read from page 11:

> Some submissions contained allegations that immigrants, especially the non-white, contribute disproportionately to the crime rate. Expert testimony did not support this charge. Professor Frederick Zemans of Osgoode Hall said:
>
> "Most immigrants who come to Canada have a strong fear of the legal system itself and they are very concerned that they should not get into any difficulties or any trouble while in this country."
>
> And in a study prepared for the Ministry of the Solicitor General of Canada in 1974, statistics indicated that the crime rate for immigrants was approximately one-half that for native-born Canadians.

So I am saying, what a tremendous wealth of human resource we have when we open our arms and welcome immigrants, because they make a tremendous contribution to this country, and the myths associated with them are destroyed as far as this committee is concerned. I hope the people of Canada will read this report because it destroys myths and it brings about a proper conception of what this country is all about.

Having said that, I should like to state that this bill is silent on two important matters. I would say that one is the need for intensive training for immigration officials. Many submissions indicated to us, without exaggeration, the hardship which people suffer as a result of the insentivity of some immigration officers or because the officers lack understanding of their needs. It seems to me that because of the mosaic pattern of life we are experiencing at this time we need to concentrate on the public relations aspect of this work. I know that immigration officers have a difficult job, an onerous job, but it is a job where no insensitivity should be shown. People come to this country willing to take up the plow, willing to take up the shovel, and they expect to be treated with all the dignity possible. But some are unimpressed by the reception they get at our ports of entry.

Another point which I find a little strange, particularly in light of the fact that the immigration policy we are discussing is supposed to be non-discriminatory, is that there is no mention of the need for the relocation of Canadian immigration officers abroad. I state with all the sincerity I can muster that without this relocation of officers, the small number of Canadian officers in third world countries compared with the number in the United States and Europe indicates a de facto policy of discrimination; there can be no doubt about that. In view of the preamble to this legislation which calls for a non-discriminatiory approach, I hope the minister will review and reassess the point I have made. With so few coming from the third world and so many coming from the United Kingdom, Europe and the United States, the only conclusion that can be reached is that we are discriminating. I shall not dwell on that point because I think it is quite obvious.

[Mr. Alexander.]

● (1530)

Another point I have always registered my concern about is legislation by way of regulation. I want to dwell on this subject for a moment. The joint committee recommendations strongly favoured a stronger balance of the act; that is, the framework, the principles and the regulations. Under the present system, immigration law comprises mainly statutes enacted by parliament and regulations introduced by the government from time to time under the authority granted by the Immigration Act. The committee sees no alternative but to maintain the balance between the basic act, which establishes the framework and the principles, and the regulations which set out the procedures for putting the principles into effect. That statement is to be found in section 1976 of the joint committee report. Section 177 of the same report reads:

> However, as the green paper admitted, the essential criteria governing admissions to Canada are dispersed through the (present) act and regulations (somewhat haphazardly). This makes it unnecessarily complicated for anyone who merely reads the act to grasp the fundamental principles and conditions that surround the admission of immigrants and non-immigrants.

Under this new legislation there is no effective balance between it and the regulations, and one cannot possibly grasp the fundamental principles and conditions surrounding the admission of immigrants and non-immigrants merely by reading Bill C-24. Our spokesman on this matter, the hon. member for Provencher (Mr. Epp), in no uncertain terms registered his concern about this particular approach. One cannot evaluate the immigration procedures of the government because they have not exposed the essential criteria which govern admission to Canada. The regulations must be made available. In view of the regulatory process, which I will deal with shortly, we cannot possibly deal with this legislation unless there is a concerted effort on the part of all of us to impress upon the minister responsible for immigration that unless we see the regulations we are back to where we were before, namely, legislating by way of regulation. This I find completely unacceptable.

Instead of an effective balance between the act and the regulations, this new bill yields more power than ever into the hands of the minister, the governor in council and the bureaucrats. If anything, this bill is even more arbitrary than the act. Aside from the powers of the minister and the governor in council, which are extensive indeed, clause 123 provides:

> The minister or deputy minister, as the case may be, may authorize such persons employed in the public service of Canada as he deems proper to exercise or perform any of the powers, duties and functions that may or are required to be exercised or performed by him under this act or the regulations . . . and any such duty, power or function performed or exercised by any person so authorized shall be deemed to have been performed or exercised by the minister or the deputy minister, as the case may be.

That is a complete abdication of powers to persons unknown, and that is wrong, particularly when one notes that the former act gave such delegation of powers only to the minister; and he could only delegate those powers to the deputy minister or to the director. This particular provision in the new legislation only intensifies the already arbitrary nature of the Immigration Act.

Let me give the House an idea of what we are talking about in terms of legislation by way of regulation. Here we have a bill some 75 pages in length which at the moment contains 129 clauses. There are two clauses in particular I should like to draw to Your Honour's attention. The first is 115, which provides:

(1) The governor in council may make regulations—

Then follow, as I count them, some 22 different subject matters with which the government can deal by way of regulation.

Mr. Baker (Grenville-Carleton): Major areas.

Mr. Alexander: Yes, major areas, matters of concern, matters which have the immigrant community exercised, frustrated and fearful. In light of this fear, which I suggest is extremely legitimate, we have another reason for wanting to see what the regulations will be so we can make sufficient input to the legislation in terms of possible amendments. In light of another provision in this same clause I can understand why the visible minorities in particular are, to say the least, fearful. Subsection (2) provides:

A regulation made under subsection (1)—

In other words, under any of the 22 paragraphs of the previous subsection.

—may be conditional or unconditional, qualified or unqualified, and may be general or restricted to a person or class of persons.

The possible impact of those words, Mr. Speaker, make even me fearful. We are receiving letters from immigrants, regardless who they may be, asking what this provision means and how it is going to affect them. I suggest we will have to examine this particular provision with a great deal of care. To carry the matter further, Mr. Speaker, clause 116 provides:

The minister may make regulations

(a) establishing the procedures to be followed—

And so on. Under this particular clause we have 12 very important matters which are to be dealt with by regulation. In other words, the bill itself is meaningless; it does not mean a thing because the actual meat of the bill will be contained within regulations. I have no doubt of this whatsoever. We are moving in the wrong direction because we are legislating immigration law by way of regulation outside of parliament. We have a hidden immigration policy with no opportunity for debate. Is that fair, Mr. Speaker? We indicated to the minister during committee hearings and when we reported back that we would find unacceptable any bill that dealt with immigration policy through regulation.

I should like to refer to a couple of matters in the bill that have even me frightened. First, let me turn to clause 115(1)(o). I understand the need for this, but I do not like it. Paragraph (o) provides:

—setting out the circumstances in which persons who seek admission or persons in Canada, other than Canadian citizens, may be required to be fingerprinted or photographed or otherwise identified.

● (1540)

What is this country coming to? What are we doing? The minister was careful to say "other than Canadian citizens", but does the minister not understand that countless thousands of people have been resident in this country for upward of 50 years? Are they included? Under this legislation they certainly are. That is the other frightening aspect that disturbs me. I want to know why the minister picks on residents who have been here upward of 50 years. What are we doing?

Another matter which surprises me, and I do not understand it, is that the minister seems to abrogate his functions to the public trustees in the provinces. As is known, upon the death of a person who does not have an immediate family, his assets, depending on his domicile or residence at the time of his death, go to the public trustee of the province. Everyone knows that; this knowledge is not restricted. But the minister, with all his expertise, seems to want to get involved with provincial jurisdictions. Have there been discussions with respect to that? Paragraph (1) reads:

—providing for the disposition of property carried by persons who die in Canada while at an immigrant station or other place in the custody or under the supervision of an immigration officer.

"Custody" and "supervision" can mean a number of things. It can mean that an immigrant could be under custody and supervision living in my home. I know the law, and I could refuse admission to an immigration officer wishing to dispose of the assets of the deceased. That is how far this thing can go.

I have a few more points to make. The government has made a pretty big deal out of its dedication to a demographic policy. This point was brought home by my colleague, the hon. member for Provencher, who was concerned about dealing with an immigration bill when we do not have a demographic policy before us. The government has taken great pains to stress the fact that demographic considerations are extremely important. The bill states, in clause 3, that demographic studies are one of its objectives, and it also stresses in clause 7 the importance of provincial consultation over demography. Yet when the minister is asked to table the report on demographic studies so that members of parliament can make an educated assessment of the bill, the minister's response is, "I will consider it". If, in fact, the demographic and population policy is to be one of the major factors affecting the determination of immigration levels, and perhaps even the points system, it too must be evaluated as an integral part of the new Immigration Act.

What I am trying to say is that when we bring in a bill of such consequence and importance, it must not only be fair and just but it must appear to be fair and just. In my humble estimation, with regard to the points I have made regarding legislating by way of regulations alone, I am led to have second thoughts as to whether I am prepared to vote for this bill on second reading. Our party's critic has indicated that we agree with the principle, but there is so much lacking in the bill because at present it is neither fair nor appears to be fair—I am sure hon. members on both sides of the House will agree with me in that regard—that a great amount of work will have

to be done by members of the Standing Committee on Labour, Manpower and Immigration in order to bring about meaningful amendments to this immigration bill which will determine the immigration policy of this country for years to come.

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, in speaking on this bill, as we did a year ago when we debated Bill C-20 on citizenship, it is quite inevitable, because of the nature of the subject matter, that we approach it with strong emotions and that we inject our own personal experiences, as was the case last night in particular in the interventions of hon. members who spoke about their past when they first came to Canada an their experiences in subsequent years as well as their feelings for this country.

I thought these were very valuable contributions because they brought into the heart of this House a series of personal experiences which, even though they may be limited to the personal past of a particular member, allow the House and those interested in this topic to understand, at least in part, what immigration is all about in human terms, not only in legislative terms. Within that context I should like to compliment, also, the hon. member for Hamilton West (Mr. Alexander) who is now leaving the chamber. Since I always compliment him when he is out of the chamber, I rush to do so now so that at least he can hear a positive comment on my part while he is still here. His interventions last night and today were thoughtful and to the point and certainly contributed to the quality of this debate.

Some hon. Members: Hear, hear!

Mr. Caccia: For these reasons, and having heard his personal experiences, I will refrain from speaking about my own. That should be the subject matter of an intervention at another time. Instead, I would like, first of all, to express some words of congratulations to the government for having brought out a bill at this point after having made it possible for a committee to travel throughout the country and to consult communities from coast to coast on this matter.

Therefore, we are now engaged in one of the final stages of a process which was initiated several years ago. I do not know of any government in the world that has approached such a sensitive area of policy-making in the way the government of Canada has. In that respect this Liberal government deserves congratulations for having brought this bill step by step to this point after having heard witnesses and having heard criticism from interested members on all sides of the House. This fact should not be forgotten. There has been a process, and the process is as important as is the objective, and so far the process has been sound and constructive.

Immigration has been described in many ways. I do not think I can improve on the way it has been put by a number of hon. members who have spoken before me. I will say that in my own experience from observations over the past 25 or more years I have consistently come to the conclusion that the average immigrant who comes to Canada from any part of the world as an adult is, in economic and cultural terms, an asset.

[Mr. Alexander.]

I will explain that. He or she arrives in this country as a person who has been been brought up and educated as a healthy individual at the expense of another jurisdiction. That immigrant has been taken care of for the first 20 or 30 years of his or her life in another country. He or she arrives here immediately able to enter the labour market and immediately in a position to earn a living and to contribute to the general economy of this notion.

• (1550)

When this is not so it is because of manpower dislocations and delays which are mainly the fault of our system. It cannot be attributed to the intense desire of the immigrant to find a job upon arrival, to become productive, to earn a living, to spend and to contribute to the general economic cycle.

This country has benefited from landed immigrants who have come to this country during the productive part of their lives. This country has acquired a human asset without having spent a penny for the education, the upbringing or for the healthy condition of individuals who have come here. If we look back over the decades to the year zero of immigration, we find that there have been immigrants working on the railways, the farms, the mines, the construction sites and the factories of Canada. There is not one sector of Canada's industrial and economic life in which we do not find, at a certain time in our history, the presence of immigrants. It is a well known fact that as a country we have looked upon immigration as a source of manpower to fill our needs. In this respect Canada has done very well. Canada has, in fact, done extremely well because it has been able to import productive manpower at no expense without having to invest in the education, health or upbringing of that manpower. As far as the labour market objective is concerned, which is one of the three objectives of our immigration policy, our nation has done extremely well.

As the years have gone by a trend has developed in immigration flow which has been described as the reunification of families. Immigrants coming to this country sooner or later have expressed the natural desire to bring over family members. This trend has become stronger as the number of immigrants has increased and accumulated over the decades. This is a very important and highly desirable component of our immigration policy and it is recognized in clause 3 of this bill. As we all know, the strength of a nation depends on the strength of families and on the network of their composition, and by recognizing the importance of family reunification the government of Canada recognizes a very important social and natural force which has to find expression in legislation. I commend the minister and the government for setting this out in clause 3 of the bill.

However, I have to add that while our intentions have been set out in these positive terms, for which we are all very glad and grateful, our performance in family reunification has not been as good as we have claimed it to be. There are still cases on file of brothers sponsoring brothers, brothers sponsoring sisters, sisters sponsoring brothers, and sisters and immigrants who after a few years have expressed a natural desire to

sponsor their parents to come to this country. These cases are on file in a number of offices around the world and they have been turned down or not considered favourably.

These are typical cases of family reunification which are of great importance in the sense that they are cases of people wanting to bring members of their families closer to them. I urge the minister and the government to translate into reality a concept which has been expressed time and again, if it is really the desire of this country and of this government to bring about family reunification. Just for the sake of argument, if I were minister of manpower and immigration in these times of economic difficulty I would make family reunification a matter of top priority.

My second priority would be refugees, and my third priority would be to help fill the vacancies in our labour market. I do not know how I could stress more strongly the importance of family reunification. There is not a week that goes by for any hon. member who comes from an urban area in which he does not become acquainted with a case of this nature. If we accept the proposition I made a few moments ago, that for each productive immigrant we acquire at no expense a human asset which is immediately productive, depending on labour market conditions, surely we owe something to this person who has a natural desire to reunite with members of his family who are still in his country of origin. I think that is an elementary consideration which deserves the expression it receives in clause 3, but it also deserves practical application which goes beyond the words we hear outlined in speeches in this House in connection with this bill, and under other circumstances.

Some hon. members have made reference to clause 115. It is my opinion, as well as theirs, that this clause is the real heart of this bill. This bill can perhaps be compared to a fine-looking ship ready to be launched. The direction the bill will take once it is launched is embodied in clause 115. In that clause are outlined all kinds of powers which must be brought to the attention of the committee: they must be discussed, they must be made the subject of parliamentary scrutiny. Nothing less than that is adequate.

Let me explain why. In recent times we have had the benefit of the Standing Committee on Regulations and Other Statutory Instruments. In the investigations that committee has carried out it has become evident that the spirit, the letter and the general trend of legislation on many occasions has not been respected by the content of subsequently drafted regulations. Having had the benefit of that experience, it seems reasonable that this House and the government should make absolutely certain that the regulations follow the spirit of the objectives stated in clause 3 of the bill. I would like to commend the minister for already having taken a stand on this matter. On March 10 the minister spoke in this House and he said:

> The new act . . . establishes through the statement of objectives an explicit policy framework to which everything done under the authority of the legislation must conform; and it spells out precisely and circumscribes specifically the ground to be covered by regulations.

• (1600)

Those are positive words on the part of the minister and we all congratulate him for having spoken them. However, we are not eternal in general terms, even less eternal in political terms—excepting, perhaps, the hon. member for Winnipeg North Centre (Mr. Knowles). It is, therefore, necessary to spell out these regulations in order to allow them to become the object of parliamentary scrutiny so that it is clear and established to all interested persons that they extend to the direction and objectives set out in clause 3. I would not want, years or decades from now, to have perhaps the deputy minister of the department given the responsibility of drafting or modifying regulations flowing from this bill. I would not want in the course of time to see regulations or decisions inconsistent with the spirit of this bill.

I was stunned by clause 115(1)(f) which provides that the governor in council may make regulations—

> —prescribing a system of priorities for the processing of applications made by immigrants.

What does that mean? Does it mean that at a certain time years from now a certain directive may go out from the office of the deputy minister to the office in Hong Kong saying that certain applications at the bottom of the pile will go to the top, or vice versa? Or could the same be done in Rome, Lisbon, Athens or South America? What does it mean? That clause has sweeping implications. Other clauses, too, have potential significance in this regard. I suppose we shall have an opportunity to examine them in committee. I am thinking particularly of paragraphs (a) and (b) of clause 115(1), the clause which has to do with the setting out of points.

We feel that the real purport of the bill, the real sense of direction, the method of dealing with applications, is contained in clause 115. That clause must be given full scrutiny at committee stage, and I suppose at subsequent stages, when regulations must be changed in future once the bill is pronounced an act of parliament.

In the fairly large number of briefs we have received from communities and interested parties in the country—some briefs have been helpful and excellent; others somewhat confused, even weakening their own case—attention has mainly been focused on four or five major areas which I wish to put on record for the sake of our collective memory when we deal with the bill in committee. A number of briefs have expressed the desirability of limiting the government's power to compel prospective immigrants to Canada to be fingerprinted or photographed. That provision is contained in subclause (o), clause 115(1). It will require an explanation.

Other briefs have recommended the desirability of specifying the amount of security deposited which immigration officers may require of visitors in order that such officers will not set prohibitively large sums to keep visitors out. Provision for such security is contained in clause 8. Other briefs have expressed the desirability of clarifying and restricting the powers and use of arrest without warrant. People want to know when arrests will be permitted, and under what circumstances, without use of a warrant. I believe some of these points were

raised in the excellent presentation of the hon. member for Greenwood (Mr. Brewin). I believe he also referred to the provisions of clause 5(2), which reads:

An immigrant may be granted landing if he is not a member of an inadmissible class and otherwise meets the requirements of this act and the regulations.

The question is, should an applicant who has proven to be admissible and has met all the requirements of the act and regulations be admitted, period, or should we leave discretionary powers in the hands of the officials, something we would be doing if we left the word "may" in the act. I am inclined to agree with the hon. member for Greenwood that "may" should be replaced by "shall".

We received a number of submissions to do with refugees. Such recommendations boil down to whether it will be desirable to establish a refugee claims board and whether there should be in the act some recognition of the special needs of refugees. Probably the minister will in committee address himself to these major questions. I imagine that if they are dealt with clearly and adequately it would remove much of the uncertainty and hesitancy which has been expressed by members who have spoken so far in this debate and by organizations—particularly in Montreal and Toronto—which have taken the trouble to send us briefs and express their views on this legislation.

Moving on, I wish briefly to deal with aspects of the bill which I hope the government will reconsider. I am thinking of clauses 14 and 15 which give power to immigration officers to grant a visa to an applicant provided the applicant is willing to go to certain designated areas in the country. For example, the applicant will be required to remain—that is, reside—in such area for a minimum of six months. I do not approve of this approach, for we can achieve much more with incentives than with coercion.

Let me give an example. Suppose an immigrant is told that he can enter this country provided he goes to a remote area and stays there for six months. He or she will go to that remote area and, finding the experience so filled with hardship, on the 181st day after landing in Canada, or six months and one day later, will pop up in Toronto, Montreal, Vancouver or any other of our major centres. I ask: if that happens, what have you achieved? You will still have an immigrant in a large urban centre where you hoped he would not go. He will not have remained where you wanted him to remain. In other words, you will have provided manpower in one place on a short-term basis and denied the worker the right to move for six months. What will you have achieved in the end? It seems to me that this clause ought to be removed.

● (1610)

I would rather see a policy whereby we provided incentives to go to a certain place in Canada and settle there. These incentives would have to be such things as good housing, adequate pay, cultural recreation, community amenities, and the like. The people would not stay for just six months but would possibly settle there. In addition, they may bring in their relatives to help expand the very community we want to have

[Mr. Caccia.]

developed. It is through these kinds of approaches, via the route of incentives, that we may be able to find a satisfactory answer to the particular concern of providing immigrant manpower in those areas of Canada were there is a shortage and where development is needed. The approach of six months' compulsory work in designated areas does not convince me. For the reasons I have just outlined, it falls far short of its objective.

The second area I would like to deal with, because it disturbs me, is clause 115 (a) and (b). If an immigrant becomes a Canadian citizen, he will have the opportunity of sponsoring parents and grandparents at any age, at an age lower than the one permitted under the present act, namely 60. We are, in essence, saying to these people that if they want to sponsor their parents they had better become Canadian citizens. We are confusing two concepts, the concept of citizenship and the concept of sponsoring parents. We are mixing up two very important concepts that ought not to be mixed. If you want to become a Canadian citizen, it ought to be that you want to be a Canadian citizen, and for no other reason. It must be your choice, desire, ambition, emotional wish that this is what you are going to do. You should become a Canadian citizen because of the love you have for this country, not because you want to sponsor your parents. Those two concepts must be kept separate. Who would deny anyone the desire, wish and initiative of sponsoring his or her parents? If you can prove that you can take care of your parents, let that be done regardless of whether the applicant is a Canadian citizen.

We have perhaps the most outstanding record in the world whereby we do not deny to any resident of Canada, whether he is an immigrant or a Canadian citizen, any right except that of voting. We treat landed immigrants the same as residents and native Canadians. In this area we have done extremely well. We should continue this fine approach by not mixing the two concepts. Canadian citizenship is too fine and pure a concept to be mixed up with any other goals, no matter how understandable or desirable. We must continue to have the aim of Canadian citizenship for its own sake. Someone who wishes to bring in his parents and can prove he can do so satisfactorily ought to be allowed to do so without having imposed upon him the necessity of acquiring Canadian citizenship. In committee I would like the benefit of an explanation of the thinking of the minister and his officials when they arrived at this conclusion. I fail to understand the rationale of these two parts of the bill.

I wish to say a few words about farm labourers and migrants in connection with the very fine speech made last evening by the hon. member for Lambton-Kent (Mr. Holmes). Toward the end of his speech he put forward some very interesting observations on the question of the requirement of farmers for migrant labour. One can understand the necessity, but we must recognize that when we encourage temporary migration to Canada for some weeks or months every year we bring in a labour force that has to contribute to our social security system without being in the position of being able to draw benefits from it.

People who work here for a few months during the summer have to contribute to our unemployment insurance, old age security and other social security systems. They may do this year after year throughout their lives. However, when the need arises either at the time of retirement or unemployment they do not benefit from our social security programs as we know them and as they protect landed immigrants and resident Canadians. We should have a system in Canada whereby the farmer pays decent wages, provides decent housing and decent working hours. In this way we could draw from our own labour market rather than attract migrant workers. If this trend, however, is to continue, we must come to some form of international agreement with the countries from which we receive migrant workers. We must have bilateral agreements which give some protection to these workers. If we do not do that, we should over the years shift the emphasis in a way that would permit us to draw from the labour pool that we have in Canada. We cannot have it both ways.

I wish to deal briefly with immigration settlement and adjustment, the role of the volunteer sector and of the department. The vast majority of our immigrants settle in our large urban-centres, although they have arrived from rural areas. On arrival, people encounter difficult situations. These problems may continue for some time after their settlement in the respective cities. If the department is not able to assist immigrants in their orientation to local services, employers and the rights and duties in this country, it should help the volunteer agencies that are active in the day to day operations, in our major centres in particular. In Montreal, Toronto and Vancouver, there are a number of volunteer agencies involved in this kind of work. Every year they desperately seek financial assurance that they will be able to survive the next year and continue to operate under the kind of budget with which the federal government may or may not provide them. This kind of uncertainty and insecurity prompts me to appeal to the minister to look into the question of immigrant settlement and adjustment services. This matter has been discussed over the years with the minister and his predecessor. This element of uncertainty should be brought to an end once and for all. The volunteer sector in Canada is performing a valuable role. In terms of the taxpayers it is the least costly of any service that can be provided.

● (1620)

These volunteer agencies consist of people who are knowledgeable, who know how to make the contacts, who know how to assist immigrants upon their arrival and in subsequent years, who have accumulated experience over the years which is invaluable. It seems to me to be proper, as we debate this bill, to emphasize the importance of developing closer understanding and empathy with the volunteer sector. The volunteer sector is looking to us for leadership and assistance. It is willing to do this job, and all it asks is to be given more reassurance than in the past.

I cannot sit down without making reference to the role played by the Official Opposition on second reading debate on March 10. After a magnificent start, the official spokesman for the Conservative party expressed the necessity to outline the position of his party on demographic policy. Having listened on that occasion to a speech of 55 minutes which included statements such as, "Canada is a land of immigrants" and, "Canada is better because of the immigrants we welcome to our shores"—statements of that nature—we hear, as the contribution of the Official Opposition to this debate on immigration, that the position taken by this party is that it stands for moderate growth.

I ask you, Mr. Speaker, what does moderate growth mean, and what does the Progressive Conservative Party stand for? We do not know. It is clear that, having made a presentation which covers—on the surface at least—all aspects related to immigration policy, the Conservative Party has failed to take a real position. They say they stand for moderate growth—but what does that mean?

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired.

Mr. William Skoreyko (Edmonton East): Mr. Speaker, I welcome the opportunity to speak for a few minutes on Bill C-24, particularly because I have heard in the House—as have other members over the years—promises by respective immigration ministers that a new Immigration Act was forthcoming. I heard these promises as far back as 1956. We now have a minister committed to a new act. I am not at this moment prepared to tell you, Mr. Speaker, that I can support all or part of it. I intend to deal with some of my concerns this afternoon.

For too many years we have operated under an outdated and outmoded act governed by secret regulations, these regulations being changed by order in council at the whim of the government whenever it suited them. This afternoon, the hon. member for Davenport (Mr. Caccia) expressed concern over some of the regulatory provisions of the bill, particularly section 115 A and B, subsections (f), (n) and (o). All these have been mentioned. Hopefully, we shall be able to deal with them in more detail when the bill goes to committee. Section 115(2) was referred to by my hon. friend from Hamilton West (Mr. Alexander). In this bill we have a letter from the predecessor of the present Minister of Manpower and Immigration (Mr. Cullen). In this letter he outlines the issues raised or proposed in the new bill. It is on the basis of this letter to us, dated July 12, 1976, and on the basis of the information contained in the bill, that I wish to deal with some of these aspects.

First, I should like to deal with the objectives contained in the bill. I think they are reasonably good objectives. What are they? The conduct of the Canadian immigration program; non-discrimination on grounds of race, colour, religion, and so on; family reunification; acceptance of refugees; relationship between policy and regional social and economic goals; immigration in relation to demographic policy.

Then the minister says he will be announcing periodically, after consultation with representatives of the provinces, targets

for levels of independent and refugee immigration to be admitted over a given period. The minister said five years, I believe. I want to deal with that matter later in my remarks. He wants to set up a system of processing priorities to ensure that ceilings are respected. I presume this will be done by regulation at intervals. Where population growth is regarded as desirable, there will be designation of communities. There is legislation covering the admission of refugees and other groups on humanitarian grounds.

The part of the bill which concerns me is the selection criteria and the tremendous power vested in the bureaucracy by regulation. What does section 115 deal with? Emphasis is to be placed on vocational or occupational skills as opposed to professional or academic qualifications, and on designation to manpower need areas. I must say at this point that I doubt the designation will be workable; I doubt the effectiveness of this aspect. On the surface, dealing with demographic policy, it appears to encompass all the answers to the questions of admission, quantity, the flow to overcrowded cities, eliminating the ghettoes, and direction to areas where people are needed, fulfilling manpower needs and accomplishing other things in terms of quantitative immigration. The legislation has an aura of respectability and practicality. However, its practicality, and particularly its flexibility, needs some scrutiny.

● (1630)

I am somewhat skeptical about the degree of co-operation that the minister will receive from his provincial counterparts responsible for manpower in their provinces. How will Ottawa's first level of immigration be determined? Will it be by consultation with provincial ministers to assess projected needs for the ensuing year, and how far in advance can manpower requirements be projected and still be realistic? The minister says that the levels will be set for a five-year period. Is that a realistic time-frame, particularly when one examines the unpredictable Canadian economy?

The last five years is a typical period because it has been consistent. Since 1960 Canada's economy has been as volatile, unpredictable and challenging as any economy in the world. Less than four years ago, in 1972-73, we were in a period of the highest inflation level in our history. Unemployment was reasonably low, prices were rising, interest rates were rising, there was business expansion at record levels, and manpower requirements were unprecedented, particularly in the trades. In 1976-77 we find ourselves in a stagnant economy situation. The growth rate has slowed, interest rates have dropped, production is dropping, or at least lagging behind anticipated growth.

If the Canadian economy can experience that amount of turn-around, how can we project manpower needs or immigration requirements for a five-year period and be certain that those projections will serve the best interests of this country? On the basis of our experience it is reasonable to assume a more realistic posture. It is hard enough to predict requirements a year ahead, let alone five, and the minister is wise to assess immigration needs on an annual basis and to alter them annually to meet those needs. Even then the predictions will result in shortfalls or surpluses.

The minister—wisely, I think—avoided numbers which could be both misleading and unfair. What is a desirable goal in terms of population for Canada by the year 2000? That, I believe, is what our immigration policy should be geared to. The Science Council of Canada suggested net immigration of 50,000 annually. There are those in this House, I am sure, who will say that that figure is much too low, others who will say it is reasonable, and yet others might say that it is much too high. I like to think that locking oneself into a minimum-maximum quota would not serve the country's best interests. Surely, meeting our country's manpower needs can best be served by meeting them as they are required.

I have pointed out the dangers of quotas which could be too large or too small in light of Canada's unpredictable economic fluctuations. Many factors support the principle of determining manpower requirements which do not go beyond one year. As an example, Mr. Speaker, energy shortages, if they prevail, will substantially reduce production capacity, or at least competitive capacity, thus reducing manpower needs. Housing shortages, particularly in areas where manpower is needed, is another example. Of course there is surplus housing in Canada, but this surplus is not in areas where jobs are located. You do not designate a prospective immigrant to go to an area with surplus housing; rather, you direct him to centres where jobs are to be found.

The minister says that the new law will direct prospective immigrants to smaller towns, to the more remote regions. If the applicant agrees to immigrate on that condition, it will be easier for him to come forward. On the surface that seems like a splendid idea, and it is if it were meaningful. But how long does a new arrival have to stay and live in a remote area? Does he have to stay for two years, six months, six weeks, or six days? If the minister was serious about filling manpower needs in remote areas, why did he take the approach he took in clause 15, which provides:

(1) When a permanent resident who has been granted landing subject to terms and conditions has complied with those terms and conditions, they shall be deemed to have been cancelled six months after the day on which that permanent resident was granted landing.

That section implies that if an immigrant makes application to come to Canada and agrees to live in a remote area, he or she will be required to live and work there for six months. In the strictest sense, if that condition were in fact a contract to perform, a breach of that contract could result in deportation. One may judge that law as being fair since the government's view is that immigration to Canada is a privilege, not a right. Those who argue against a policy of immigration geared to manpower needs of a given country are in fact arguing that severe limits should be placed on immigration—and that philosophy I cannot buy.

Let me go a little further and see what the second part of that clause provides. In light of what I have said about clause 15(1), it does not seem to be an entirely bad break for a

newcomer to Canada having to work for six months in such an area, if that is a condition on his coming to Canada and he thought so much of Canada that he would spend six months in any given area. Clause 15(2) provides:

> Where a permanent resident has been granted landing subject to terms and conditions, he may at any time make an application to an immigration officer to vary or cancel any such terms and conditions.

The six months' stipulation in clause 15(1) is now out the window. What is the difference between the old law under which you applied for landed status from within, and new clause 15(2) which provides that at any time an application to an immigration officer can be made to vary or cancel the terms and conditions of admission? The only difference, I suggest, is that under the old act you applied for landed immigrant status from within and you underwent security checks, health checks and the morality checks while you were in Canada, whereas under the new rules these are completed outside this country. That appears to be the only difference.

It seems to be the minister's intention to direct immigration away from the three main centres in Canada which are most appealing to prospective Canadians, namely, Toronto, Montreal and Vancouver. By inserting subsection (2) in clause 15 the minister is in fact saying, "Go to the boondocks, firstly for six months, but if you or your wife are unhappy at the end of six days or six weeks, then file an application and the terms and conditions under which you were admitted will be cancelled and you are free to go to the same cities I was trying to keep you away from in the first place".

If one gets the feeling, Mr. Speaker, that the immigration appeal board was worked too hard as the result of an ill-conceived policy some years ago, imagine the numbers game that will be played when the new act comes into force. A businessman in a major centre to which immigration is limited wants a particular friend in Canada. He arranges for him to apply for a job in an area acceptable to immigration officials abroad as a designated area. Permission is granted. Within a few weeks of arrival an application is filed with an immigration officer to vary the terms and conditions. This is granted, and a new immigrant destined to fill a job vacancy in northern Alberta winds up living in Vancouver. So the process repeats itself over and over, Mr. Speaker. I think the hon. member for Davenport made reference to this clause. He thought it should be scrapped, for a different reason. I suggest that it is contradictory and should be taken out of the act.

● (1640)

Let us pursue the subject of the demographic policy a little further. Anxiety exists in major centres in Canada regarding the number of Canadians flocking to major urban centres. Family farms are getting scarcer, bigger, more efficient. Vertical-type operations are now in vogue. The result is that displaced family farm people, whether retired or not, wind up in the cities where the best opportunities are, thus creating—on top of the existing housing shortage such as is the case in Edmonton—a still more acute problem.

Having dealt with the inadequacies of the law in relation to clause 15(2) of the proposed Immigration Act, I foresee discussions with the provincial ministers responsible for manpower and labour as being long and tedious in search of assurances and remedies. There are, and will be, ministers who will be very much concerned with this act fulfilling projected needs. If the needs are met, the ability of the department to sustain the needs will be questioned.

What about refugees, their status within the proposed act, their particular circumstance related to the intent of the act? Are refugees to be detained pending interrogation to determine to where a refugee should be destined? Or will refugees be dropped off in Toronto, Montreal or Vancouver to add to the frustrations of civil and provincial administrations? If they are to be directed to manpower-need areas, how do you enforce such a directive unless the conditions for admission as a refugee had been spelled out earlier? Does failure to comply constitute a breach of faith? If so, what is the penalty—deportation? If so, where to? Or does clause 15(2) come into play at once?

I realize that Canada has an important role to play in international politics. It must live up to a commitment in terms of refugee acceptance. What we do with them upon arrival is equally important. Admitting thousands upon thousands of refugees is doing our part in terms of refugee commitment. As a Christian nation, we have done, and will—hopefully—continue to do our part in providing for as many people as possible new hope and a new way of life in a new land. On the other hand, no matter how accommodating Canadians want to be, orderly assimilation of refugees into the Canadian mainstream is important to them and to us. Dropping off new arrivals at the refugee centres in any one of the major Canadian centres and not directing them into the manpower-need areas would be inhuman. Unless they are given guidance and direction they will inevitably end up in the refugee ghettoes as did some of their predecessors.

I ask the minister, if the number of refugees anticipated by the government is treated as a group other than those falling within immigration levels—I know the minister does not like to use the word "quotas"—predetermined by consultation with provincial ministers, what will the government do with the surplus? In light of international instability, any number of refugees could be available for absorption by Canada. In the negotiations with provincial ministers, is the number of applicants duly processed plus the number of refugees? Is it going to be a continuing policy of this government, in spite of clause 4(2)(b) on which the minister may or may not act, to welcome refugees without regard for their political beliefs? Since security seems to be occupying the government's attention as of late, does the government intend to exercise some caution in the acceptance of refugees?

I bring to the attention of the minister an example of some recent refugees who have, and are still, showing sympathy—indeed, dedication—to a political purpose, that of overthrowing democratic principles and democratically elected governments. I ask this government to review its double-standard of

opening the door to one group fleeing after the removal of a Marxist government while the Prime Minister (Mr. Trudeau) has closed the door well in advance of the inevitable to another group which may well be required to flee from a Marxist regime.

Many people have contributed substantially to this debate. It has been a good one. In conclusion I want to say that I welcome the opportunity to speak in this debate and I look forward to its conclusion and to the bill being brought before committee for further examination. It is a sincere attempt by the minister to bring an outdated act up to date. Generally, the bill has some attractive provisions, but it also has weaknesses and they will not emerge until the law is put into practice.

Much has been said by a number of members about unfair restrictions imposed by the designation of areas of manpower needs. I simply say that if that is the kind of policy which allows more people to come into Canada and which will be beneficial both to them and to us, then I support that measure because I, too, am privileged. My great grandfather, who was married in Canada also considered admission to this country as a privilege, not a right. He acquired a piece of land many years ago and carved out a living. He raised eight children. He was grateful for the opportunities he had until he died. Designation did not bother him. He wanted to work and he wanted to build, and Canada gave him that opportunity.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, we are discussing a subject of great importance to the people of Canada. In rising to say a few words about the subject I am conscious of the fact that with the exception of the Minister of State for Small Business (Mr. Marchand) and my colleague the hon. member for the Northwest Territories (Mr. Firth), all the rest of the members of parliament—all 262 of us—are either immigrants or the decendants of immigrants. My father came to Canada some 70 years ago. The parents or grandparents of other members came even earlier. But we are all immigrants. My colleague, the hon. member for the Northwest Territories, has said to me on occasion—I have never been sure whether he said it in gest or seriously—that had his forefathers had the views of many of the present members of parliament about immigrants, and had they been able to enforce their views, none of us would be here at present.

I believe the record of this country in respect of immigration, certainly since the end of World War II, is one which on the whole we and the people of Canada can be proud of. Our population has almost doubled since 1945. In each year since the end of World War II we have permitted anywhere from approximately 100,000 to 250,000 people to come to this country. The United States has a population ten times that of ours, and if they permitted proportionately the same number of people to come to their country as we have permitted to come into Canada, they would be permitting anywhere from 1.5 million to 2.5 million people to come into their country. Instead, they are permitting something in the neighbourhood of 300,000 people per year.

[Mr. Skoreyko.]

• (1650)

Compared with any country in the world, we have nothing to be ashamed of. Indeed, we have a great deal to be proud of. We have encouraged or permitted—depending upon how people might look on what we have done—people from all parts of the world, of all races, colour and religion, to come to Canada. The population mix in this country has completely changed since the end of World War II. If hon. members visited Montreal, Toronto or Vancouver they could not help but notice that change in the first half hour of walking around any one of those cities, and the same has happened to a smaller degree in many other cities of Canada. I, for one, welcome the change that has taken place. It has made this country a much more interesting and exciting place in which to live. The people of Canada, past governments and parliaments are to be congratulated for the very warmhearted and tolerant view they have taken in this regard.

I can only speak personally about what I have seen in the 15 years I have been in this chamber, but I cannot help but feel that in the past 30 years or so this matter has not been discussed sufficiently in parliament or outside parliament. I cannot help but feel that we did not often enough get the formal approval of the people of Canada. For example, in 1966 the government made the decision, which had the approval of members of parliament from all parties, that any vestiges in the regulations or the policies of the department which tended to discriminate against any prospective immigrant on the basis of race, colour or religion should be removed. I think all members of parliament, and particularly members from cities such as Winnipeg, Vancouver, Toronto and Montreal, know what a change that has meant in terms of the entry into Canada of people of Chinese origin.

However, to a large extent these decisions were made outside parliament and without public discussion. They were made by the government, and I suppose more particularly within the Department of Manpower and Immigration. I have no inside information and I do not think it is necessary that I do, but I presume that this kind of decision was reached between the minister and his senior officials.

To the extent that we believe this legislation spells out clearly our immigration policy, I commend the government. Let me put on the record what this bill respecting immigration to Canada provides. On page 5, under part I, "Canadian Immigration Policy", the objectives of the bill are stated. I quote from clause 3(f) as follows:

> —to ensure that any person who seeks admission to Canada on either a permanent or temporary basis is subject to standards of admission that do not discriminate on grounds of race, national or ethnic origin, colour, religion or sex—

I know I speak for every member of my party when I commend the government and the people of Canada for taking what I consider to be a humanitarian and democratic approach. I will come back to how successful we are in implementing that objective a little later in my speech. I would like now to deal with another subclause dealing with objectives and I quote clause 3(d) as follows:

—to encourage and facilitate the adaptation of persons who have been granted admission as permanent residents to Canadian society by promoting co-operation between the government of Canada and other levels of government and non-governmental agencies in Canada with respect thereto—

I say to the minister that we have failed miserably in attaining that objective. This is a subject which has interested me, for obvious reasons, since the day I came to parliament. Winnipeg is an ethnic city, and if there is an ethnic constituency in that city it is mine. However, despite the general knowledge which I have of the subject, I could not help being astounded by a submission which was made to the special joint committee on immigration. That committee dealt with immigration and the green paper on immigration. The Toronto board of education came before the committee and told the committee about its problems. I am now talking about the old, inner city of Toronto for which the Toronto board of education has responsibility.

I was surprised and astonished when that board told us that more than 50 per cent of the students in its school system come from immigrant families the parents of which do not speak English in the home, or come from areas like the West Indies, Pakistan, India or Hong Kong where the English spoken is, to say the least, substantially different from ours. The Toronto board of education outlined and documented the problems with which it was faced in trying to integrate these students and indicated what was required. I realized then how far we have to go before we will meet the objectives set out in this bill.

Mr. Speaker, may I call it five o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Halton (Mr. Philbrook)—Finance—Accuracy of statistics on payments to Quebec—Request for statistics on payments to other provinces; the hon. member for Okanagan Boundary (Mr. Whittaker)—Agriculture—Pesticides—Government position on importation—Suggested strict adherence to labelling regulations; the hon. member for Halifax-East Hants (Mr. McCleave)—Veterans Affairs—Status of plan for new hospital system in Nova Scotia.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, private bills and notices of motions.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

Mr. Deputy Speaker: Motion No. 12, in the name of the hon. member for Simcoe North (Mr. Rynard). Shall the motion stand?

Mr. Goodale: Mr. Speaker, I think it is agreed that the House should deal with motion No. 21 standing in the name of the hon. member for Surrey-White Rock (Mr. Friesen).

● (1700)

Mr. Deputy Speaker: Is it agreed that orders 12, 15, 16, 18, 19 and 20 shall stand at the request of the government?

Some hon. Members: Agreed.

Mr. Deputy Speaker: Is it agreed that the House will now proceed to consider order No. 21 standing in the name of the hon. member for Surrey-White Rock (Mr. Friesen).

Some hon. Members: Agreed.

* * *

CRIMINAL CODE

AMENDMENT RESPECTING ABDUCTION OF CHILDREN

Mr. Benno Friesen (Surrey-White Rock) moved that Bill C-221, to amend the Criminal Code (abduction of child) be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, for the past few days the leading international news stories have dealt with hijacking tours covering Spain, northwest Africa, Switzerland and Italy. But the central theme of the bill has nothing to do with any European tour: it has to do with extortion and the kidnapping by a parent of his child. Last October 22 I tabled Bill C-221, a bill to amend the Criminal Code. The operative part of the bill reads:

Every parent of a child who, with intent to deprive of the possession of that child the other parent or a guardian or any other person who has been granted by a court custody of such child, unlawfully

(a) takes or entices away or detains the child, or

(b) receives or harbours the child,

is guilty of an indictable offence and is liable to imprisonment for life.

The bill was important to me last October 22. Because of recent events of the last few days it has become even more important to me, as I am sure hon. members recognize. As I speak on Bill C-221, an amendment to the Criminal Code, I am conscious that private members' hour is not noted for the degree to which it captures public attention since private members' bills often focus upon narrow aspects of public or private business. But what I thought was a bill dealing with an infrequent, though serious problem, has turned out to be one dealing with a national problem and has created national interest. There are people in the gallery today representing not only themselves and their interest in this bill but thousands of

people across Canada who have experienced the terror of civil kidnapping or the constant threat of being victims of it.

I have received support for this legislation from all parts of Canada, from the maritimes to northern Alberta, from Halifax to Vancouver. Child welfare agencies from across Canada have written in support of the principle of this bill. I have received letters from both sides of this House, including at least one cabinet minister, supporting the bill. Other ministers have expressed favourable interest. I have received letters from the victims of this distress, from single parents whose trust in custody arrangements and the security of a court declaration has been raped by the callous vindictiveness of an ex-husband or ex-wife.

Most of all, I am convinced I have the support of the real victims of parental kidnapping, the pawns in the vicious game of post-separation or divorce retaliation. It is the children who suffer the most. It is they who suffer lifetime emotional wounds which may never heal. It is they who are asking the unanswered questions, "Where are you taking me?" "When will I see my mother, or father, again?" "When can I go home?" It is the children who suffer the constant mental anguish of torn loyalties, of fragmentary home attachments, of destroyed human relationships. It is the children who are exposed to the terrors of emotional as well as physical torment.

I know, Mr. Speaker, that there are cases where the court has granted custody to an uncaring and irresponsible parent. I know that any feeling and caring, loving parent, seeing his or her child neglected under the protection of a court order must want to right that wrong by forcibly taking such a child from those abject and destructive surroundings. That impulse stems only from a sense of humanity and decency. But our society can never condone any practice of breaking the law to correct a wrong. That is the road to anarchy. What we must do is immediately find ways to ensure that custody arrangements are made equitably, with easy access to redress.

In the meantime we are left with the stark reality that by far the most parental abductions stem from a heinous desire to continue to hurt the ex-spouse, from vengeance, vindictiveness, an attempt to barter a child for a better divorce settlement. In the United States the estimates run from 25,000 to 100,000 a year. For Canada that would mean 2,500 to 10,000 a year. Mr. Speaker, I would like to give just a few examples of what I am talking about. Other members speaking in support of this bill can add endlessly to the list. I know the honourable member for Vancouver-Kingsway (Mrs. Holt) is interested in this legislation, supports its principle and has worked hard for parents who have suffered the anguish of the circumstances to which I am alluding.

There is the case of Stephen Preston whose mother is a constituent of mine. Stephen was kidnapped by his father when he was seven years old. Through a very bizarre circumstance he was returned by the court to his mother three years later. The boy was taken from the courtroom kicking and screaming. Why? Because that fine lady had been painted by her ex-husband as a prostitute, as an alcoholic and any number of other vicious lies. During those three years Stephen Preston has lived under 12 aliases. He had less than a first grade education and could barely write his name. Two months later he was kidnapped again. We do not know where he is today. I ask hon. members, what kind of a young man do you think he will be when he is 18 if nothing is done?

Several weeks ago I received a letter from a lady in New Brunswick pleading with me to try to help her find her two children. Her husband took them one day six years ago and disappeared. She has pleaded with school authorities and with the police, but they cannot help her. Then there is the couple in Grande Prairie, Alberta: the ex-wife left for several years and has now come back to town, remarried. The grapevine around town has it that they have come back to take the children. What must it be like to send your children to school in the morning and then wonder all day, every day, whether that is the last time you will see them? Another lady in Alberta is in permanent hiding—only her parents know where she is—all because of the constant threat that her children would be forcibly taken.

There is the young mother whose son is in Coquitlam, British Columbia, snatched from a day-care centre here in Ottawa. She has neither the emotional strength nor the financial resources to find ways to bring him back. There is the tragic story of Vicki Starr, from Ottawa and Burlington, whose Iranian father took her to Iran eight months ago. Can you imagine the anguish of dealing with a government that does not recognize women's or children's rights even as much as we do? What must it be like for a 12 year-old to be virtually alone in a strange country, unable to speak the language and knowing she may never see her mother again?

Several weeks ago I was interviewed on this subject by a reporter. After we were through she said quietly to me, "You know, that's what happened to me when I was a little girl. My mother kidnapped me and wouldn't let my father know where I was till he promised her a different divorce arrangement." Believe me, Mr. Speaker, that young lady is interested in seeing this bill pass.

I know this bill is not perfect. I think several changes ought to be made at committee stage, for that is what parliamentary debate and committee discussion is all about—to perfect proposed legislation. I offer the following suggestions to members for discussion at committee stage. First, I think the age mentioned in the bill ought to be uniform with other legislation and should be changed to 14. Second, I think custody arrangements ought to include those in addition to court appointed ones, such as legal agreements arrived at in a law office. Third, and most important, there are some who feel the penalty provision of Bill C-221 as it now stands is too severe for some cases. I agree. Therefore, I would commend to the justice and legal affairs committee, or to the health and welfare committee, an amendment which would bring greater accommodation for the varying exigencies under which the kidnapping took place. I am not adamant about seeing this bill pass in its present form. I am interested in the co-operation of the minister in seeing the principle of this legislation go on to committee stage for discussion.

● (1710)

The most formative and enduring relationships we will ever have are those we build with our parents. It is from our parents that we first learn about our sense of identity, who we are. It is from our parents that we get our first feelings of worth and being wanted. It is with them that our need to be loved and wanted is first satisfied. However, what if these relationships are shattered, first by divorce and custody proceedings, and then by parental kidnapping? What is the harvest of emotional problems we are going to reap in the coming generation because we have not dealt with this problem?

We have spent a great deal of time and energy protecting the material rights of children. We look after their property rights, their inheritance rights, their rights of succession. We have health and immunization programs to protect their bodies. We have laws to protect them from all forms of physical contamination. We have laws which prohibit the transport of diseased cattle across provincial boundaries—all to protect the body. But if an estranged parent, father or mother, forcibly wrenches a child from the home that has given him security, takes him away from the parent with whom he or she is most firmly attached, and moves him into another province, into alien surroundings, and force-feeds his mind and emotions with the venom of a destroyed marriage relationship, and we offer that child no help, no warmth, no healing, no security, then surely that child must cry out that ancient pitiable cry, "Is it nothing to you, all ye that pass by?"

This is not a government problem, or an opposition problem, or a provincial problem; it is a human problem. All it requires is the will to make a few simple but fundamental changes.

The present law is based on the premise that parents cannot kidnap their children. The increasing number of marriage breakups, the increased mobility of our people, the increased expressions of hostility and violence in our land, make that premise obsolete. Bill C-221 recognizes the reality of that basic change.

At present, the provisions of the divorce act are portable across Canada and around the world, but the custody arrangements issuing from those divorce settlements enjoy only provincial recognition. So it is that a parent can kidnap his child, take him into another province and have almost total immunity from arrest. Ever since the 1957 ruling in Regina vs. Austin, this kind of criminal activity has escaped prosecution because of the loophole that exists in paragraph two of section 250 of the Criminal Code.

Even when all the provinces recognize each other's custody arrangements, as necessary as that is, it will not eliminate the furtive running and hiding by the parental kidnapper, nor will it take care of international implications.

Our Canadian Bill of Rights guarantees to each the right "to life, liberty, security of person". At this very moment there are countless children born with that right who have it denied them by the unconscionable action of a vindictive parent. Bill C-221 would go some distance in ensuring that right to those things for our children.

I trust hon. members will permit this measure to go to committee for examination, amendment, and approval.

Mrs. Simma Holt (Vancouver-Kingsway): Mr. Speaker, I rise in support of the hon. member for Surrey-White Rock (Mr. Friesen). I thank him on behalf of the people I have been working for and for myself. It seems we are perpetually confronted with at least one of these problems. I have not just been faced with province to province parent kidnappings, but also with international kidnappings. Just one case has kept me and many other people occupied for more than two years, and it is still not resolved. I will outline that in a few moments. If this bill goes through, we will then treat children born in Canada as though they were citizens and have the rights and protections of citizens.

When I first became involved in this the whole country was up in arms about the kidnapping of the heir to the Seagram's estate. There was a great outcry. However, when five small children were kidnapped from a Mission, B.C. mother no one cared if she got her children back. All the resources of legal aid were used to pay for some Hong Kong drug traffickers in Vancouver, but there was not a cent for this mother of five children to find her children, and virtually save their lives from the putative father in the Philippines, whose reputation and character were less than safe for these youngsters.

The hon. member for Surrey-White Rock questions what they will be at age 18. I ask that too. Perhaps they will grow up in another country. Did they, as Canadian citizens, not have the right and the protection of our nation under the law?

On July 30, 1975, because of the case of Mildred Watson Clarke of Mission, B.C., I rose in this House and asked for help from the then Minister of Justice. At that time I said, and I quote:

> Children are citizens and should receive all the rights and protection of a person, a citizen, within the law. However, throughout Canada children are being kidnapped by a parent in defiance of court orders on custody.

I asked then for criminal law to deter would-be parent kidnappers.

Although there were several cases many people were working on at that time, this was the most appalling case. The hon. member for Surrey-White Rock, the leader in the Senate, Ray Perrault and his staff, Mr. Kenneth Burke of the Legal Department of External Affairs, the Superintendent of Child Welfare of B.C., Victor Belknap were all working on the case. We even tried to break the law and kidnap the children back because we felt those children had a right to be home with their mother.

The law did not give them help, so we had to do everything, including trying to hire policemen and criminals to get them back. I asked in this House July 30, 1975, that we create laws so that extradition treaties could help youngsters such as these.

The children of Mildred Clarke of Surrey were kidnapped on Mother's Day, a very nice token. We talk of Mother's Day and motherhood with great warmth, but we do not do a darn

thing to help a mother and her five children who need her love and tender care.

I support this bill completely. With a bill of this sort, I hope that we can get some extradition treaties implemented, identical to those we have for other kidnappings, hijackings, and theft of children.

In the case of Mildred Clarke, I want to tell the House what I went through to try to get help for this woman in 1975 when she first approached me. There was a petition with hundreds of names. I went to the legal operations staff of External Affairs, to a Mr. Burke. He has handled dozens of cases, and succeeded in reuniting some mothers and children.

I wrote to Mrs. Marcos, the wife of the president of the Philippines. I went to the British Columbia attorney general, a member of that great humane NDP government at that time, to see if he would intervene. He did nothing. However, he went to the United Nations international conference on crime in Geneva and got miles of world-wide publicity on his supposed concern over parent kidnapping children. He did nothing for Mrs. Clarke or the other women who were mentioned in this House.

The Prime Minister (Mr. Trudeau) was approached directly. He tried to intervene. We were told that only the head of this state could get to the heads of these different states and obtain any help.

Today I have a new case, a child named Lucienne Dulong. The mother, Loredana Dulong, and the baby's grandfather, Peter Weichel, raised over $10,000 to get the child back from France. The provincial court of B.C. (family division) issued an order awarding custody of Lucienne to the mother, granting the father visiting rights and ordering him not to take the child out of the court's area of jurisdiction. The father agreed to that, and three days later he took the child across the border to Seattle, and flew from there back to France.

The French consulate in Vancouver was wrong and perhaps acted illegally by aiding Andre Mathew Dulong, the kidnapper, giving him the necessary documents to take the child out of the country. The consulate knew of the court order, and what they did once, they can do again.

The Vancouver police issued a warrant for Andre's arrest which, under pressure now from the French government to the federal government and the B.C. attorney-general's department, they want to set aside. This means that after kidnapping the child and having her brought back at tremendous cost to the mother and maternal grandfather, that man can again slip into Canada and kidnap the child. Hopefully this bill will be a deterrent to any such action and perhaps there will be protection for children and the rights of children.

● (1720)

It is fundamental that a child born in Canada should have the rights of a citizen and that court orders should not be defied. But it seems that where children are concerned they can be put to barter in our country, and that the destruction of a child is irrevelant when it comes to the law.

[Mrs. Holt.]

Yes, we will chase all over the country and use all the resources of international law to rescue the adult heir to a wealthy estate, but there is no protection in the courts, not even interprovincially, there is no unification in law, to protect children from these parents. We are using children in barter and retribution. The day is here when we must do everything to end this obviously criminal type behavior. In the meantime, I am personally fighting the so-called "reasonable access" to children. "Reasonable access" can become the right to kidnap a child if a parent has money, has mobility, or has a foreign connection.

I went to court recently with a girl who had been divorced from her Dutch husband. She had a nine-month-old baby. We fought in the court and we even got legal aid at the last moment so he had no access at all; the only possible access would be by court order and under tight supervision. This man would find it difficult to abduct the child and take her to Holland.

In most cases it is men. They do seem to have the resources, the mobility and just do not seem to be tied as much to the child as the woman.

The child, in school is also threatened. There must be protection within the school system for these children.

Today there are probably more children than ever before in history who are victims of broken homes. They have the right of Canadian citizens; they have the right to be protected; and they have the right of every resource of the law even more than any other kidnap victims in our society. I hope this bill is not talked out and that it does go to the committee.

Some hon. Members: Hear, Hear!

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I trust I shall not be getting out of line if I say that it has been indicated to us that the chances are good that the government side will agree to the subject matter of this bill being referred to the Standing Committee on Health, Welfare and Social Affairs. This being the case, I echo the sentiment just expressed by the hon. member for Vancouver-Kingsway (Mrs. Holt) that none of us will prevent that happening by contributing to any talking out of this bill. Therefore, my remarks will be very brief.

I commend the hon. member for Surrey-White Rock (Mr. Friesen) for bringing this legislation before us. I commend him on the speech he made today and I hope that the suggested course of action will be followed. As a matter of fact, I may say that I am just as pleased that the Standing Committee on Justice and Legal Affairs is so busy that this matter will be referred to the Standing Committee on Health, Welfare and Social Affairs instead. I have in mind the fact that last session this committee spent quite a while studying a motion which came from a colleague of my friend having to do with the abuse of children. So the committee I have just mentioned is disposed to do what it can for Canadian children.

I recognize that the legislation may have to be looked at closely in terms of its legal provisions but I gather that what

the hon. member seeks to do is not only make the kidnapping of children in these circumstances an illegal act but to write it in such terms that it would come under the extradition rules so that foreign kidnapping could be dealt with as well as offences between provinces in Canada. I think we are all in agreement with what the hon. member is proposing. I hope that others will be as brief as I have been and that we shall reach the point at which the promise can be kept and that at least the subject matter of the bill will be referred to the committee where I know it will be considered with concern and with compassion.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I was very pleased when I learned early today that it was the intention of the government to accept the principle of the bill and not to follow what is, lamentably, the usual practice of talking out good private members' bills.

I want to commend the hon. member for Surrey-White Rock (Mr. Friesen) for the work he has done and the compassion he has exhibited.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): The bill which has arisen from his work shows his intense feeling for the people involved and I, too, would like to make a very short contribution to the debate because, like other hon. members, I would like to see the measure go to the committee.

Unlike those who have spoken so far, I have had an opportunity to see this not only as a member of parliament where I have had cases brought to my attention, but one of them, at least, occurred in my constituency. The abduction took place in my constituency. I am referring to the case of Vicki Starr, whose mother was formerly a constituent of mine—but also I have had occasion to deal with it as a lawyer.

I know of no more hopeless feeling than when advising a client of modest means that her only recourse is to move under the existing law on the civil side, in a province of Canada if she is fortunate, or in a state of the United States, or in a foreign country if she is unfortunate, to claim the rights which were given to her by the courts of the jurisdiction in which she lives. The cost is horrendous and, as the hon. member for Vancouver-Kingsway (Mrs. Holt) says, it leads people to flaunt the law. If that is the state of the law, we have to look at the state of the law because the law does not suit our needs.

I am always concerned about jurisdiction as between provincial governments and the federal government. We could, of course, wait for provincial jurisdiction, ten of them in Canada, to enact laws. That kind of thing is in fact going on. But the problem is here with us today and this is one opportunity where, using the jurisdiction within the federal sphere of legal affairs, we can on a national basis attack a problem which does not respect provincial boundaries.

Some will talk about the severity of the penalty. Some would say that life imprisonment is too severe a penalty for an offence like this. I believe there are crimes involving property under the Criminal Code to which a penalty of life imprisonment is attached. But if that is the case the committee will look at it and make recommendations. The main thing is that this is an opportunity to take up the initiative of the hon. member for Surrey-White Rock to deal with a human condition which is given prominence in the press when it relates to foreign abduction—that is where the prominence is. But a part of the human condition affects people whose cases are not spectacular. A child's right to the custody and care of a parent, however you want to look at it, is just as important in the human field as anywhere else, whether or not those cases or other cases are followed.

• (1730)

I join with all my colleagues in commending the hon. member for Surrey-White Rock on his bill. I should also like to commend the government—and it is not very often I do that—for seeing the worth of this private member's bill. I would not want to set a precedent so that the procedure of turning these bills back was upset, but I hope the government will look carefully at all of these bills that are brought forward, particularly the kind which deal with the human condition and the consequences that flow from what is really a breach of the law on the part of someone. Perhaps the only way to settle the matter is to look at it as a criminal offence, because that is the only way that we can attack it quickly on a national basis.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I would like to say a few words, not to kill the bill but rather to say that I approve the legislation put forward by the hon. member for Surrey-White Rock (Mr. Friesen), in which it is stated:

> The purpose of this bill is to make the abduction of a child by a parent who does not have legal custody of that child from the other parent or any other person who has such custody an indictable offence punishable by imprisonment for life as in the case of kidnapping or hijacking.

I am very much pleased that such a bill has been introduced in this House. We have been witnessing for years all types of abductions and I feel that our current statutes are not hard enough to deter such an unforgivable act. Children abducted years ago, maybe ten or even fifteen years ago, were never found again. It is also my feeling that although our laws may not be as stringent as they should be, there should be international agreement between all nations to ensure easier tracing of abducted children. At a time when most every thief is caught, I see no reason why international cooperation could not trace child abductors. I feel that tougher sentences should be provided, at least 25 years' imprisonment. The bill should also invite nations to sign agreements to prevent future abductions of this kind.

I know that another member would like to speak on this, so I conclude with the hope that the bill now before us will be sent to the Standing Committee on Justice and Legal Affairs and later enacted, so there may be protection against such an unforgivable type of abduction.

[*English*]

Mr. W. Kenneth Robinson (Toronto-Lakeshore): Mr. Speaker, like my hon. friend from Grenville-Carleton, as a

lawyer I have great concern about this kind of problem and I realize the difficulties many spouses have had over a number of years. I am hoping that this bill, or the substance of it, will be referred to a standing committee so that it can be considered in depth. The hon. member for Winnipeg North Centre (Mr. Knowles) indicated that last year we had the whole question of child abuse before the Standing Committee on Health, Welfare and Social Affairs, which at that time came up with a very comprehensive report. It happens to be my committee so I am very happy that this matter may be referred to it. We will carry out our investigation in due course and hopefully see that this matter is remedied in the not too distant future.

First of all, Mr. Speaker, I should like to thank the hon. member for Surrey-White Rock (Mr. Friesen) for his untiring efforts on behalf of the children who have been the unfortunate victims of vindictive parents. Children should not be the pawns of their parents for any reason. Neither should parents be allowed to violate flagrantly the orders of a court regarding custody.

The hon. member by this bill would make the removal of a child from his legal guardian by a parent an indictable offence liable to the same penalties as kidnapping or hijacking. He argues that the circumstances are no different than a situation where the intention is to extort funds or concessions. In this the hon. member is correct. Surely it is apparent that there is little difference between kidnapping and the removal of a child from his legal guardian. They are both theft in its most malicious forms.

The main reason for this bill seems to be the virtual impossibility of enforcing custody decisions. While divorce is a federal matter, child custody is a provincial concern. Each province is charged with the responsibility of ensuring the physical and emotional well-being of a child. This, of course, presents obvious difficulties in the enforcement of parental rights.

It appears that, in most cases, parents who take their children from legal guardians also leave the province in which the custody order was issued. Sometimes they leave the country. Because custody is not only provincially assigned but is also a civil matter, there is no agency besides the court which will enforce custody decisions. The police, who have often suffered physically as a result of intervening in domestic disputes, are understandably reluctant to involve themselves in what is technically a civil problem. Consequently the deprived parent is prevented from taking any immediate action. This parent is helpless in preventing the abduction of his or her child by his or her ex-spouse.

By having to take the matter to court two serious problems arise: time and location. Time is of the essence in a situation such as this. It is very simple to whisk a child on to a plane to another jurisdiction, a jurisdiction that has no control over, or right to interfere in the battle for custody. If the offending party manages to keep the child away for a considerable length of time, and some court decision can be made, in the best interests of the child the court will usually grant custody to the parent with whom the child is currently residing. This is done to prevent any further upheaval in the child's life and routine, which is reasonable.

It would seem to me, Mr. Speaker, that what we have here is just the tip of the iceberg. There are reasons why some parents feel compelled to take this outrageous step. I submit that it often comes as a direct result of the inequitable way in which custody is awarded in the first place, and frequent denial of reasonable access. At present it is customary for a mother to receive custody of the children. It had traditionally been assumed that, except in the most extraordinary circumstances such as mental illness, alcoholism, or active indifference to the children, the mother is best able to care for the children, even if she is a prostitute. It is thought that she can fulfil the child's needs and that less strain is placed on a child if he or she is placed with his or her mother.

● (1740)

There was, and still is, a strong social stigma attached to a mother who decides she cannot manage her children by herself. Many mothers who love their children, but realize they are unable to take care of their offspring were, and are, forced into a position where they must accept the responsibility, which can be detrimental to both the mother and the children. Lest some hon. members think that I am exaggerating, let me illustrate more fully.

Statistics Canada reports that irrespective of who initiates the court action, the wife most frequently obtains custody of the children. In 1971, of the men who initiated court action, 40.20 per cent obtained custody. This compares to the 89.17 per cent in favour of women. In 1972 it was 37.55 per cent to 88.22 per cent; in 1973, 37.24 per cent to 88.38 per cent; and in 1974, 35.34 per cent to 87.70 per cent. This represents an average, 1971-1974, of 37.32 per cent in favour of the father, and 88.28 per cent in favour of the mother. Obviously this is discriminatory.

According to the Toronto *Star* of August 25, 1976:

> Fathers who filed for divorce won custody in 32 per cent of the cases but in only 3.7 per cent of the cases when the mother started the action.

In the same vein the Ottawa *Citizen* stated on June 12, 1976:

> To a father anxious to retain custody of his children it is obviously wiser to be the one suing for divorce.

In the majority of cases that have come to public attention it has been the father who has resorted to kidnapping to gain access to his children. This indicates to me that there is another problem here than outright kidnapping, and that is how custody is awarded.

Concerning the Law Reform Commission, the *Globe and Mail* reported on June 12, 1976:

> The court would decide which spouse should have custody of the children on the basis of which parent can better care for them and without reference to which spouse was guilty of an extra-marital offence.

The Law Reform Commission suggests an extensive examination of the pre-divorce relationship between a child and its

parents, including: the kind of relationship the child has with the persons to whom custody will be entrusted; the emotional and physical need of the child; the capacity of the potential guardian to provide for the child; and the preference of the child who is at an appropriate age to make such a decision.

In working paper No. 13, under the heading of Divorce, the Law Reform Commission stated:

> The courts would treat fathers and mothers on an equal basis and no sexual discrimination would be made in determining who is the more appropriate parent to assume the responsibility for the children.

I believe, Mr. Speaker, that this is the crux of the issue we are discussing. Custody is a right with responsibilities, one of which is providing reasonable access to the other parent. It should be granted on a non-discriminatory basis, after a thorough pre-trial examination has taken place, and should not be a rubber stamp decision by the court. This, I believe, is fundamental to the solution of parental kidnapping.

A comprehensive re-evaluation of all aspects of custody granting access to children must be completed. Interprovincial custody enforcement must be legislated, and then such incidents should decrease. By attaching this kind of kidnapping to the Criminal Code, we could then negotiate the return of children who have one non-Canadian parent and have been taken out of the country.

The hon. member's bill is a good solution to part of the problem. It should be incorporated into a series of changes and reforms concerning the granting and enforcement of custody so that the number of these tragic kidnappings will be reduced and eventually eliminated.

Mr. Leonard C. Jones (Moncton): Mr. Speaker, as usual my remarks will be most brief. Everything has been said that should be said on this subject, and in fact some of it has been said a second time.

I commend the hon. member for Surrey-White Rock (Mr. Friesen) for putting forward this bill and for the statements he made on it, and I also commend all other hon. members who have spoken on the bill.

Some hon. members who have spoken are lawyers. I do not hold that against them because I myself am a practising lawyer. I too have practised some family law. Any lawyer who has practised or is practising has a great deal of experience in these matters and suffers some of the problems that the parents and the youngster suffer. What happens in child abduction creates heart rending experiences. Often the child becomes the pawn, he becomes a chattel instead of a human being. This is what this amendment purports to stop. It is often the hatred for the other parent that the abductor inflicts upon the child. It is not enough that the innocent child must suffer the mental trauma created as a result of the separation of the two parents, a crime for which often the child is blamed. Why must we condone child abduction also? We, as members of parliament, cannot in all consciousness allow this injustice to continue.

I will conclude briefly by saying that we should permit this bill to go immediately to the appropriate committee for study and any necessary technical changes. We must do it, I was going to say tout de suite, but since I do not speak French too well, I will say, immediately.

Mr. Mike Landers (Parliamentary Secretary to Minister of Justice): Mr. Speaker, I would be remiss in my duty if I did not thank the hon. member for Surrey-White Rock (Mr. Friesen) for providing the House an opportunity to discuss child-napping, a matter of most serious concern to Canadians. This question has concerned the federal government for some time. The Minister of Justice (Mr. Basford) discussed the matter with the attorneys general of the provinces at the federal-provincial conference of attorneys general in October of 1975. At the end of their discussions at that 1975 conference the minister called on the provincial attorneys general to come forward with suggestions on how section 250 of the Criminal Code of Canada might be improved in order to deal with the problem of child-napping. As yet, not one of them has put forward a proposal.

There may be a temptation on the part of some to ask why the federal government does not go ahead on its own and change the Criminal Code. However, I am sure that most of us are aware that the Minister of Justice has an undertaking with provincial attorneys general that there will not be any amendments to the Criminal Code without consultation with them. This, of course, is quite proper since it is the provincial attorneys general who are responsible under the BNA Act for the administration of justice within the provinces.

In the meantime, five provinces have passed legislation to facilitate the interprovincial enforcement of custody orders, and three more provinces have such legislation at various stages in the legislative process. I must say that I welcome this because I think that to a very great extent this is a problem that is best dealt with by provincial legislation.

The criminal law is too blunt an instrument to deal with the problem—a problem which exists entirely within the context of the breaking up of the family. It would be nice if the proposals contained in Bill C-221 would do the job and bring an end to child-napping. But they would not. Indeed I would say on the basis of the experience I have had as a lawyer that no jury in the country would, with the potential of a life prison sentence, convict a parent for having taken his or her own child to another jurisdiction.

I suspect that one reason why the Minister of Justice has received no response from the provinces to his request of 18 months ago for proposals for a change in section 250 may very well be that the provincial governments, having studied the problem, have decided that the Criminal Code of Canada is a totally inappropriate instrument for dealing with this very disturbing problem. That would perhaps be why so many of them have chosen to go with the legislation I mentioned a moment ago.

However, I do not wish to minimize the problem of child-napping. I think we are all aware of the heart rending cases of parents who have been deprived of the custody of their children in violation of valid custody orders. As legislators we

cannot help but be touched by the sense of loss and the helplessness that they must feel, and which has been articulated so well by Mrs. Lois Preston of Surrey and her Association of Parents of Kidnapped Children.

For the record I would like to refer to a press release which followed the federal-provincial conference of attorneys general in October, 1975. At the conclusion of that conference the press release pointed out that in relation to child-napping by parents:

● (1750)

. . . the Ministers were all of the view that this was a serious social and legal problem in Canada and agreed that both levels of government would take early action to develop a more effective legal framework whereby children abducted by a parent will be returned to lawful custody. The federal minister, commenting on the present provisions of the Criminal Code respecting kidnapping and abduction, invited provincial ministers to respond to his suggestions for possible amendments which might make these provisions more readily applicable to this situation. The provinces all agreed to consider following the lead of Manitoba in enacting legislation to give extra provincial effect to the enforcement of custody orders. It was hoped that such action by the provinces might facilitate progress in the international area as well.

There has been some comment with regard to Section 250 of the Criminal Code and amendments thereto, and I would like to put that section on the record. It states:

Every one who, with intent to deprive a parent or guardian or any other person who has lawful care or charge of a child under the age of fourteen years of the possession of that child, or with intent to steal anything on or about the person of such a child, unlawfully

(a) takes or entices away or detains the child, or

(b) receives or harbours the child,

is guilty of an indictable offence and is liable to imprisonment for ten years.

Subsection (2) states:

This section does not apply to a person who, claiming in good faith a right to possession of a child, obtains possession of the child.

Mr. Speaker, I move, seconded by the hon. member for Vancouver-Kingsway (Mrs. Holt):

That all the words after "That" be deleted and the following substituted therefor:

"Bill C-221, An Act to amend the Criminal Code (abduction of child), be not now read a second time but that the order be discharged and the Bill withdrawn and that the subject-matter thereof be referred to the Standing Committee on Health, Welfare and Social Affairs".

Amendment agreed to.

Mr. Deputy Speaker: It is my interpretation that the passage of this amendment disposes of the main motion as it includes the content of the motion.

Mr. Baker (Grenville-Carleton): Mr. Speaker, if there is any problem with that, we certainly give our consent.

Some hon. Members: Six o'clock.

Mr. Deputy Speaker: Is it agreed that we call it six o'clock?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being six o'clock, I do now leave the chair until eight o'clock p.m.

At 5.55 p.m. the House took recess.

[Mr. Landers.]

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT, 1976

AMENDMENTS TO IMPLEMENT CHANGES IN IMMIGRATION POLICY

The House resumed consideration of the motion of Mr. Cullen that Bill C-24, respecting immigration to Canada, be read the second time and referred to the the Standing Committee on Labour, Manpower and Immigration.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, before five o'clock I was discussing the immigration bill with which we are dealing, and was referring to the submission made by the Toronto Board of Education to the Special Joint Committee of the House of Commons and the Senate dealing with the green paper on immigration. The board pointed out that a large percentage of children attending Toronto schools were immigrant children whose parents either do not speak English at home or come from countries in which the English spoken is different from ours. They pointed out that between 1950 and the 1960's the majority of people who came to Toronto came from non-industrialized rural communities, or countries like Greece, Italy, Spain and Portugal.

In most cases the parents and children had not had the necessary experience and educational opportunities to enable them to adjust successfully to the Ontario school system. Further, not only was their language different, but the gulf between the culture of their old country and their new home in Toronto was so great that in many cases severe adjustment problems were created both for parents and children.

The board went on to talk about the situation in the 1970's, pointing out that the school system in Toronto in the 1970's faced an additional challenge. Large numbers of immigrants from the West Indies, for example Jamaica, Trinidad, Guyana, whose first language was English but whose need for special consideration was as great as for Mediterranean immigrants because of dialect, lack of educational opportunity, and cultural differences, entered a school system already struggling to find adequate financial resources to maintain its new Canadian programs. The fact that these immigrants could be recognized by the colour of their skin posed a new and unfamiliar problem as well.

We know from recent news stories that prejudice continues, and that there are unfortunate incidents in schools and in the community at large involving people of different races. The Toronto Board of Education impressed the joint committee, because that committee in its report to parliament made several noteworthy recommendations. I now quote from page 166 of the joint committee's report, as follows:

As the Toronto School Board, the board with the largest number of immigrant children, observed, 40 per cent of all immigrants are children, many of them accustomed to different cultures and languages than those found in Canada. There are already some shared-cost language programs for adults. In view of the special needs of many immigrant children, the committee supports the principle of a federal contribution to the extra cost of educating immigrant children who require special training in English or French or other catch-up programs, providing these funds are clearly earmarked for the school systems.

When they appeared before the joint committee the board estimated that it would cost an extra $2 million per year to provide services they thought were necessary and advisable if immigrant children were to be integrated properly into our society. I have had similar reports from the core area of Winnipeg which is largely represented by my colleague, the hon. member for Winnipeg North Centre (Mr. Knowles), and myself. In up to a dozen of the core area schools, the majority of the students are from immigrant non-English speaking families or native families which have recently moved into the city of Winnipeg. The problems are tremendous. The city and the province are finding it impossible to deal with those problems as they believe they should be dealt with.

● (2010)

The joint special committee made another noteworthy comment when it reported:

Attention was also directed to the particular plight of immigrant women, and especially wives and mothers. When they are not in the work force they have little opportunity to learn the language and make personal contacts, advantages enjoyed by their husbands and school-aged and working children. . . . It was pointed out that language training is the single most important need of these women.

As the hon. member for Davenport (Mr. Caccia) pointed out this afternoon, there are a number of volunteer organizations which have begun this work. Some very excellent work has been done, work which has given us the kind of direction in which we should go to help meet the needs and solve the problems of the new immigrants.

All of these volunteer programs are relatively small. All of them have difficulty in meeting the costs. In no city are we providing the kind of services we should.

I have stated on a number of occasions in this House that the number of people who come to this country, the areas from which they come, and the languages which they speak, are almost exclusively decided by decisions of the federal government. It is wrong to hide behind the constitutional division of powers, to say that education is the responsibility of the provinces, the provinces give the responsibility to the local school divisions, and therefore the federal government has no responsibility for that. That is completely wrong.

The steps which have been taken are too few and too small. We need a major expansion of this kind of program. As I indicated earlier, merely spelling out in the act that this country does not discriminate against race, nationality, colour or religion is not good enough. We have to ask ourselves how well our policies have worked and how close we have come to meeting the objectives in the principles enunciated in this bill and earlier by ministers. All told, we have done a pretty good job.

I do not have experience in the day to day dealings with problems of immigration as do members from Toronto, Montreal or Vancouver. However, compared with other areas, I certainly do have extensive experience. My relationship with all ministers who have been in charge of immigration since I have been here, and with all the deputy ministers, has been good. I am glad to say I cannot remember one case in which I was asked to intervene where, when I was finished, whether the decision was favourable or unfavourable, I could say to myself or anybody else, "I know the department was wrong."

I am sure there is not a member of parliament, present or past, who can say he has had success with every case. I, personally, am not aggrieved. I do not say that the whole department or large numbers of the officials in the department are prejudiced, racist, or anything else. However, I do say that we have to think not only of how the system is working now, but how the system will work in the future with other ministers, other officials, and with the law which we are debating at the present time.

To assess how we have done, we have to decide on a number of questions that relate to the whole problem of immigration. As I said earlier, how many people have come to this country from year to year, from where do they come, and how are they chosen are questions we have to examine.

As I indicated earlier, there have been wide fluctuations. We have gone from as many as 250,000 in one year to less than 100,000 in other years in the past 15 or so years. How did that happen? Obviously a decision was made because of social and economic conditions in a particular year. At a specific time we may have had large scale unemployment and it was not a good period to be very easy with immigration. What happened last year and is likely to happen this year proves my point. Last year we had the heaviest unemployment since the late fifties. Unemployment was down in 1976 over 1975.

We are now in the month of March. For the first time in many years, maybe the first time in the history of Canada, and certainly the first time since Statistics Canada has kept records, we have over 900,000 people officially unemployed. Given that situation, no government, regardless of its political complexion, could have wide open immigration. The people of Canada, both the employed and the unemployed, would not permit it. That is quite understandable.

Up until this time we have never had a statement, either once a year or at any time, by a minister in charge of immigration saying, "This is what we are going to do in the coming year and these are the reasons why." In introducing this bill the minister said it is the intention to make a statement every year. We commend him for that. However, I am skeptical about the minister's suggestion in his speech that the target, goal, or whatever you want to call it, for one year is not a long enough period of time, and possibly it should be for a five year period. I find it difficult to believe that is possible.

Imagine if in 1972 the minister had announced that we would permit, encourage, and arrange for a target of 200,000 per year over the next five years. In 1975, 1976 and 1977 we have had over three quarters of a million people unemployed at

some time during each year. In my view the minister's suggestion just is not possible.

It is not just the act which decides how many people are to be permitted into the country. After all, how did we get these wide fluctuations about which I talked? The act has not been amended in at least ten years, so how did that occur? In my view, it is done in two ways. First, it is done by the staffing.

● (2020)

If the government or the department were to decide we were getting too many immigrants from, say, Hong Kong, all the government has to do, and I am not saying it is wrong for the government to do this, without changing the act or the regulations at all, is to cut the staff in Hong Kong or in any other country in half, and the number of people who come in for any one year from that area will be cut by half. If we want to increase the number of immigrants, increase the staff. I would not say the government has acted wrongly, or done a poor job. I am saying that if we think about this realistically, this is all that needs to be done—it is one way in which it can be done.

The other way is by tightening or loosening the regulations. I looked today at the copy of the regulations which I have. There are 45 pages of regulations. It is under these regulations that decisions about individual cases are made. These regulations never come before parliament. They are made within the department, and presumably passed by the cabinet through orders in council. Changes are made without consultation with outside opinion, whenever thought desirable. Very few people know what is in the regulations. It is extremely difficult to keep up with them. My hon. friend from Greenwood (Mr. Brewin) has had more experience in this field, to my knowledge, than any other member of parliament regardless of party, but even he finds difficulty keeping up with them. By changing these regulations it is possible to change the whole system. Let me illustrate this by outlining the changes in just one regulation which I think I understand. It is the regulation dealing with employment.

At one time if a person wanted to come to Canada and had all the necessary qualifications—the right age, the right sex, the appropriate education, and prior job training—he could get the points required under the points system and be allowed in. But at the same point—I am not sure precisely when this change was made—it was decided that no person could come to Canada unless he had a job offer. This worked for a while until a couple of years ago when it was felt—and quite frankly, I believe, it was necessary—that the regulations should be tightened up again. And suddenly the regulation about employment was changed. Not only did a prospective immigrant have to have a job offer but he had to have a job offer which the National Employment Service could certify that no person living in Canada wanted to take. Just think of the changes which have taken place—from no requirement for employment to the requirement that you have a job offer, to a requirement that you have a job offer that no person living in Canada wants to take. I am not saying those decisions were necessarily wrong.

[Mr. Orlikow.]

Mine is an ethnic constituency. I suppose 90 per cent of them are working people, and they are worried even though they themselves are the children or grandchildren of immigrants or, in some cases, immigrants themselves. Although few of their families have been here longer than three generations they are concerned about employment and they tell you "We have to cut down on immigration." I sympathize with them and, in fact, I agree with them. I do not fault the government for cutting back on immigration, given the economic plight of Canada at the present time. My point is that all this was done by civil servants, by bureaucratic decision. I do not think this is a good way in which to operate. The people of Canada have a right to know why governments are doing things and they have to have a right to express themselves, as they can under a democratic system, in favour of, or in opposition to, the way things are done. So much for the way the system works.

I want to draw attention now to a couple of clauses in the bill which make it very uneasy, uncertain whether we should vote for the bill or not. Let me refer to clause 111(2) which says:

> An immigration officer may require persons who seek admission to Canada and persons in Canada other than Canadian citizens to comply with such regulations as are prescribed providing for the identification of such persons by means of fingerprints or photographs—

Even with the shortening of the qualifying period it still takes three years before a person can apply for citizenship. I believe that when a person is admitted to Canada and is given landed immigrant status he is entitled to all the rights and privileges of a citizen. If we are placing certain restrictions on people who are not citizens, there have to be very good reasons. What is the necessity for requiring not only persons who seek admission but persons who are already in Canada as landed immigrants but who are not yet citizens, to be subject to this provision? Remember, there are people who come to Canada and who, for what they consider to be good reasons, do not become citizens.

Mr. Alexander: Some have been here for 50 years.

Mr. Orlikow: Yes. Some have been here for a long time. I myself wish they would become citizens but I respect their right to make their own decision, and I cannot imagine why this provision should be here. If the minister and his officials were not going to use that clause, why put it in? Was it simply to give some future minister or civil servant use of that provision? I cannot accept that.

● (2030)

Let me turn to another provision, clause 104(2). It provides:

> Every peace officer in Canada . . . may, without the issue of a warrant, an order or a direction for arrest or detention, arrest and detain or arrest and make an order to detain
>
> (a) for an inquiry, any person who on reasonable grounds is suspected of being a person referred to in—

Then follow some subparagraphs.

> —or
>
> (b) for removal from Canada, any person against whom a removal order has been made that is to be executed—

I expect every person living in Canada, whether citizen or not, to observe the laws of Canada. Surely we have not come to the point where it is necessary to arrest or detain persons without issuing a warrant or an order for arrest or detention. This, to me, Mr. Speaker, smacks of the kind of police state that we do not need in Canada.

I could quote other clauses in the bill but I want to deal with two illustrations to show why I, among other members, am perturbed about some of the things that the government has done. Let me refer to the case that was dealt with by my colleague yesterday of Professor Andre Frank. Professor Frank was to come here from East Germany to participate in a seminar at Queen's University. I am not going to put on the record again the letter received from Queen's University professors by the minister and other members of parliament. But having read that letter I am almost certain that I would pretty strenuously disagree with the views of Professor Frank about the Third World and how it can be developed. I also find it rather strange that the government was so worried about security that it would not permit the professor, who had views which were different from those of the majority of the people of Canada, to come to Canada for three days.

Surely the Canadian democratic system is not so weak that one person can subvert it, or come close to subverting it, in three days. Surely there is enough strength in our system not to have to worry about the views of one or two or even ten professors who want to visit Canada for two or three days. I think the government made a very serious error in that decision.

Before closing, let me say that while along with my colleagues I commend the government for the provisions of the act dealing with refugees and support the words of the minister in regard to refugees, I find it difficult to equate the very generous and open treatment of refugees who came to this country in large numbers from Uganda, Czechoslovakia, and Hungary with the way in which we dithered and worried regarding refugees who wanted to get out of Chile when the government of Chile was overthrown by that country's military. I am sure I would disagree very strenuously with many people who supported the former government of Chile—

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. gentleman but his allotted time has expired. He may continue if he has unanimous consent. Has he unanimous consent?

Some hon. Members: Agreed.

Mr. Orlikow: Mr. Speaker, may I conclude by saying that I am certain I would continue to disagree with many people who escaped from Chile and whose views are contrary to those that I hold. I am sure there are many people who escaped from other countries, who came to this country easily and freely with encouragement from the people and Government of Canada, with whose views I would also disagree. But these people fitted in and, given some time, I think the people who wanted to get out of Chile would also have fitted in and made their contribution to Canada. If we believe in encouraging refugees to come to Canada, we should not pick and choose. We should have treated the potential refugees from Chile as generously as we treated refugees from other countries, but I do not believe that we did so.

[*Translation*]

Mr. Arthur Portelance (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, the bill now before the House constitutes a major landmark in the social evolution, in keeping not only with the demographic and economic needs of a modern and dynamic country but also the world wide framework in which Canadian society operates, a society whose hospitality and generosity towards foreigners can compare with that of any other country in the world under any political regime.

Indeed are we not all ourselves, as has often been suggested, immigrants or descendants of immigrants? Since my time is limited, I would like to discuss immediately an important aspect of this bill dealing with increased consultations with the provinces. In that respect, it should be remembered that we are far from innovating entirely in this area, particularly with regard to the province of Quebec, which has already successively signed the Lang-Cloutier and Andras-Bienvenue agreements providing for special federal cooperation to attract more French-speaking immigrants into that province.

• (2040)

In fact, the formula which was adopted for Quebec is to a certain extent a pattern that might one day be followed for other provinces according to their particular needs. Let us remember also that this cooperation that proved so efficient between Ottawa and Quebec in recent years is based on one of the intangible basic principles set out in the Canadian immigration policy, that existed for that matter before the publication of the green paper, that an effort should be made to preserve Canada's percentage of French-speaking citizens, a goal our immigration policy can help reach. That principle was indeed formerly recognized in the report of the joint committee of Parliament on immigration policy of which I was a member. The committee suggested in its recommendations which were almost totally enacted into laws that the French fact is an essential element in the cultural and political life of Canada. That is in section 175 of the report.

The same point was made again in a recent statement by the Minister of Manpower and Immigration (Mr. Cullen) on the program *Question Period* when he emphasized the importance of preserving the bilingual nature of our country and pointed out that the only advertising which was allowed by his department abroad was in French-speaking countries.

However, such efforts cannot do miracles as it is clear that there will not be more French immigrants than those who will decide to come to our country. Besides the same selection criteria apply to French-speaking applicants as others, as otherwise it would be unfair for those from other countries as well as for French-speaking applicants as it is not in the interest of a potential immigrant to let him come here if he

does not qualify and does not have much chance of being happy among us.

Consultation and cooperation with the provinces will now be statutory with the new bill, for instance to set the annual immigration level throughout the country in order to reduce the present trend whereby more than half of the newcomers settle in the metropolitan areas of Montreal, Toronto and Vancouver. When the immigrant settles down and becomes integrated in Canadian society he needs services often offered by provinces, which gives the latter a participating role recognized by the constitution.

Also, the federal government subsidizes several provincial activities particularly those of COFI. Some people have asked, probably without much thought, that provinces be given final control over the movements of immigrants. Several constitutional and practical reasons are against such a policy particularly the fact that we could not forbid the movement from a province to another. We might say that the new legislation wrongfully stipulates that some immigrants will have to agree to live for six months in some remote areas. But, as the Minister of Manpower and Immigration pointed out, we forget that otherwise those people would not be able to come to Canada because of an insufficient number of points. So it is for them a marvellous opportunity, to quote the minister, and once here they will have to live in such or such place for a short period of six months at most. But this does not mean thay they will not be allowed to move, to travel as do thousands of Canadians who, for instance, go to work for the season at James Bay, in the Arctic or some other remote areas.

Mr. Speaker, the new legislation also mentions annual immigration levels. Once more, to those who wanted to speak of quotas, the minister explained that this last term had an American connotation that could make some people think that we practice discrimination by setting quotas for various countries. The levels will have an international connotation and will not impose a ceiling for one country or another and the annual goal mentioned by the minister, after consultation with the provinces, I repeat, will not prevent the coming of an additional number of unexpected immigrants of the family class or refugees in special circumstances. The new legislation is then more modern, more flexible, more humanitarian especially as it eliminates some restrictions that have become obsolete and unfair, such as the provisions concerning epileptics.

Unlike in the past, Canadians will now know in advance how many immigrants will be admitted during the following year. Some have claimed that this would prevent the entry of some 250,000 immigrants, maybe more, in the course of a year. On the contrary, if certain expert predictions materialize in a few years and Canada has a labour shortage justifying the entry of such a great number of foreigners, this new law will make it possible.

But in the meantime the government and all Canadians, who as citizens of this country have first and foremost the right to be considered and protected, agree that it is now desirable to limit immigration to our country, particularly for economic reasons. We do not wish to blame immigrants for our unemployment problem, for they become an integral part of our economy and investigations show that they are an asset for our country. On the other hand, if a numerous population is all it takes to make a country very prosperous, countries like India, Pakistan and a great many others would have proven it long ago.

Canada must therefore accept as many immigrants as possible for economic and demographic reasons. Even if we were to accept as many as two million immigrants at a time from some of the most heavily populated countries in the world, we would not relieve in the least, not even for an instant, the problems of that country. But contrast this with all the problems pertaining to work, education, housing and language that would arise from the entry into Canada of these two million immigrants. Nonetheless that is what the few but vociferous protagonists of a control free immigration clamor for inconsiderately, saying that immigration is a universal right whereas it is in effect a privilege extended to a stranger. Indeed no country in the world authorizes strangers to cross its borders under conditions which are often as strict going in or coming out.

In fact Canada's policy is more generous than that of any other country in the world with regards to ordinary immigrants as well as refugees especially nowadays when the rare so-called immigration countries become more and more particular in the choice of their new citizens. With the passing of this new bill, assistance to refugees, under the terms of the Geneva convention, becomes statutory in Canada. Indeed Canada has a well established tradition in this area with its admission of post-war refugees. Then, there were Hungarians, Czechs, Tibetans, and Ugandans. More recently, there were the Vietnamese. In passing, I would like to note that of the 6,531 Vietnamese refugees admitted to Canada before September 30 last year, 5,107 or more than 78 per cent settled in Quebec, mostly because many of them speak French.

Canada also has an assistance program for Chilean refugees for which the target has recently been increased from 5,000 to 6,000 and under which more than 5,200 Chileans have been admitted to Canada, including the members of 100 families of political refugees freed from Chilean prisons under a special pilot program. Canada has already received more Chilean refugees than all Eastern European countries together. Besides these refugee programs, Canada has decided in the last few years to help the population of certain countries in which there have been civil wars, like Cyprus and Lebanon. In this last case, especially through the establishment of a special reception centre in Limassol, on the island of Cyprus, Canada has already admitted in 1976 alone through a special program of assistance and family reunification some 6,000 Lebanese most of whom will settle down or have already settled down in Quebec.

Mr. Speaker, this generous action was taken not only by the Canadian government, but also by the Canadian people who have received these suffering people with sympathy as well as generosity. This has helped demonstrate the importance and the various aspects of a humane and realistic immigration, such as the new legislation will enable us to ensure.

Had I enough time I could still refer to three formulas which are to be substituted for the removal, formerly called the deportation of the undesirable, but with some differences so as not to stigmatize some minor cases, namely the deportation order, the exclusion order and the departure. The bill under consideration is also aimed at improving control over foreign workers, including their protection, especially when they become illegal immigrants and run the risk of being exploited by unscrupulous employers who will henceforth have to account for their abuses. I could refer to a more humane formula for the reunification of families since the matter of age is no longer taken in consideration or still to some improved mechanisms of appeal, especially the appointment of an adjudicator.

In short, Mr. Speaker, this bill is so logical, simple and reasonable that it has received a wide support in the country, except from a few extremists for whom there would be no acceptable solution but their own. It is a legislation worthy of a country such as ours, open to the modern world by its liberality and its realism.

● (2050)

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, I am very happy to have the opportunity to speak in this debate tonight, particularly after the speech of the Parliamentary Secretary to the Minister of Manpower and Immigration (Mr. Portelance). I am all the more happy since he is present.

I shall try in my speech, as I usually do, to be at the same time objective and constructive. However, I shall obviously have some criticisms to direct, perhaps to the government, perhaps to the department, with regard to some items dealing with immigration. But before I come to that I want to mention that I favour a healthy immigration. Canada has space and resources and we need people to develop those, without taking the place of Canadians. On the contrary, we must develop those resources for the profit of Canadians and increase the population of our country. Let us not forget that future immigrants as well as their children will become new Canadians. That makes no problem.

We must also include in that regard, that is the development of our country, the emphasis on certain trades. There is nothing in this legislation to amend the present situation. Let me give you an example: a foreign physician who wants to practice in Canada and come as an immigrant must of course undergo a series of tests, which is perfectly normal, but I believe that after coming to Canada, he has to spend at least a full year in a hospital. But we all know that, since health insurance is in force in the province of Quebec, among other provinces—but since I represent a Quebec constituency, it is normal that I should give that province as an example—most of the doctors available for house calls are precisely, immigrants. I think the department should at least consider that kind of thing. It should not necessarily be in the act, but the regulations might make provision for such cases.

The Parliamentary Secretary to the Minister of Manpower and Immigration referred to humanitarian cases. I fully agree with him, because I had some experience of such cases in my constituency. Before discussing a number of points, I should like to suggest to the government that it might be a good idea to revive a former program known as "My Country" and implement it every two years. It might prove useful to immigrants who came to Canada as visitors or temporary workers and who decided suddenly, since they were misinformed in their country of origin, that they would like to remain in Canada, because it is an open and democratic country where people can freely express themselves, say what they think without being necessarily put in jail.

I think that under these circumstances we should take this into account and not feel compelled to remove these people, especially when they are as respectable as some of those we have met. Officials are invested with a great many discretionary powers. I am not saying all these officials are not doing a good job, far from it, but I feel it is dangerous to give to much power to the officials responsible for the administration of the act, for they may be tempted to take advantage of their position, as has happened in a number of cases. I can say that the Immigration Act unfortunately discriminates between the legitimate child and the natural child, and that is why, when we dealt with the Interpretation Act last December, I moved that the word "child" be substituted, so that all children might be considered equal.

If I go over all these things, it is because there was at the immigration office a woman from Haiti who had submitted an application in her native country to come and live in Canada with her parents as a landed immigrant. Leter on, I discovered that she had been granted only a student permit because she was an illegitimate child. So this is a defect which has to be corrected, because when her visa will expire this young woman will have to go back to her home country according to the law and then come back here, and our country will have to pay to get her over there while she will have to pay to come back here. I think there should be a little more flexibility when dealing with people in a humanitarian way.

In my opinion, the department should offer more protection to immigrants here in Canada. I have seen evidence, which I still have in my possession, of abuses with regard to new immigrants coming in our country; they went to some lawyers in Montreal and were charged more than $300 only to have some immigration forms filled. That is exploitation! I think there might be some relevant legislation to punish those people who are exploiting immigrants. It seems to me that the department itself should initiate proceedings against those people who prey upon immigrants freshly arrived in our country and who, because they do not have yet any knowledge of our laws, trust nearly anyone and are pitifully swindled.

I am also thinking about a Portuguese woman who married a Canadian citizen. She was deported all the same. I understand that she may have got married soon before her deportation, but in any event, I think the young lady acted in good faith. She spoke French fluently and was living in the province of Quebec. In my opinion, such expenses should be avoided when prospective citizens are desirable. Why not keep them

here, why treat them as if they were objects or animals? What nonsense!

There is another case that I should like to report, a humanitarian case to which I already referred in the House by the way, namely that of the Valdez family. Mr. Speaker, I will not be nasty towards the parliamentary secretary, but I might be towards the department itself. As regards the Valdez family, after making numerous representations to the department and to the parliamentary secretary, I understand that the government said: Listen, our official has decided such and such a thing and the matter went before the appeal court.

But when I read, for instance, a letter from the departmental assistant who in closing says, and here I quote: I am sorry that I have to send you such sad news—speaking of deportation—but it seems to me it would be cowardly to let that family believe there is a happy solution when none has ever existed. If it never existed, why then did the department let them appeal the decision? That is the question I ask myself. There again I feel there is a contradiction. Today, whether you want to believe it or not, because of the department the Valdez family lives in utter poverty in London. That woman is now sick. Naturally we are trying to get the children over here whose studies have already been paid for, but the fact remains that the mother will stay in London with the baby and the rest of the family, while the father has flown the coop. This is what we have done. We have put a family, a woman and her children in such a situation. Why? Not because the act was completely inadequate, but because we forgot to consider the humanitarian side of the problem, in spite of my representations. We simply bowed to the decision of the official who had the future of these people in his hands and we left it at that. Of course, I hope that the new act will be more flexible in such cases in the future.

I also hope that the department will finally become more responsible in immigration matters. I have another suggestion to make to the parliamentary secretary, which he might convey to the minister: Why not abolish this type of appeal procedure which is quite ineffective and replace it, for example, by something more worthwhile, such as a kind of ombudsman, a type of mechanism which may be much more equitable and less expensive for the State.

I could keep on for a long time, Mr. Speaker, but since I have to attend an important committee which will sit in camera, I shall only deal with a few more points. I am goin to discuss the matter of provincial responsibility. The provinces are to be more fully consulted, so they say. This is not good enough, in my opinion. In any case, I will have the opportunity to move an amendment to the legislation so that the provinces will be given more decision-making powers with regard to the acceptance of immigrants on their territory.

When I consider the province of Quebec, its culture and its language, I think it should have more say in the matter. The same applies to the other provinces, of course, but since the Francophone majority is in Quebec, I feel it is normal that we should be asking for a greater participation on the part of that province.

[Mr. Lavoie.]

In the departmental statistics for 1976, I believe, I find the list of countries from which immigrants come to Canada, the percentage of Francophones compared to other ethnic groups which speak more English than French. Mind you, I do not want to discriminate in any way, but I wish nevertheless to deal with the preservation of the Quebec culture. I think that if we examine the whole matter we realize that there are many more people speaking foreign languages than French-speaking people who come to Canada. Of course I believe that the immigrant selection is also determined by demographic, economic and social criteria. But as I indicated, for Quebec there is also the question of language and culture.

In conclusion, Mr. Speaker, I would like to make one last suggestion to the government. Many times, we say: What does the federal government do for an immigrant? When coming here he does get a few things but it seems that when leaving his country of origin, all he is given is an ice cream cone with a nice cherry on top of it. On his way to Canada he eats the cherry and when he lands here there is no more ice cream. Why? Because he is not provided with the right information.

I think the government should print booklets in the various languages of countries where we seek immigrants; then the immigrant would know that in Quebec, for instance, French is spoken but that English is spoken as well. One works in French, but one can also work in English. In Quebec, he would get some social, economic and cultural benefits. In another province too. It seems to me that if all those details were given for each province and if the immigrant had the opportunity to read them before leaving his country he could choose between Ontario, Alberta, Quebec, and so on. It would then be possible, it seems, to prevent all those language problems we have in Quebec, what with legislation such as Bills 63, 22 and what next, I do not know.

It seems to me that if the individual who wants to settle in Quebec has previous knowledge of this, he will learn French because he will want to integrate into the French culture, he will want to live with Francophones. So it seems to me this would be the best. Anyway, this would at least provide adequate information, and whenever someone came to apply at an embassy or immigration office abroad, he would be given that booklet and when he came here he would know where he stands, he would know his rights. This might indeed avoid cases where immigrants are being exploited, a real agony for which there is not much help forthcoming.

Mr. Speaker, I still have a lot to say, but I will have an opportunity to speak on this in committee or at the third reading stage. To conclude, I hope that these suggestions will be considered.

● (2100)

Mr. Armand Caouette (Villeneuve): Mr. Speaker, I would like first to indicate that I was pleased to hear the Parliamentary Secretary to the Minister of Manpower and Immigration (Mr. Portelance), and also the hon. member for Hochelaga (Mr. Lavoie). The parliamentary secretary suggested that certainly work could be found for some immigrants in James

Bay or other remote locations. I would like to take this opportunity to suggest that before bringing immigrants in James Bay, the parliamentary secretary should try and find jobs for people in northwest Quebec who have been—

Mr. Portelance: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Ethier): Order, please. The hon. parliamentary secretary on a point of order.

Mr. Portelance: Mr. Speaker, I have never said that we should bring in immigrants to work on the James Bay project. When I say that some Canadians are sent over to work on the James Bay, and when we criticize—

The Acting Speaker (Mr. Ethier): Order, please. This is strictly a matter of debate. The hon. member for Villeneuve (Mr. Caouette).

Mr. Caouette: I apologize to the parliamentary secretary if I have misinterpreted his words, and I would indeed like that these people be able to work in frontier areas like the James Bay. But first we should find employment for our people who for many years have been seeking jobs on the James Bay project but to no avail. But at least, Mr. Speaker, like all members of the House, I am aware of the importance, of the immigration issue for the future of our country.

Depending on whether our immigration policy will be restrictive or liberal—and I smile because I do not want to talk about the Liberal Party—Canada in the year 2000 will probably be completely different from what we know today. We might find ourselves in an over-populated country in which people of different ethnic and cultural origins will continuously be tearing one another to pieces. On the other hand, we could succeed in creating a country in which everybody can live a decent life without being piled up on one another and in the mutual respect of various cultural groups.

All this will depend, Mr. Speaker, upon the immigration policy which Canada is developing right now. Without trying to dramatize the situation, Mr. Speaker, I believe that of all the bills which are presently before the House, Bill C-24 is by far the most important and most dangerous for our country's future. I for one do not feel out of line when I make these statements.

The many briefs which were submitted to us from every area of this country and from all organized groups which are concerned by this issue clearly show that Canadians, from British Columbia to Newfoundland, know that the future of this country depends upon the policy which we will follow regarding immigration.

● (2110)

Mr. Speaker, among the papers I received at my office on Bill C-24, one was taken up and endorsed by more than 25 organizations which even held press conferences to denounce this bill which they said was misleading, restrictive, repressive, discriminatory and unworthy of our society that claims to be developed, liberal and humanitarian.

Mr. Speaker, the least that can be said is that the Minister of Manpower and Immigration (Mr. Cullen) failed to sell those organizations his bill. That situation is even funnier if one bothers to compare what the minister said of his bill before law students with the statement I quoted earlier, and I quote:

> For the first time, the bill clearly sets out the basic objectives of immigration, and for the first time it entrenches in legislation the principles of non-discrimination, of respect for the family and concern for refugees on humanitarian grounds.

As one can see, Mr. Speaker, there is somewhat of a disagreement between the minister and the signers of the statement I mentioned earlier. The minister says that the legislation entrenches the principle of non-discrimination; the organizations, for their part, were suggesting that the legislation was discriminatory. The minister says that the legislation includes the government's humanitarian concern; those same organizations to which I referred earlier say that the legislation is unworthy of a society that claims to be humanitarian.

Mr. Speaker, I point out that gap between those two interpretations to show how it is possible to come to contradictory conclusions on the same bill; it all depends, of course, on the point of view from which that same bill is examined. So the minister says he is very proud of eliminating certain provisions of the old act forbidding entry in this country to certain groups of individuals such as homosexuals and alcoholics. The minister is pleased with the fact that the legislation eliminates mentions of what was termed to be "moral turpitude" and resulted in the deportation of certain people.

Does that mean, Mr. Speaker, that the conduct of people who apply for admission to Canada should not be considered any more? Does that mean that as far as this government is concerned, the most vicious persons should be welcome as much as those who show respect for the rights of others as well as their own and abide by the basic rules of decency and good manners?

That is why I think moral turpitude is a criterion we should use to turn down, after investigation, undesirable applicants who could not make any worthwhile contribution to the development of this country.

Maybe it is because this government's moral standards are not high enough that it expects so much from prospective immigrants, but I cannot help wondering. As for the document I mentioned earlier, which is sponsored by more than 25 agencies, I had to admit after reading it, that it would be possible to have a government worse than the one we have at present.

Mr. Speaker, if the principles and suggestions proposed by such organizations as the Labour Council of Montreal, the *Service de la Pastorale et d'échanges spiritains*, the Office for Chilean political prisoners and several other organizations which support this bill, if the principles advocated by those groups were followed Canada would have no more control over its immigration and I think it would be a real mess.

Mr. Speaker, I would like to avoid any misunderstanding. I am not enthusiastic about the bill proposed by the Minister of Manpower and Immigration and I have the opportunity for a few moments to make specific comments on some provisions of

that bill. However, I should like to underline the responsibility shown by some organizations that I mentioned earlier. A logical and rational immigration policy should, of course, be in the interest of the public, this is in the interest of all Canadians. If that priority is not respected and if our immigration policy is contrary to the needs of the majority of Canadians, it is anti-democratic, as obviously, Canadians want legislation to protect them and their social and economic interests.

The organizations that I mentioned earlier—including CUSO, an agency largely financed by Canadian taxpayers—suggest that anybody be accepted as an immigrant at any time. In their brief they say that the government's bill is and I quote:

Restrictive because its purpose at every level is to limit very strictly the number and type of immigrants according to our economic needs.

What is wrong, Mr. Speaker, in restricting the number of immigrants according to our economic needs? No country, no nation can survive if it deliberately bungles its economic stability by opening its door to everyone. It is absolutely essential to take into account the economic potential of a country to determine an immigration policy. We must know if we can offer to those immigrants suitable jobs and a decent living. If it is not possible because of lack of employment or because the country has trouble giving its own citizens a decent way of living, it would be irresponsible and criminal to open our doors to immigrants and make the problem even worse.

Yet, Mr. Speaker, this is exactly what the signers of this document are demanding. I feel it would be cruel to open our doors to people who could not be hired and to whom we could not guarantee an acceptable standard of living. We would be showing contempt if we let them come in Canada but could not assure them a decent life.

Further, the same document states that the bill is discriminatory as follows:

It is discriminatory both in its point system which systematically favours immigrants from developed countries over those from the Third World, the educated people over those who are less educated, etc., and in the introduction of the notion of conditional immigrants (who can immigrate provided they accept to live in remote areas or fill second-rate jobs unwanted by Canadians).

Once again, Mr. Speaker, I cannot get over the irresponsibility of these people and groups. They criticize the bill for taking the vocational training of immigrants into account. But is that not the most basic rationale? We live in an industrialized country where jobs require increasingly greater skills. It is only normal that Canada should seek immigrants who can adjust to our society and play an active role in it. There are more than one million unemployed in our country. I believe that is more than enough. If we allow unskilled or uneducated people to settle in Canada, we doom them to unemployment and poverty. It would be cruel to allow them to settle in Canada and to cast them aside later on because of a shortage of job opportunities or their lack of training. Just as it would be logical to accept certain immigrants on the condition that they settle in frontier areas where certain jobs are easier to find. This would prevent a concentration in the major urban centres of welfare recipients and unemployed.

[Mr. Caouette.]

It is absolutely essential, Mr. Speaker, that our immigration policy take into account the social and economical facts of our country. Those who claim the opposite are either irresponsible or foreigners afraid that they will not meet the standards set by the government.

I should like to point out, Mr. Speaker, that of the various organizations which have signed the document in question, more than half represent foreigners, Chileans, Argentines, Haitians, Iranians and so forth. It is easy to understand that these people would like to settle in Canada and become Canadian citizens. We live in a remarkable and tremendously rich country, with one of the highest living standards in the world. It is therefore understandable why so many people would like to share in this prosperity and in the promising future of Canada.

But, it must be kept in mind, Mr. Speaker, that our country could not maintain such a high standard of living if it threw its doors wide open to welfare recipients the world over. Our million unemployed represent a heavy enough burden for the Canadian taxpayers. Our duty and responsibility as legislators is above all to solve this problem. Having done so, we could welcome the immigrants who wish to settle in Canada and are able to provide the Canadian people with the required services and skills.

Mr. Speaker, I feel that the foreigners who signed the document I mentioned a while ago are meddling with the internal affairs of Canada. We certainly can do without foreigners dictating to us what our immigration policy should be. On the other hand, we must realize that Canada would do potential immigrants a great disservice if it welcomed them with open arms, and then condemned them to poverty and unemployment, for lack of proper jobs for them to do.

Mr. Speaker, I feel that the only way to set up immigration policies which take into account the interests of all parties concerned is simply to base them on the social and economic circumstances of the country, and to choose among prospective immigrants on the basis of these social and economic circumstances. Mr. Speaker, I am not referring here to the special cases where Canada has accepted political refugees. In some specific cases, the conditions must include humanitarian grounds.

With respect to the charges of discrimination laid by the groups I mentioned earlier, I find that kind of verbal exaggeration another sign of irresponsibility on the part of their authors. To choose among prospective immigrants those with the best occupational training is no more discriminatory than to put heavier taxes on the rich, or to hire the most qualified candidate for a job. Is the employer who hires the best man among the applicants being discriminatory? I, for one, do not believe that.

In any case, Mr. Speaker, I want to invite the minister not to take into consideration those who, like the groups I talked about a moment ago, bring forward policies which are against the most fundamental interests of Canadians. It is clear that the bill introduced by the minister is not perfect. More specifically, I see two possible changes that could be made. First, it

would be desirable that the text of the legislation establish different sets of criteria for refugees and ordinary immigrants.

Clearly, as I said a while ago, the case of political refugees should be studied with more broadmindedness than ordinary applications. It therefore seems logical and desirable to me that the bill should set up a list of criteria for the eligibility for refugees that is different from that which applies to ordinary requests.

Still with regard to refugees, Mr. Speaker, I feel it might be well to set up a special committee to hear the people who request political refugee status. A committee could perhaps be set up along the lines of the arbitration boards in the field of unemployment insurance. It might be more equitable, at least with regard to natural rights, for people who want to be recognized as refugees to be heard by a body that is independent of the department, a bit as I said a minute ago comparable to the boards of arbitration and the umpires who are independent of the Unemployment Insurance Commission. Those then, Mr. Speaker, are the few suggestions I want to make to the minister with a view to improving Bill C-24.

I trust I shall have the opportunity of coming back to this matter at the next stage in the debate. In closing, Mr. Speaker, I should like to ask the minister not to allow himself be influenced too much by the minority which is trying, by shouting louder than everyone else, to get an immigration policy that is contrary to the fundamental interests of the vast majority of Canadians.

• (2120)

[*English*]

Hon. Stanley Haidasz (Parkdale): Mr. Speaker, I welcome this opportunity of speaking on the second reading of this debate on Bill C-24, the new Immigration Act for Canada. I do this not only because of the great interest displayed in immigration policy by hon. members on both sides of the House but by many Canadians, especially Canadians in the constituency of Parkdale which I represent in the House of Commons.

Canada today has a population of some 23 million, and I believe it is very pertinent in debate on this bill to recall that more than ten million immigrants have come to Canada since Confederation. This is why we often hear hon. members and others, along with ministers in charge of immigration, state that Canada is a land of immigrants and that at least 50 per cent of Canadians are either immigrants or descendants of immigrants who have come to Canada since 1867. Many of these immigrants have achieved prominent positions and rendered great service to the development of this country over the last 109 years. In fact one of the members who sat in the House of Commons in 1867 was an immigrant from Poland. He represented the constituency of Saint-Hyacinthe in the province of Quebec and his name was Edward Kierzkowski. He came here after the defeat of the uprising of the Poles in 1830.

I welcome, as all hon. members did in speeches before me, the provisions in the bill which mainly have to do with removing iniquities in the present law and those which establish a modern and flexible framework for the future development of immigration policy, along with other items which will help the government to achieve its economic, social and demographic goals.

My intervention this evening has to do with the treatment of refugees. I should like especially to deal with the question of refugees from eastern European countries. This is a subject of great importance to constituencies where there are citizens who wish to bring to Canada relatives and friends who have difficulty in emigrating from their countries of origin, in particular from the countries of eastern Europe. I think to set this problem in perspective we should recall that after the second world war Canada accepted almost 100,000 refugees from all over the world, mostly between the years 1949 to 1953.

• (2130)

A great amount of interest was generated in 1951 when the United Nations Convention on Refugees was passed. It is of interest to note that Canada became a signatory to that convention only in 1969, and from then on complied in practice with both the exact letter and spirit of the United Nations Convention on Refugees. Since that time Canada has had an enviable record of helping people who have come to this country seeking the status of refugee, or seeking political asylum because of the threat of persecution or other forms of oppression which existed in their homelands.

When I speak of the enviable record of Canada in the matter of refugees, it must also be put on record that in 1957 Canada accepted 38,000 Hungarian refugees after the uprising in that country, followed by 12,000 Czech and Slovak refugees when the U.S.S.R. invaded Czechoslovakia in 1968. Since that time there was also the arrival of 228 Tibetan refugees in 1970, 4,420 Asians from Uganda in 1972, approximately 4,000 refugees from Chile in 1973, 1,000 refugees from Viet Nam in 1975, and 1,000 Lebanese refugees in 1976.

However, there are people who, as I mentioned, come from the countries of eastern Europe seeking the status of refugee after having arrived on Canadian soil. Up to the year 1969 the treatment of these people was what I would call very fair. However, since that time, and especially since the year 1974, the policy on refugees from eastern Europe has been tightened, and in 1974, of 345 east European applicants to Canada, only 30 were accepted, which means a rejection rate of over 90 per cent. In 1975, of 550 refugee applicants about 80 were accepted, which is a rejection rate of 85 per cent approximately. In 1976 we estimate that the rejection rate in this category will come to about 90 per cent. It is very frustrating, not only for these people, but also for their sponsors and for members of parliament who try to act as ombudsmen to help these people remain in Canada, when the interdepartmental advisory committee on the status of refugees in Canada is rejecting between 80 and 90 per cent of the applicants from east European countries.

In view of this evident hardship, Mr. Speaker, I hope the provision in the bill as well as the regulations, to which we are

looking forward with great expectation, in fact with a lot of impatience, will help ease the situation in which these people find themselves. As you know, Mr. Speaker, we do not have many immigration consular staff in the countries of eastern Europe and the only way for them to emigrate to Canada, in many cases, is to come here, see the country, and try to make their decision to remain in Canada while on Canadian soil. As all hon. members know since November, 1972, it has been almost impossible to make application for landed immigrant status in Canada while here on a visitor's visa. So I hope that the Minister of Manpower and Immigration (Mr. Cullen) will take into consideration this category of refugee consisting of people seeking a better life in Canada who have close relatives in Canada, relatives who very often are disappointed at the way their sponsored applicants are being treated under the present strict regulations.

I appeal to the minister on humanitarian and compassionate grounds to review these cases now, with the objective of showing that Canada really does care about these people who, through no fault of their own, find themselves in a web of various difficulties. These people and their relatives fought against Nazi tyranny and alongside the Allied armies during World War II, and it is none of their fault that they find themselves today on the other side of the Iron Curtain.

Another point I want to raise during this debate has to do with the report of Judge Claire L'Heureux-Dubé, who was appointed special commissioner to conduct an inquiry into certain problems in the Department of Manpower and Immigration. In January, 1976, the commissioner submitted a report outlining just a few flagrant shortcomings and recommending ways in which the minister should, on an urgent basis, put some order into the application of regulations and practices current in the department. The commissioner, among other recommendations, urged improvements in the legal representation available to visitors in Canada and recommended the expansion of legal aid plans, as well as the establishment of a system of control over those who are representing persons dealing with the immigration department in order to ensure a standard of competence and ethics.

● (2140)

Unfortunately, many of these visitors are directed to high-price lawyers and to so-called immigration counsellors who charge exorbitant fees and promise to help, but very often fail to help these poor immigrants or these poor visitors seeking landed immigrant status in Canada. I do not know what the minister is doing to curb the unethical practices that are still being conducted in Canada, especially in the large urban centres. No wonder there are so many complaints about the department, and so many people in this category of visitors in Canada who seem to go into hiding because of the fear of what can happen to them, not to mention the amount of money they have lost in trying to obtain landed immigrant status.

I want to conclude these remarks by saying that I welcome the provisions of the bill, and I congratulate the minister and the previous minister for making such a tremendous effort in coming up with Bill C-24, a modern immigration act which, I hope, will serve the best interests of Canada. I hope that the members of the commitee on immigration which will study this bill will take into consideration the remarks that were made by hon. members, as well as the briefs, that were presented to them during the study by the committee on immigration which travelled across Canada and heard representations on the so called green paper. I also invite the various ethnic groups which have a deep interest and concern about Canada's immigration policy to come forward with briefs and representations to the committee so that in the end we will have the best possible immigration act for Canada.

[Mr. Haidasz.]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I certainly welcome the opportunity to speak at this stage of this bill. The subject of immigration has been one with which I have had a great deal to do as an individual member, and I am sure that my letters, some of them somewhat caustic, some of them downright rude, and some of them written on fine grades of asbestos because they were so hostile, are well known to various departmental officials in the Department of Immigration.

I have not been at all reluctant to express my ideas and disapproval of the way in which some of the regulations have been interpreted, and of the existence of other regulations. What I feel now is a sort of manic fascination in that department with the requirements of manpower. People have become ciphers, they are pushed about as so many statistics, and they can be brought to this country in much the same way as we import live cattle, in numbers set by quotas year by year. I do not like that. I do not like the philosophy that immigration, which affects human beings, family relationships, and the aspirations of individuals, should be treated as though it were just an importation of another skill.

I have had a great deal to say about what I consider the wrong philosophy with the points system, that it was a cream skimming operation of populations in other countries. No wonder our immigration offices in many instances were not welcome in these countries because our points system was a clear indication to other countries—particularly in latter years to Third World countries—that "we will take your skilled and most intelligent people", but those others from all walks of life, even though their chief asset was a desire to work and an ability to work, were not wanted because somebody said, "Oh yes, but they had only grade four or they had only four or six years of education" so that did not qualify them to come to Canada. It seems that our standards should be somewhere around nine to 11 years of education.

Let it be said that in many European countries six years of education is fully equal to nine years of education at some schools in this country, and this applies to preparation in trades also. The application of the points system, as it has been applied until now and is likely to continue, is a negative reflection on every immigrant who has come to this country since World War II until 1967, because those immigrants did not come under a points system but were admitted for many other different reasons. They were not graded. They were

given what I felt was an arbitrary assessment by an immigration officer whose decision could not be appealed.

I remember looking at the files and questioning the ratings, but after we managed to upset some of the ratings, the files were closed off. Why? Because decisions were being questioned. That is something that must stop in the Department of Immigration. There has been far too much refusal to disclose proper information, even to the individual concerned. I realize that there are limitations with regard to security, but it used to be carried out. How? To ridiculous lengths. My colleague, the hon. member for Peace River (Mr. Baldwin), has been strongly advocating open government. Those are things that must come out if an individual is to be refused admission. If he suffers from some malady or some infirmity and we do not want to include him among the people coming to this country, we must tell him so. But merely to say that this individual does not meet our standards is an insult to that person. That is why I say that this bill cannot be accepted in principle because it is only the tip of the iceberg.

● (2150)

Clause 3 is merely for cosmetic purposes. The real guts or workings of an immigration program are the regulations, but the regulations will not be published until the bill has been passed carte blanche at third reading, and then we will be told afterwards, as we are already told all too often, that parliament approved these regulations and that the administration of this immigration legislation is merely carrying out the will of parliament. That is eyewash; it is false and misleading to say that, because the regulations will have never been the subject of study and approval by parliament. The interpretation of the regulations will not be the subject of parliamentary scrutiny. From time to time, as certain types of decisions are called into question, there is a shift to close the door.

I am being very critical tonight, but in saying what I have said I do not mean to attack immigration officers personally because over the years I have received great co-operation from, I would say, all of them. Granted, my views have differed very strongly with theirs, but that is not unknown. I have been known to differ very loudly and emphatically, but I think not more than I have with the concept of our regulations and with the administration of our immigration.

There are many things we want to talk about, but all too often we hear that immigration should be tightened up. From time to time we hear the cry: "Tighten up on immigration; send them back." People who say that are despicable economic rednecks. One sometimes might wish that abortion could be made retroactive, and that deportation or non-admission could also be made retroactive. Some people who came to this country as immigrants only a few years ago tell me that we should tighten up on immigration, and that reminds me of what I call the lifeboat society. That is a polite term. The philosophy is, "Shove off, boys, I am all right, I am aboard". That in itself should not motivate immigration restrictions.

There are some immigrants who are members of this House, and some who are sons and daughters of immigrants. These people possessed a degree of desire, a desire which most immigrants have, because it takes a great deal of gumption—and I am not talking about refugees now—and motivation, to leave one's homeland and family to strike out for a land which is much different, to form new friendships, to struggle, but to get there.

I am sure hon. members have all known families which came to this country in years past. All they had was what they could carry, and beyond that it was what I call that most admirable quality which we should have in Canada, the willingness and the ability to spit on our hands, to find a job and to get on with it. The job need not necessarily be the one a person is cut out for. Immigrants do not displace anybody. In most cases they fill a void.

I do not care a whit for the cluck-clucking which goes on about these people having to take jobs at lower levels. Floors have to be swept and vegetables have to be cleaned. These are all jobs which have to be done, and why should we look down on a man who is prepared to do these jobs? Do we look down on university students who are prepared to take those same jobs on a part-time basis? No, we admire them because their objective is to earn money to help them get to where they are going, and to improve themselves.

There are thousands upon thousands of families in Edmonton and in many other parts of the country which have been prepared to work hard in order to improve themselves, and their children succeed at university.

An hon. Member: Ten o'clock.

Mr. Lambert (Edmonton West): These people become our leading citizens. Mr. Speaker, may I call it ten o'clock, without the assistance of others?

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

FINANCE—ACCURACY OF STATISTICS ON PAYMENTS TO QUEBEC—REQUEST FOR STATISTICS ON PAYMENTS TO OTHER PROVINCES

Mr. F. A. Philbrook (Halton): Mr. Speaker, in a country like Canada, which is characterized by regionalism geographically and a federal system politically, we seem to have evolved the relationship of have and have-not provinces, or to put it more bluntly, who is getting what out of Confederation. This issue tends to become emotional sometimes, but certainly events like the Quebec election focus on the issue of federalism vs. separatism more acutely and included in this problem is the business of federal-provincial balance of payments.

Maclean's magazine, which I personally consider a Canadian asset, recently published an article which made the statement that Quebec made $3 billion in profit out of Confederation in 1976.

On March 3 I asked a question of the Minister of Finance (Mr. Macdonald) regarding this article. The question is reported at page 3606 of *Hansard*. I specifically questioned the accuracy of this figure, whether any government statistics were available on the subject and whether such statistics were available from other provinces, out of fairness to our sister province of Quebec. The minister's answer was essentially that there were serious statistical problems in this area, especially when trying to compare ont province with another. The minister was personally against the balance sheet approach to national unity. I agree wholeheartedly with that.

● (2200)

There are two issues then: first, the feasibility of statistics; second, the relevance of the balance sheet approach, in other words, who is getting what from Confederation? For weeks in my office we worked on the matter of feasibility, without much success. It is a difficult subject. For example, if one talks about total transfers, not net flow, one notes the following discrepancies: *Maclean's* quotes the figure of $4.7 billion; the tri-level task force on public finance, $1.9 billion; and Treasury Board, in its annual blue book "How Your Tax Dollar is Spent", $2.2 billion.

A basic difficulty is this: where there is statistical doubt, the result is very different analyses. I am thinking, for example, of the value of federal employee pay rolls and, second, of the division of national debt as among the provinces. An examination of these figures leads, obviously, to some disagreement of the meaning and relevance of this entire question and begs for thorough study. Since others have already raised this question and broken the ice, the possibility of misunderstanding exists.

Referring to the matter of relevance and comparability, no matter whether comparisons are difficult or easy, it is important to make them once the subject has been raised. We should consider the special aspect of trade and investment in the private sector. This, even if not precise now, becomes even more important with the prospect of separation. There are presumptions in all economic analyses. As I mentioned before, this is similar to the question of public sector practice with regard to pay rolls and national debt.

The issue on the one hand is separatism versus the economic well-being of all Canadians and, on the other, conflict between the provinces. There is also the situation of the Maritime provinces to consider, not just of Quebec.

I think we are all against the balance sheet approach, the approach which says don't rock the boat with the "have" provinces, for example Ontario, Alberta and British Columbia. Some suggest that these provinces might be upset when they know how much money they pay to poorer provinces. But others will learn of this, the media, bigots and so on. We know this now. The important thing is to clear the air, to understand our country better, and to expose narrow regionalism for what it is.

[Mr. Philbrook.]

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): Mr. Speaker, having heard the excellent, commendable statement made by the hon. member for Halton (Mr. Philbrook), I say there is not much of a question to answer. But I want to use the three minutes which are traditionally available to agree with him enthusiastically, to agree with his statement about the relevance of the balance sheet approach to Confederation. I remind the House of the Prime Minister's (Mr. Trudeau's) statement on the subject.

Mr. Paproski: What is this, an election speech?

Mr. Kaplan: He said as long ago as October 6, 1970:

> I do not believe that anyone can accurately measure in dollars and cents the benefits involved in belonging to a United Canada.

There are great difficulties in any attempt to unravel the complicated financial transactions in the public and private sectors which, together, make up the fabric of the Canadian economy. Mr. Ian Urquhart is the author of the article to which my colleague referred. He must have obtained much of his data on federal expenditures and revenues in the province of Quebec from the Department of Finance. The information he was given is generally available to all Canadians who ask for it. There are many other figures on federal expenditures and revenues available, by province, from published sources, information on such topics as intergovernmental transfers and payments to persons, such as family allowances and old age pensions for example.

For most other items Mr. Urquhart must have used his own assumptions in order to allocate federal revenues and expenditures to the province of Quebec. This is a most difficult exercise and many people will try it, but the problems involved cannot be overemphasized. For example, how would one distribute defence expenditures among provinces? Should it be on the basis of where the Department of National Defence spends its money, or on the basis of who benefits from national defence? Money goes to communities in which there are defence establishments or defence production plants, but all Canadians benefit from this activity, although not necessarily equally.

Similar problems arise on the revenue side, problems of what are called the incidence of taxation. Who actually bears the taxes collected from a particular business? Are the taxes borne by the shareholders where they are, by the wage earners where they are, by consumers where they are, or by other levels of government? Therefore, it would be very difficult to comment on the accuracy of the study published by *MacLean's* magazine.

As I said earlier, some of his data are publicly available, but since he has not specified his methodology it would be difficult to comment on them. We can only note, as the author himself indicated, that the province of Quebec has produced its own studies with very different results regarding federal expenditures and revenues in Quebec. The fact that the province of Quebec produced different results only shows that the results of such studies depend very much on the methods and assumptions that are used.

I had to note also that similar difficulties would be encountered by making parallel analyses and observations about any of the provinces of our Confederation.

AGRICULTURE—PESTICIDES—GOVERNMENT POSITION ON IMPORTATION—SUGGESTED STRICT ADHERENCE TO LABELLING REGULATIONS

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, on March 7 I questioned the Minister of Agriculture (Mr. Whelan) with respect to his policy regarding the importation of pesticides and herbicides from the U.S.A. by Canadian farmers for their own use.

This capitulation to the multi-national companies at the expense of the Canadian farmer was disguised as an environmental safety precaution. Moreover, the monitoring system which would ostensibly protect the farmer and ultimately the consumer will be headed by a toothless, bureaucratic body. Under the past system, some farmers were effecting real savings by banding together and going south of the border for their purchases of agricultural chemicals. This in turn forced Canadian distributors of the American products to cut their prices.

Suddenly we find that regulations under the Pest Control Products Act have been amended to revoke an exemption previously given to the farmers. This is supposedly the result of an in-depth study that concluded that the "own use" exemption was inconsistent with the intent of the act to ensure safe and effective pesticides use in Canada. apparently safeguards on imports by a producer for his own use were weaker than those on Canadian registered products.

The minister claims that protection of a domestic industry was only a secondary consideration. The move gives every appearance though of being a canny manœuvre to impose an embargo on pesticides in favour of multi-nationals distributing their products in Canada through dealers.

Of Canada's 300,000 farmers, the minister claims that 2,000 will benefit from the monitoring system. From past experiences, I am skeptical. Studies, reports to the minister, negotiations with the companies, procrastination, will frustrate the farmer and increase his production costs, which can only be reflected in higher food costs to the consumer.

The minister admits that 99.6 per cent of prairie farmers already buy a Canadian produced and distributed product. Was the embargo called for by the remaining .4 per cent or by Ontario corn farmers? Not highly likely! The pesticide companies became acutely aware of the benefits accruing to farmers who imported their own chemicals. They were forced to lower their prices to offset inventory surpluses and to attract their customers back. They asked for action, and were of course satisfied. The minister cannot honestly believe, and expect us to believe, that the embargo will foster a truly domestic pesticide industry, one where the decisions will be made by Canadians, in the interests of Canada.

In a speech to the Ohio Pesticide Education Association, the minister admitted that almost all pesticides used in Canada originate outside the country. The Canadian industry then is mostly a distribution business, almost completely dependent on active ingredients produced in the U.S.

Does the minister have any evidence he would like to share that, under the present circumstances, new industries are going to proliferate in Canada? My suspicions are that this is just another way the govermment has allowed multi-national companies to gain more control over our country.

The farmers' practice of importing their chemical directly, at a lower cost, was deemed an inequity partly because farmers living farther from the border could not profit in the same way. I maintain that the real price inequity was created by the middlemen, the distributors of the chemicals in Canada. This embargo will leave pricing totally in their hands. The farmers will be at their mercy. The watchdog committee does not impress me as an instrument to protect us from the gouging I foresee.

• (2210)

If the minister were truly concerned about protecting domestic agriculture, why did he not select one segment already established, one which is clearly in need of help—the food processing industry, for example? This industry has long suffered at the hands of the government's agricultural policies. This has had widespread effects on the survival of many segments of agribusiness. But the minister insists on promoting a domestic pesticide industry.

The fruit and vegetable processing industry has no guarantee of assistance beyond the arrangements provided for under the Customs Tariff Act and the Anti-Dumping Act. Overproduction in other countries frequently results in prices below cost of production, which can seriously affect industries here. Take, for example, the tomato industry in southern Ontario. Once a healthy canning interest, this segment has been continually jeopardized by cheap imports from Taiwan and Mexico. Now only a ghost of the former industry remains. Farmers, labourers, and the canneries have suffered.

Another example is the importation of "stripper potatoes" into Canada last fall. In the U.S. these substandard potatoes, culls from the regular harvest, are treated as secondary produce. But they were not so treated by the government here. Subsequently these imports enjoyed a favourable price position vis-à-vis domestic harvest. Why was there no embargo on these?

Low cost imports from the United States and Australia have cut into domestic peach and pear production as well. Processors have been forced out of business. Once the domestic industry is deposed there are no guarantees that foreign distributors will not raise their prices to whatever the market will bear.

The Horticultural Council has been calling for change for some time. I quote from its submission to the Tariff Board in 1973:

> The inequities which currently exist in the exceptionally benign entry terms for concentrated processed fruits and vegetables, especially those used for further manufacture, have inhibited the development of major processing sectors

in Canada and have displaced potential Canadian fresh fruit and vegetable production.

It is not only imported processed products which enjoy advantages over domestic products. Canning materials and other packing materials also enter the country more cheaply. As part of the processed food package they do not carry a tariff. But as raw materials for Canadian canners there is a duty to be paid on them. The end price of Canadian processed food is to that extent higher than the price of American imports. There is no fair competition. Fruit and vegetable producers lose their markets. Eventually, with no competitive domestic food industry, there is no means of controlling the import price of goods.

If big chemical firms can be protected from the farmers by embargoes on imported pesticides at the farmers' expense, surely the farmer can be protected against the more detrimental effects of international trade by a comprehensive tax structure.

Mr. Irénée Pelletier (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, in spite of what the hon. member for Okanagan Boundary (Mr. Whittaker) has stated this evening, the decision to restrict the importation of pesticides into Canada to registered products only, is one which was taken in the best long term interests of Canadian farmers.

As all hon. members are very much aware, the reputation of the Minister of Agriculture (Mr. Whelan) is certainly not one of capitulating to multinational companies, and I am sure his record is sufficient evidence of this fact. The reasons for the closing of our borders to unregistered pesticide products become very clear to anyone who has made an indepth study of the issue. Nevertheless, because of the concern expressed by everyone, as well as by the Minister of Agriculture, a monitoring system has been established which will assure our farmers that they are receiving pesticide products at competitive prices. It is hoped this measure will assist in the growth of a Canadian pesticide manufacturing and formulating industry thereby providing producers with an even broader spectrum of products and services than is now available. The continued entrenchment of the Canadian pesticide industry which had been occurring prior to this announcement was serioulsy jeopardizing the future availability of pesticide products to Canadian farmers.

As the minister announced in his press release of March 4, an advisory committee is being established to inform the minister on a continuing basis of the supply and price situation in Canada and other countries. This committee will have representatives from government, the Canadian Agricultural Chemicals Association, and farm organizations. The minister has informed me that should any unreasonable situations occur he will be quick to take appropriate action.

Of course the hon. member may be able to cite instances in which pesticides are cheaper in the U.S. than they are in Canada. At the same time, it should be recognized that there are numerous instances in which the reverse situation exists. Taking into consideration the long-term costs which would be incurred by the importation of unregistered pesticide products by some 2,000 of Canada's more than 300,000 farmers, the security of supply and improved performance by the Canadian pesticide industry resulting from this decision will be of unquestionable benefit to the Canadian agricultural community.

[Mr. Whittaker.]

VETERANS AFFAIRS—STATUS OF PLAN FOR NEW HOSPITAL SYSTEM IN NOVA SCOTIA

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, the veterans of Canada did me a very great service a number of years back, and I hope to do the veterans of Nova Scotia some small service by taking part in the late show this evening. I can put the case for the development of a new veterans complex on the Camp Hill site in Halifax no better than it was presented on February 24, 1970, to the Prime Minister (Mr. Trudeau), by Mr. D. A. Hartlen, secretary-manager of the Scotia branch No. 25 of the Royal Canadian Legion. In his letter to the Prime Minister he said, in part, that his members—

—do strongly oppose the phasing out of DVA hospitals across Canada and the reducing of staff at such hospitals.

Veterans stand apart in that they gave their all to their country, even through death.

For those who paid the supreme sacrifice there is little the government can do but to see their dependents are not in need.

I do not think that any words of mine could ever really add to the message which Mr. Hartlen so well presented to the Prime Minister at that time. The question was the future of veterans hospitals.

Perhaps the message did get through to the Prime Minister because the government started to develop the concept of a new veterans complex on the Camp Hill site in the centre of older Halifax. Looking at my file on this matter, which has mellowed through age but has not really achieved the results I would have liked to see, I notice that in 1971 I was engaged in brisk correspondence with the then minister of veterans affairs, Mr. Jean-Eudes Dubé, over the future of the Red Cross Lodge at the Camp Hill hospital and I was assured by Mr. Dubé that in the negotiation of any future agreements of transfer Red Cross Lodges would be fully protected for as long as the Canadian Red Cross continued their operations for the welfare of hospital patients, meaning veteran hospital patients.

Then I move on to the time when the veterans affairs committee met on April 25, 1972, when Dr. K. S. Ritchie, assistant deputy minister of hospitals of the Department of Veterans Affairs, said the situation so far as Camp Hill hospital was concerned was quite fluid at the time. He went on to say:

There was a task force established some two years ago—

That would be in 1970.

—to study the possibility of a joint-use hospital on the Camp Hill site which will involve the Department of Veterans Affairs, the Department of National Defence, the university—

That would be Dalhousie University.

—and the community in a community hospital, and also for rehabilitation.

Then let me march on briskly without further comment to October 22, 1974, when again the veterans affairs committee is meeting. At that time I raised certain questions, and Dr. A. F. Jones, director general of treatment services of the Department of Veterans Affairs, was answering. He said:

> Mr. Chairman, with respect to the consultants, there are four local Halifax firms under consideration by the Department of Public Works, which is charged with the responsibility for designating them with the concurrence of our minister, and this designation is to be made hopefully in the very near future. The target dates for the planning are one year from September, and hopefully the tenders will be let a year from September. This was the target frame proposed at the time the announcement was made.
>
> MR. MCCLEAVE: A year from last September.
>
> DR. JONES: That is right.

That was the exchange which took place almost three years ago. Perhaps even before that time—I am not quite sure, memory tends to fade over the years—there was a very beautiful brochure presented showing what Camp Hill hospital should be like. There were negotiations, discussions, and a great beating of drums between the federal and provincial governements; there were visitations back and forth, statements by the Minister of Veterans Affairs (Mr. MacDonald), and statements by the provincial minister of health in Nova Scotia, and still nothing concrete has been realized.

● (2220)

I suspect—I do not know—that the hospital perhaps has become a victim of a retrenchment program of the present government practised both here and on occasion by the provincial government of Nova Scotia, but I do not know, and that is the purpose of my speaking here this evening. I want to find out when we might expect either some meaningful activity, or a statement that it will not take place and that the veterans of Nova Scotia will not get what has been promised to them over the years.

It seems shameful in a way that these people should be treated in such a fashion. It has been a long, long time, and I could make the situation seem much worse by an outpouring of hot, heavy abuse. One might call it a dereliction of duty toward people who, after all, when they served us did not spare their efforts. But I am not going to do that. I simply want to know: is it going to be or is it not going to be?

Mr. S. Victor Railton (Parliamentary Secretary to Minister of Veterans Affairs): Mr. Speaker, I am very pleased to be able to answer some of the important questions that the hon. member for Halifax-East Hants (Mr. McCleave) has raised with regard to the transfer of Camp Hill hospital. I think we should first realize that the principles under which the Department of Veterans Affairs has entered into this transfer business have been thrashed out in parliament over many years. It seems fairly obvious to many of us that the worry about not giving veterans proper care is not really supported by the facts that have taken place. It is our duty to care for veterans properly and creditably. Acute care is better carried out in acute hospitals which are under provincial jurisdiction, as the hon. member knows.

The care of veterans who have been disabled in the service of their country is assured. Veterans who have reached the age of infirmity, or have some handicap for reasons other than service, have some priority in access to beds. These are the principles under which we are working. Of course the hon. member will realize that these are the principles, plus the fact that it is important that the people who have looked after the veterans for many years as employees of these hospitals be not turfed out. The rights of these people should also be protected.

There is a certain amount of criticism. I do not want the hon. member to think that I am criticizing him for the sake of criticism. I think it is his duty to inquire and to make sure that veterans have proper care, but I assure him that we are giving proper care.

In the case of Camp Hill hospital, in 1974 a plan was developed to build a new active treatment hospital on the Camp Hill site, which would have involved the participation of both the Department of Veterans Affairs and the Department of National Defence. I think the hon. member realizes that.

In 1975, the very next year, the Department of National Defence was unable to participate in the development of the planned 250-bed active treatment hospital, leaving only a 150-bed requirement for the Department of Veterans Affairs, and this is not a viable unit for active treatment from the point of view of size.

There have been very recent discussions with officials of the department of health of the province of Nova Scotia with a view to the transfer of Camp Hill Hospital to their jurisdiction, and I expect a final decision on the matter will be made quite soon. In the event of such a transfer materializing, the amount of money which previously would have been the department's share of the new hospital development will form the capital grant on transfer, to be spent in developing facilities for the benefit of veterans. I think that should be reassuring.

In the event of a transfer occurring in Halifax, the terms and conditions required by the federal government will be in full effect—this is what I have talked about—as they have been in all previous transfers.

There will be a guarantee of priority access beds for active treatment of all veterans for their service incurred disabilities. That is the first category. In addition, it will be established that regional health facilities can fully respond to the requirement of other than pensioned veterans as far as active care is concerned. In other words, we have to be absolutely persuaded that this will be properly taken care of.

Full arrangements will be made for satisfactory transfer of all federal employees of the hospital so that they will have, under the new jurisdiction, globally equivalent rights and benefits to those which are now enjoyed in the federal Public Service. I might add that both veterans' organizations and staff associations have been kept informed of developments.

Mr. Deputy Speaker: Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at two o'clock p.m.

Motion agreed to and the House adjourned at 10.30 p.m.

HOUSE OF COMMONS

Wednesday, March 16, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT ADMINISTRATION

PROPOSED COMMITTEE STUDY OF AGREEMENT WITH UNITED STATES ON INVESTIGATION OF PURCHASES OF BOEING AIRCRAFT—MOTION UNDER S.O. 43

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I propose to move a motion under this most useful of standing orders, Standing Order 43, which has to do with a matter of urgent and pressing necessity arising out of the collusive arrangements, which can best be described as a mutual concealment pact, made between the Attorney General of Canada and the attorney general of the United States, dated March 15, 1977.

An hon. Member: Beware the Ides of March.

Mr. Baldwin: I would move, seconded by the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn):

That this House demands that the government explain fully the circumstances leading to this imprudent and dangerous agreement and, furthermore, on the basis that parliament has the primary responsibility to inquire into the proper expenditure of taxpayers' money for the purchase of aircraft and supplies from Boeing Aircraft, that the agreement of March 15 and related circumstances be referred to the Standing Committee on Public Accounts.

Mr. Speaker: Order, please. Pursuant to Standing Order 43, such a motion can only be presented for debate with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

HOUSING

REQUEST FOR INCREASED FUNDS FOR HOUSING FOR LOW INCOME GROUPS—MOTION UNDER S.O. 43

Mr. John Gilbert (Broadview): Mr. Speaker, I wish to move, under Standing Order 43, a motion on a matter of urgent and pressing necessity. In view of the serious human misery and economic waste associated with the high unemployment level in all regions of this country, the tremendous need for low-income housing evidenced by long waiting lists in the urban centres of Canada, and the fact that the most recently available official statistics show that over 155,000 construction workers are unemployed, I move, seconded by the hon. member for Greenwood (Mr. Brewin):

That this House urges the government, in the joint interests of creating employment and assisting low-income Canadians in their housing difficulties, to reverse the policy of Central Mortgage and Housing Corporation, as announced yesterday, and increase, not decrease, financial housing support for low-income Canadians.

Mr. Speaker: Order, please. Pursuant to Standing Order 43 such a motion can be presented for debate only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

SOCIAL SECURITY

POSSIBILITY OF ESTABLISHING GUARANTEED ANNUAL INCOME PLAN—MOTION UNDER S.O. 43

Mr. C. A. Gauthier (Roberval): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to move a motion of urgent and pressing necessity.

In view of the fact that Canada has the highest unemployment rate of its history, as there are over a million unemployed; that in the long run such conditions will only worsen unless we reject the entire modern technology; that owing to that technology it is increasingly utopian to think about full employment without going 50 years back, I move, seconded by the hon. member for Bellechasse (Mr. Lambert):

That this House urge the government to introduce immediately a bill to establish a guaranteed minimum annual income for all citizens from 18 to 65 years of age.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

● (1410)

[*English*]

THE CANADIAN ECONOMY

PROPOSED REFERENCE TO COMMITTEE OF METHODS AND PROCEDURES FOR FORECASTING UNEMPLOYMENT—MOTION UNDER S.O. 43

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of the incredible inability of this government to come to grips with matters of unemployment in this country, I move, seconded by the hon. member for Don Valley (Mr. Gillies):

That this House direct a reference of the methods and procedures of forecast and advice on matters of unemployment in Canada to the cabinet, and particularly the Minister of Finance, be made to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Speaker: Order, please. The presentation of such a motion pursuant to the Standing Order can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

LABOUR RELATIONS

PROPOSED COMMISSION TO STUDY LOSS OF JOBS RESULTING FROM MOVE OF CAST SHIPPING—MOTION UNDER S.O. 43

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, pursuant to the provisions of Standing Order 43, I request the unanimous consent of the House to move a motion concerning an urgent and important matter.

Last March 7, along with 17 government members, I visited the authorities of the port of Montreal. We saw then that a serious problem threatened the economic future of that port and might cause the loss of hundreds of jobs not only in the constituency of Hochelaga, but also in the neighbouring constituencies. Given the answer made last Thursday by the Minister of Transport (Mr. Lang) to the hon. member for Sainte-Marie (Mr. Dupont), to the effect that it was not appropriate to make any comments at this stage, and considering that several thousands of related workers in the port of Montreal as well as 1,200 longshoremen are involved, and that the company appears to have decided to leave the port of Montreal, I move, seconded by the hon. member for Joliette (Mr. La Salle):

That the House unanimously request that the Minister of Transport (Mr. Lang) set up a committee composed of four representatives of the government and one representative of all other parties who would meet the employers' association and the Cast Shipping Company Ltd. to examine that matter on which the economic future of the port of Montreal depends, without any prejudice to all the other ports of the Atlantic.

[Mr. Speaker.]

Mr. Speaker: Order, please. The House has heard the motion of the hon. member. Pursuant to the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; therefore the motion cannot be put.

* * *

[*English*]

PERFORMING ARTS

REQUEST FOR RE-EXAMINATION OF GOVERNMENT COMMITMENT TO FUNDING—MOTION UNDER S.O. 43

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I rise under the provisions of Standing Order 43. In view of last night's excellent performance at the National Arts Centre by the National Ballet which marked their twenty-fifth anniversary, and in view of the Liberal government's inadequate support of the arts as witnessed by the necessity of IBM funding part of the cost of the performance, including paying for and giving to the cabinet a block of seats for the performance, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House request the government to re-examine its commitment to funding the arts in Canada, and in the future ministers pay their own way.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The presentation of such a motion for debate requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

THE CANADIAN ECONOMY

REQUEST FOR BUDGETARY PROVISIONS TO REDUCE LEVEL OF UNEMPLOYMENT—POSSIBILITY OF NEW JOB CREATION PROGRAMS

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is to the Prime Minister. Yesterday the Minister of Finance told the more than one million Canadians who are out of work today to just wait and see if their government cares enough about their predicament to try and create jobs. I would like to ask the Prime Minister, without revealing the details of his budget, whether he will give the House of Commons and

the people of Canada, including the more than one million unemployed, a firm commitment today that a primary target of the budget that will be brought in at the end of this month, and federal economic policy generally, will be to break the existing pattern of growing unemployment and get Canadians back to work.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if the Leader of the Opposition had been observing and listening to the government's words and actions, he would know that his question is purely rhetorical. It is obvious that the budget is going to be showing very great concern for the unemployment situation. We do not need the Leader of the Opposition to ask that kind of question.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Clark: Mr. Speaker, we have been watching the mainly words and ineffective action of the government during a decade of drift in national economic policy.

Some hon. Members: Hear, hear!

Mr. Clark: So have more than one million Canadians, the highest total in the history of this country, who are now out of work because of the policies of this government. I ask the Prime Minister again, if not out of courtesy to this House then at least to demonstrate some care for the plight of the million Canadians, and millions more dependent on them, who are now out of work, to give us an unequivocal commitment right now that the major thrust of the budget which is shortly to be brought down and of government economic policy will be to break the pattern created by the government by its words and by its actions and create conditions as soon as possible which will find jobs for those who need work now in Canada.

Some hon. Members: Hear, hear!

Mr. Trudeau: The first intervention of the opposition was properly called a rhetorical question. And now, that is a rhetorical suggestion. Thank you very much.

Some hon. Members: Oh, oh!

Mr. Clark: The Prime Minister plays word games while a million Canadians are out of work.

An hon. Member: What's a million?

Mr. Clark: My colleague asks the Liberal question "What's a million?" It is now "What's a million unemployed?"

Some hon. Members: Hear, hear!

Mr. Clark: I should like to ask the Prime Minister now, since the budget measures, if there are any, to create employment in Canada will take at least six months to work through the economy, and since the job creation projections of the government have already fallen short by 100,000 of their target for last year, whether the government is planning to introduce any new job creation programs which will help to get Canadians back to work?

Mr. Trudeau: Mr. Speaker, the budget debate has not yet begun.

Mr. Clark: I missed the Prime Minister's reply, I presume, sir, I did not miss much.

Some hon. Members: Hear, hear!

SUGGESTED DIVERSION OF PUBLIC EXPENDITURES TO SIX PROVINCES WITH HIGHEST LEVEL OF UNEMPLOYMENT

Mr. Joe Clark (Leader of the Opposition): I should like to ask the Prime Minister now whether the government is prepared to seriously consider changing some of its public spending policies to divert funds to those six provinces in Canada where the rate of unemployment today is above the national average.

Right Hon. P. E. Trudeau (Prime Minister): This is certainly something we are looking at and I would be interested to hear from which particular provinces the Leader of the Opposition would wish us to divert funds.

An hon. Member: That is easy.

POSSIBILITY OF INDUSTRIAL STRATEGY TO AVOID FUTURE HIGH LEVELS OF UNEMPLOYMENT

Mr. Sinclair Stevens (York-Simcoe): My question is also for the Prime Minister. As we now, unfortunately, live with an unemployment figure of one million, would the Prime Minister tell us whether any steps have been taken at least to evolve an industrial strategy for Canada to ensure that in the coming years this chronic type of unemployment will not continue?

Right Hon. P. E. Trudeau (Prime Minister): The House has heard on different occasions statements on elements of our industrial strategy by the Minister of Industry, Trade and Commerce. I think one of the reasons the country is in difficulty is that Canadians are living beyond their means.

Some hon. Members: Oh, oh!

An hon. Member: The government is living beyond its means.

• (1420)

Mr. Trudeau: I can see that the opposition is prepared to start the budget debate now but not to hear the answers now.

Mr. Stevens: A supplementary question, Mr. Speaker. Since the Prime Minister has told us that people are living beyond their means, is he aware that according to 1976 figures it was increased government expenditures which led all increases of expenditures in Canada; they went up 13.5 per cent?

Mr. Speaker: Order. The hon. member for Broadview.

Mr. Stevens: A supplementary question.

Mr. Speaker: Order, please. At least adhering to the theory that a supplementary question must grow out of the answer to the one asked previous to it, I can scarcely grant a supplementary question to an unanswered question. The hon. member for Broadview.

* * *

FINANCE

REQUEST FOR INCREASED FINANCIAL SUPPORT FOR HOUSING FOR LOW INCOME GROUPS

Mr. John Gilbert (Broadview): Mr. Speaker, in the absence of the Minister of State for Urban Affairs my question is directed to the Minister of Finance. In view of the fact that CMHC's budget, which was tabled yesterday, contains a massive swing away from the funding of rental housing for low and moderate income Canadians, and in view of high unemployment for construction workers and CMHC figures which show low vacancy rates in metropolitan areas across Canada, may I ask the minister to reserve the incredibly regressive and unfair policy announced yesterday and to increase financial housing support for low income Canadians?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would have to consult with my colleague the Minister of State for Urban Affairs in this regard. I would remind the hon. gentleman that in the year just completed we have constructed a record number of houses, particularly, as he knows, in the low income area.

Mr. Gilbert: A supplementary question, Mr. Speaker. In view of the fact that it has been decisively documented that the Canadian Council on Social Development has indicated that one third of all Canadians cannot afford decent housing, and that programs like assisted rental and AHOP do not help them because they are directed at families with higher incomes, and given our severe shortage of rental housing, how does the Minister of Finance plan to assist families with incomes below $10,000?

Mr. Macdonald (Rosedale): Mr. Speaker, as the hon. gentleman knows, both from his constituency and mine, the government of Canada has taken the lead in providing housing for low income families, for example in the Dundas-Sherbourne project where we pay 95 per cent of the capital cost. It is a continuation of that kind of assistance which will, in addition to the AHOP program, be of most assistance on the government side.

Mr. Gilbert: A final supplementary question, Mr. Speaker. I would draw the minister's attention to this year's record number of unsold and over-priced housing completions. In view of the fact that last year's record number of housing starts are priced at levels well beyond the capacity of most Canadian families, will the minister reconsider the budget allocations for the non-profit and co-op programs, allocations which, as they presently stand, have not been increased to account for inflation factors?

[Mr. Stevens.]

Mr. Macdonald (Rosedale): Again, Mr. Speaker, I would just emphasize the fact that the great weight of the federal government's housing policy has been for those in low income groups.

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[*Translation*]

ADMINISTRATION OF JUSTICE

POSSIBILITY OF FEDERAL GOVERNMENT PARTICIPATING IN QUEBEC INQUIRY INTO OCTOBER, 1970 CRISIS

Mr. René Matte (Champlain): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister.

A book recently published by Mr. Pierre Vallières clearly infers that, both before and during the October 1970 crisis, the Prime Minister played a part which had consequences, which cast very serious doubts on his integrity during the October 1970 crisis. Would the Prime Minister tell the House what steps he will take to disprove these allegations?

Right Hon. P. E. Trudeau (Prime Minister): Unless I am mistaken, Mr. Speaker, Mr. Vallières was himself a member of the FLQ. The hon. member should therefore realize that his statements might not be quite objective.

Mr. Matte: Mr. Speaker, I have a supplementary question.

Since the Prime Minister has kindly offered to co-operate to a possible inquiry into the October 1970 crisis by the Quebec government, could he tell the House clearly and precisely why he limits his co-operation to a provincial jurisdiction?

Mr. Trudeau: Mr. Speaker, I do not think that the Quebec justice minister would meddle with areas of federal jurisdiction. His inquiry cannot deal with matters under federal jurisdiction. I recently suggested to the hon. member that if there were ways whereby we could voluntarily provide the justice minister with information which could help him, we should be glad to co-operate.

REQUEST FOR PUBLICATION OF REPORT OF NOVEMBER 20, 1970 AND PROCEEDINGS OF COMMITTEE ON OCTOBER, 1970 CRISIS

Mr. René Matte (Champlain): Mr. Speaker, I wish to ask a final supplementary.

The Prime Minister knows very well that all explanations required by the House and the public are under federal jurisdiction. In other words, will he agree to make public the committee report dated May 7 and submitted to the federal cabinet on November 20, 1970, as well as the proceedings of the numerous working sessions of that committee which were held before the kidnapping of James Cross and Pierre Laporte and the promulgation of the War Measures Act?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know to what the hon. member is referring when he gives those dates and references, but the question itself is misleading because he says it concerns essentially the federal

jurisdiction. Moreover the hon. member should remember that his party supported the federal government at the time of the promulgation of the war measures. He should also remember that the federal government did nothing less than promulgate an act which allowed the province of Quebec, through provincial police forces, to take certain measures, to bring some people before the court, and that the province of Quebec also asked the federal government to send the Canadian army there. All the government did was to cooperate with the province of Quebec.

* * *

[*English*]

GOVERNMENT ADMINISTRATION

USE OF $1 VOTES IN ESTIMATES TO CIRCUMVENT PARLIAMENTARY CONTROL

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I should like to direct a question to the President of the Treasury Board. It arises out of the presentation of estimates, particularly supplementary estimates (D). Given the importance which the Auditor General has placed upon the need to provide more adequate and meaningful information in the estimates as well as the methods of examination as a prerequisite to restoring parliamentary control and accountability, I ask the minister if he does not consider the extensive use of $1 items as presented in supplementary estimates (D)—I might say there are some 52 of these in total—as effectively circumventing parliamentary control and running against the grain of the recommendations of the Auditor General. I ask if the minister intends to do anything about this particular abuse since it is clearly in violation of the accountability and responsibility of parliament.

Hon. Robert K. Andras (President of the Treasury Board): The hon. member's concern about the use of $1 votes in supplementary estimates for potential policy items is a matter on which we would all prefer change, but I think the response to that would require a more thorough change associated with the procedures of the House to make it possible.

Mr. Mazankowski: I am not sure whether or not the minister agrees with the abuse of $1 items, but may I simply ask the minister if he can say to the House whether he concurs with the use of $1 items as a vehicule for establishing Crown corporations, for writing off debt, and for changing legislation, which is done in supplementary estimates (D) as they have been presented in the House? Does he not consider it to be an abuse, indeed a violation, of the rights of parliament?

Mr. Speaker: Order, please. In so far as the hon. member's question relates to matters of procedure, it might better be raised by way of a point of order rather than as a question to the minister.

Mr. Mazankowski: Mr. Speaker, with all due deference I should like to point out that my question was not a question on procedure but a question on policy and on what the minister's position is with regard to the use of $1 items in supplementary estimates.

Some hon. Members: Hear, hear!

Mr. Speaker: That should be explored by way of a point of order, with all due respect.

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CONSUMER AFFAIRS

ALLEGED FRAUD IN SALE OF BUTTER—REQUEST FOR INVESTIGATION

Mr. Heward Grafftey (Brome-Missisquoi): My question is directed to the Minister of Consumer and Corporate Affairs. Is the minister aware of and investigating the following problem, namely, that throughout Ontario there is at present a massive consumer rip-off being perpetrated by segments of the butter industry? Specifically, I am speaking about disproportionate and large amounts of lard being used in the production of butter and the sale of margarine as butter by certain companies throughout the province of Ontario. Is the minister investigating this matter?

● (1430)

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Mr. Speaker, I confess that until the hon. member brought this to my attention I had not heard of it, but I will make immediate inquiries.

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ROYAL CANADIAN MOUNTED POLICE

ALLEGED FRAUD IN SALE OF BUTTER—POSSIBILITY OF INVESTIGATION

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I would like to pose a supplementary question to the Solicitor General. Has it been brought to the attention of the Solicitor General that a fraud has been perpetrated throughout the province of Ontario by certain butter companies selling margarine as butter and selling butter containing lard? Is the minister investigating this problem? Has the government been aware of it for some time? Can the minister report anything to the House on this matter?

Hon. Francis Fox (Solicitor General): Mr. Speaker, no report to that effect has been brought to my attention.

[*Translation*]

INQUIRY WHETHER THE FORCE HAS BEEN ASKED TO PROTECT SEAL HUNTERS

Mr. Albert Béchard (Bonaventure-Îles-de-la-Madeleine): Mr. Speaker, my question is directed to the Solicitor General.

Could the minister tell the House whether Newfoundland provincial authorities or any Canadian individual or organiza-

tion asked him to dispatch RCMP reinforcements to protect Mr. Brian Davies and his host of Brigitte-Bardot-type whiners who have been viciously applying themselves these last few years and particularly last year and this year to prevent the fishermen who participate in the seal hunt on the ice in the Gulf of St. Lawrence at this time of the year from earning their living? These intruders act in violation of the security rules of the Department of Transport and of the rules of the Department of Fisheries and the Environment. Could he tell who made representations or demands to him, if any?

Hon. Francis Fox (Solicitor General): Mr. Speaker, the RCMP has established very close communications with the provincial governments and with security agencies in the provinces concerned. The first effect has been to increase the number of RCMP officers, even in some rural areas in Newfoundland, and in particular in St. Anthony's where the number of RCMP officers has been boosted from 5 to about 90. The RCMP is on the spot to maintain public order and peace, which should enable the fishermen to go about their work undisturbed.

[*English*]

ACTION TO PROTECT SEAL HUNTERS FROM HARASSMENT

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary for the Solicitor General. What steps is the minister taking to direct the RCMP to protect Canadian sealers, who are involved in a legitimate, government supervised operation, from harassment from these people on the ice?

Hon. Francis Fox (Solicitor General): Mr. Speaker, as far as harassment on the ice is concerned, the RCMP is acting in very close co-operation with the Department of Fisheries. The RCMP is there is to assist the fisheries officers on request.

HARASSMENT OF SEAL HUNTERS—POSSIBILITY OF CHARGES AND MODIFICATION OF LAW TO PROTECT SEAL HUNTERS

Mr. William Rompkey (Grand Falls-White Bay-Labrador): Mr. Speaker, I have another supplementary for the Solicitor General. In view of obvious illegalities which have been committed at the front and in view of this unwarranted interference, have any charges been laid by private people or by the RCMP?

Will the Solicitor General consider modifications to the law in time for the sealing season next year to give further protection to sealers at the front?

Some hon. Members: Hear, hear!

Hon. Francis Fox (Solicitor General): Mr. Speaker, I can well understand the hon. member's concern. I am not aware whether charges have been laid against any participants to date, but as I indicated before, the RCMP is there to ensure that lawful activities can be carried out.

As to the question of amendments to the law, I would be pleased to take up the matter with the Minister of Fisheries.

[Mr. Béchard.]

ADMINISTRATION OF JUSTICE

CASE AGAINST BRIAN DAVIES UNDER SEAL PROTECTION ACT—STATUS OF APPEAL

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I have a question for the Minister of Justice. Brian Davies is now proceeding to the seal hunt, and there is still a case before the courts concerning his deliberate contravention of the Seal Protection Act. Can the minister indicate what progress has been made with regard to the appeal? If the appeal is delayed too long, other people will use that as a precedent to contravene the Act just as Brian Davies did.

Hon. Ron Basford (Minister of Justice): Mr. Speaker, as I informed the hon. member some time ago, the notice of appeal has been filed. I do not know at the moment where it stands on the court list, and obviously the question of when it is called for hearing is a matter for the Chief Justice of the court and not for the Minister of Justice.

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GOVERNMENT ADMINISTRATION

REASON FOR AGREEING WITH UNITED STATES TO RESTRICT USE OF INFORMATION CONCERNING SALES ACTIVITIES OF BOEING AIRCRAFT

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Prime Minister. In light of the fact that the agreement between the Attorney General of Canada and the Attorney General of the United States dated March 15, 1977, with which I am sure the Prime Minister is thoroughly familiar, places an extremely restricted use on information gathered with respect to the sales activities of the Boeing Aircraft Company in Canada, will the Prime Minister explain to this House why his government entered into such a silly and improper arrangement which has the effect of concealing information from parliament, which, after all, in the minds of some of us on this side is still the highest court in the land?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Canadian government itself wanted to make sure that in this agreement care was taken so that the extra-territorial application of United States laws in Canada or Canadian laws in the United States would not follow from this agreement, and that is the reason there was a great deal of care taken in the execution of this agreement.

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ADMINISTRATION OF JUSTICE

REASON FOR AGREEING WITH UNITED STATES TO RESTRICT USE OF INFORMATION CONCERNING SALES ACTIVITIES OF BOEING AIRCRAFT

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a supplementary question for the Minister of Justice. I take back

what I said about the Prime Minister being aware of the contents of the agreement.

It being now known that Canadians may use the United States freedom of information law to obtain facts, knowledge and documents which this government is afraid or unwilling to produce, was a reason for the agreement in question being made between the minister and the Attorney General of the United States to prevent the operation of that law both in the United States and in Canada so far as obtaining data about the sales activities of Boeing in this country?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, the hon. member is capable of the most perverse interpretations of the facts. The position taken by the hon. member is really rather an outlandish one. Only two weeks ago hon. members opposite were demanding to know what the government of Canada was doing about these allegations by the Security Exchange Commission.

Mr. Clark: Now we will never know.

Mr. Basford: As a result of our desire to find out whether there was any information involving Canadians which would warrant a Canadian investigation, the hon. member is now objecting to our entering into the very agreement which would allow us to have the information we require in order to make a proper assessment of whether an investigation should be conducted. It is no wonder that the Canadian public is so confused about the position of the opposition, and that confusion is indicated in the Gallup Poll.

Some hon. Members: Hear, hear!

POSSIBILITY OF ALTERING AGREEMENT WITH UNITED STATES ON INFORMATION CONCERNING SALES ACTIVITIES OF BOEING AIRCRAFT

Mr. G. W. Baldwin (Peace River): Mr. Speaker, given the track record of this government of successfully stifling judicial and parliamentary inquiries—

Some hon. Members: Shame!

Mr. Baldwin: —into collateral improprieties and misdemeanors with regard to a number of incidents which have happened in this country and which hang like a necklace of garbage around the neck of this government,—

Some hon. Members: Hear, hear!

Mr. Baldwin: —will the minister not consider securing alterations to this agreement so that information will be made available to this parliament so that we can exercise our responsibility with regard to finding out what happened to money belonging to the taxpayers of this country?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, such an agreement would not be obtainable from the United States. The agreement entered into yesterday is similar to agreements which were entered into by the United States in somewhat similar circumstances with, for example, Belgium and Japan with regard to the Lockheed matter. The agreement is drawn in accordance with United States and Canadian law and practice, namely that matters under investigation by police authorities are confidential until charges are laid. That is a well established practice not only in the United States but also in Canada, and thank heaven that that is the practice in Canada.

EFFECT OF AGREEMENT WITH UNITED STATES ON INFORMATION CONCERNING SALES ACTIVITIES OF BOEING AIRCRAFT

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my supplementary question is also to the Minister of Justice. Because this agreement is not a very subtle restriction of the free flow of information, and a confidential release of this information is restricted only, according to the agreement, to law enforcement agencies to be used exclusively in legal proceedings, where would this leave a valid, legal and justified examination, for instance, by the Auditor General with regard to the public accounts relating to this matter or by a parliamentary body such as the Public Accounts Committee if, for instance, we wanted to examine officials in the Department of Transport, Air Canada or particularly the Department of Supply and Services?

Mr. Speaker: Order, please. By its very nature that question is hypothetical.

* * *

● (1440)

CANADIAN BROADCASTING CORPORATION

INQUIRY INTO ALLEGED SEPARATIST BIAS OF RADIO-CANADA—REQUEST THAT MINISTERS FORWARD SPECIFIC CHARGES

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, my question is for the Prime Minister. In view of the Prime Minister's request that the CRTC conduct an investigation into the alleged separatist bias of Radio-Canada, charges of bias which have been made primarily by his own cabinet ministers, has the Prime Minister instructed those ministers to forward to the CRTC specific examples of separatist bias so that the CRTC can conduct a meaningful investigation under the terms of reference set out by its chairman?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am sure that anyone in this country who has evidence of bias will be communicating with the CRTC. I hope they will do that.

Mr. Symes: A supplementary question, Mr. Speaker. Since the CRTC has received fewer than six complaints about alleged bias, and since obviously the Prime Minister, when giving his earlier assurance that the inquiry was not a witch hunt, must have been convinced of the weight of the evidence of his ministers concerning such alleged bias, surely, since the

Prime Minister called the inquiry on the basis of evidence which his ministers possessed, it is incumbent on him to instruct his ministers to forward those examples of bias to the CRTC, or else call off the investigation; because the chairman says that without hard evidence he cannot proceed.

Mr. Trudeau: Mr. Speaker, I just answered by saying that I hope people who have evidence about bias will be communicating with the CRTC; and this includes ministers, Mr. Speaker.

* * *

ADMINISTRATION OF JUSTICE

REQUEST FOR REVIEW OF PAROLE PROVISIONS RELATING TO DANGEROUS SEX OFFENDERS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question needs to be addressed either to the Solicitor General or the Minister of Justice. On February 25, 1977, the Saskatoon parole division wrote a letter to the Calgary parole division about a certain inmate who is now on mandatory parole by right of law, who has been charged and involved with indecently assaulting females aged seven, three and 18, and whose record goes back to 1971. The Saskatoon board has warned the Calgary board that this person is very dangerous and could in future dispose of his victims. My question is this: Will the minister review this case with parole authorities both in Saskatoon and Calgary and also review the law which permits, against the will of the board, this man to be free in society in these circumstances, even under mandatory supervision? The man in question is now at large in Calgary.

Hon. Francis Fox (Solicitor General): Mr. Speaker, may I answer that question? May I point out to the hon. member that the individual to whom he referred was released because he had completed that part of his sentence under which he could be held. In other words, the statutory remission which was introduced by the prior government in 1961 applied, and the parole board had no authority to keep him behind bars. On the other hand, under an amendment passed by this government in 1970, the individual in question was brought before the courts in 1975 and a plea of habitual criminal was accepted by the courts at that time. If the individual is free today it is because he has completed his sentence according to laws in force in this country.

Mr. Woolliams: Mr. Speaker, may I ask this supplementary question? I know the law was changed in 1970; will the minister review that law which was passed in 1970, particularly section 15 which permits these people to be parolled; and neither the Parole Board of Canada whose head office is in Ottawa nor the regional boards have authority to prevent the release of such dangerous sex offenders before their term of imprisonment has expired? I ask this question because there have been two murders in Calgary in the last month. Two young girls were murdered and one accused is being charged with committing the murders while he was on such release.

[Mr. Symes.]

Mr. Fox: Mr. Speaker, the whole question of statutory remission and of dangerous offenders will be brought before parliament I hope in the near future in the successor to Bill C-83, which dealt with a number of these concerns.

Mr. Woolliams: A final supplementary question, Mr. Speaker. In view of the anxiety of people not only in Calgary but in other urban centres of this country, will the minister investigate this case, to see if some other legal procedure can be taken to safeguard the public?

Mr. Fox: Mr. Speaker, of course I am willing to examine the matter, to see if there are any other safeguards which can be invoked. I am informed at the moment, after having examined the case in full detail, that there is really no legal recourse at the moment which would permit the reincarceration of this individual, since he has now completed his sentence.

Mr. Woolliams: What about the act concerning the mentally ill?

* * *

GRAIN

WHEAT—NATURE OF AGREEMENT ENTERED INTO WITH UNITED STATES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Transport in his capacity as the minister who reports for the Wheat Board. It has to do particularly with negotiations which have been going on between himself and the Secretary of Agriculture of the United States, Bob Bergland, whereby, if press reports are correct, there has been an endeavour to establish a cartel or price fixing arrangement. Press reports on the subject have been meagre, but public opinion has been aroused among the farmers of western Canada and those of the United States because of the stockpiles of wheat which are mounting. In the United States there will be 1.1 billion bushels of wheat by June, and in Canada, 550 million bushels. I ask the minister this: Will he take the House into his confidence and let the farmers, particularly of western Canada, know what agreement he entered into, and say that farmers will not again have to submit to the control of acreage, or of quotas, such as prevailed under the LIFT program, whereby farmers lost tens if not hundreds of millions of dollars? That is their concern at this time.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, they are bound to be concerned if they have listened to very much of the talk of the right hon. gentleman, who refers to press reports and then obviously reads only a few of them. There has been a pretty full explanation—

Mr. Diefenbaker: By whom?

Mr. Lang: —of what we are attempting to do. Secretary Bergland and myself—

Mr. Diefenbaker: In parliament?

Mr. Lang: In parliament. The hon. gentleman was not present earlier to hear answers directed to the hon. member for Mackenzie, to which he could have referred. Those discussions are designed to lead to some sensible pricing at the bottom level, to protect farmers against what happens when reserves which are essential for food security in the world exist and are not appreciated as reserves but treated as depressants on the market. Mr. Speaker, I can say to the right hon. gentleman that as a result of five meetings I had last weekend across the three prairie provinces, and many more contacts with farmers, I know that they are delighted indeed that we are taking these steps, and look forward, unlike the right hon. gentleman, to the success of those negotiations and, once again, to firm guarantees against too low prices for grain.

Mr. Diefenbaker: Mr. Speaker, the gratuitous observation regarding western farmers being enthusiastic about the minister received an answer in two provincial by-elections in which he participated. Instead of making announcements outside parliament, to the detriment of the House of Commons, will he immediately explain something of the plans he has in mind, those ephemeral plans of his, which will result in the western farmer getting another "lift" in that part of his exterior to which no reference will be made by me.

Mr. Lang: Mr. Speaker, once again the right hon. gentleman sprinkled his question with complete untruth, even to the point of suggesting that I had participated in by-elections in which I had not participated.

Some hon. Members: Oh, oh!

Mr. Lang: Mr. Speaker, if, instead of the right hon. gentleman's making these false statements and silly insinuations, he would ask question of fact, of course I would answer them and he would have every answer to his questions. But of course, he chooses not to put any questions at all.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Mr. Speaker, I do not know whether words such as "untruth" and the like are parliamentary. All I can say to the hon. gentleman is that I will not depart from parliamentary practice when I say that his statements indicate the antithesis of what the truth actually is.

* * *

● (1450)

THE CANADIAN ECONOMY

REQUEST FOR CLARIFICATION OF PRIME MINISTER'S STATEMENT "TOO MANY CANADIANS LIVING BEYOND THEIR MEANS"

Hon. Robert L. Stanfield (Halifax): Mr. Speaker, I would like to address a question to the Prime Minister. It arises out of his assertion that Canadians are living beyond their means. I would like a little more precision with regard to this. Does he mean that too many Canadians are having swimming pools built?

Some hon. Members: Hear, hear!

* * *

ADMINISTRATION OF JUSTICE

USE OF WRITS OF ASSISTANCE—REQUEST FOR REPORT ON STUDY

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, I will move on to another matter. I would like to address my questions to the Minister of Justice. Has the minister had an opportunity to consider the whole matter of writs of assistance in view of the compelling arguments against those statutory provisions whereby judges have no discretion in the issuance of these writs and there is no time limit imposed upon the duration of these writs? Having regard to the fact that some limitation will not impede law enforcement, is the minister now in a position to make a categorical statement that there will be changes in the statutes to bring these provisions within reasonable bounds?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, the hon. member's question indicates that he believes that the use of writs of assistance should be continued. I indicated to the House that I was conducting a fundamental review of whether, and to what extent, they should be continued in our law.

Mr. Hnatyshyn: Will the minister now commit himself to this House that in the course of his investigation he will, in conjunction with the Solicitor General, review all of the outstanding writs and make a voluntary termination of those writs that are not needed now by individuals in the RCMP in connection with enforcement of the Customs Act or for whatever statute they were obtained?

Mr. Basford: Mr. Speaker, that is obviously part of the review that is underway. In the meantime, I have indicated that neither myself nor the Minister of National Health and Welfare will apply to the court for any additional writs. Obviously part of the review of whether writs should be continued will be a review of those ultimately holding writs now.

* * *

MANPOWER

DELAY IN PROCESSING APPLICATIONS FOR OFFSHORE FARM LABOURERS—GOVERNMENT ACTION

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, in view of the fact that the minister has several times indicated that the offshore labour program would be operative for farmers in 1977, and further, I have firsthand information that large numbers of farmers in my area, in Burlington and in the

Niagara district, have applied at their local CMC centres only to discover that their applications are not being processed, will the minister instruct his CMC officials to process these applications forthwith to permit these farmers to obtain the labour necessary to get on with food crop production on their farms?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, in arriving at the terms and conditions on which offshore labour would be hired this year, I fulfilled an undertaking I made to the minister of labour for the province of Ontario to write to her and giver her the terms and conditions, as I saw them and proposed to implement them. I have not had a reply from that minister. I telexed yesterday indicating that I wanted a response immediately because the farmers were waiting for an announcement.

* * *

ADMINISTRATION OF JUSTICE

POSSIBLE RESTRICTIONS ON WITNESSES APPEARING BEFORE KITIMAT PIPELINE INQUIRY

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question is directed to the Minister of Justice. On the weekend the minister announced the appointment of Dr. Andrew Thompson to conduct an inquiry into the seaward side of the Kitimat pipeline. In view of the fact that the Northern Association of Municipal Councils received some $25,000 for transportation assistance from the consortium that is seeking approval of that pipeline and those municipal councils could very well appear before Dr. Andrew Thompson during his inquiry into the pipeline, will the minister advise whether there are any restrictions presently under the law or under the Inquiries Act which would restrict this kind of lobbying of potential witnesses who may appear on such a sensitive matter as the Kitimat inquiry?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I made the announcement on behalf of my colleagues, the Minister of Fisheries and Environment and the Minister of Transport. Any questions as to the inquiry should be directed to those ministers. However, in so far as this question is concerned, without giving a legal opinion, the Inquiries Act is clear that it is up to the inquirer as to who he hears and under what circumstances he hears them.

* * *

TRANSPORT

KITIMAT PIPELINE INQUIRY—POSSIBLE FUNDING OF ADVERSARY GROUPS—LOBBYING OF WITNESSES BY PIPELINE CONSORTIUM

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I will direct my supplementary question to the Minister of Transport, as suggested by the Minister of Justice. As far as I know, and I hope the minister will correct me if I am wrong, the present inquiry by Dr. Andrew Thompson does not provide any funding for adversary groups as was done in the case of the Berger inquiry. Why is there no provision that those persons interested in the environmental side can receive funding? Can the minister also advise concerning the first question I asked of the Minister of Justice about the lobbying activities of the consortium in terms of the Northern Council? Is there any restriction on that consortium in terms of lobbying witnesses who may appear before that inquiry?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, it would be rather unusual to expect questions of assistance to various participants to appear in the actual order-in-council appointing the inquiry officer. That is a special and separate question which is being given some consideration, particularly by my colleague, the Minister of Fisheries and the Environment. As far as the other question is concerned, I would certainly be glad to have a look at any more specific allegations the hon. member would like to make. I rather think the commissioner of inquiry will be able to take care of himself and his inquiry.

* * *

[*Translation*]

CRIMINAL CODE

POSSIBILITY OF RE-ESTABLISHING CAPITAL PUNISHMENT—GOVERNMENT POSITION

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, my question is directed to the Solicitor General. I will not talk about Fox, I mean *phoques*. I am sorry!

Given the current wave of sordid crimes, mainly in the province of Quebec, and given the fact that penitentiary guards are in direct contact with some dangerous prisoners and that they fear for their personal safety as well as for policemen who deal with such criminals who have no respect for the lives of others and, finally, since the people never know when they might come face to face with dangerous individuals, could the minister tell the House if in his knowledge and belief, he intends in the near future to introduce a bill to re-establish the death penalty in order to check the wave of crimes which has been increasing ever since capital punishment was abolished?

Hon. Francis Fox (Solicitor General): Mr. Speaker, the hon. member is referring specifically to a bill which was adopted by parliament in July last year. This bill on abolition was passed during a free vote taken by a majority of members of three parties including the three leaders of the four parties represented in this House and, of course, the leader of the party to which the hon. member belongs. It is not my intention, Mr. Speaker, to go against the will of parliament. I only want to take my responsibilities and see to it that laws passed by the Parliament of Canada are applied.

[*English*]

REGIONAL ECONOMIC EXPANSION

USE OF CANADIAN SEAMEN ON CRUISE SHIP "MERCATOR ONE"

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion, if the love affair can be interrupted for a moment.

Some hon. Members: Oh, oh!

Mr. Forrestall: Mind you, I am envious. With regard to the high unemployment figures, particularly in Nova Scotia and throughout the Atlantic region, is the minister prepared to take the House into his confidence with regard to any intervention he will make to ensure that Canadian seamen, and hopefully Nova Scotians, will be given preference on board the cruise ship, *Mercator One*?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): My first comment is that jealousy will lead you nowhere, my friend. As to the main thrust of the hon. member's question about what we might be offering to the Atlantic region, as I mentioned to the hon. member for Egmont yesterday, we have indicated our support to the Atlantic area by signing an agreement with the province of Prince Edward Island. I look forward to going to Nova Scotia very soon where I will be having discussions with the authorities in an effort to escalate some of our discussions and conclude some of the agreements we have been considering for some time. As to the other part of the question, we are still looking into the matter and I hope we shall be able to achieve something.

* * *

● (1500)

CONFEDERATION

POSSIBILITY CONCESSIONS TO REGIONAL ASPIRATIONS WILL SATISFY OBJECTIVES OF PREMIER OF QUEBEC

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the Prime Minister. It arises from a statement made by the premier of Quebec in a weekend speech that by political sovereignty of Quebec he never said this meant the breakup of Canada. Does the Prime Minister consider that further concessions by the federal government to regional aspirations will meet the premier's objectives for sovereignty without the dissolution of confederation?

Right Hon. P. E. Trudeau (Prime Minister): I think it would be refreshing if the government of Quebec would say clearly that it was not looking for independence but merely for some form of interdependence. I indicated last week that if this were the case we would certainly be anxious to sit down and hear what better constitution they have in mind. But as a prerequisite to that, we would have to know that they are renouncing their objective of independence. I hope the hon. member will support me.

[*Translation*]

ENERGY

REQUEST FOR PROGRESS REPORT OF STUDIES IN SOLAR ENERGY

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I wish to ask a question to the Minister of Energy, Mines and Resources.

Since the government and the public are concerned about the depletion of our nonrenewable energy resources, could the minister tell the House if research into the use of solar energy is going on quite actively and if progress has been made in the last two years? While on this subject, could he say whether he sees early possibilities of trying to use that energy in industry?

[*English*]

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Yes, Mr. Speaker. There has been marked progress over the last couple of years in solar research in this country. There have been a number of demonstration projects supported by the federal government—I think there is at least one in every province across the country at the present time. A number of industrial applications are being considered, and I would be very pleased to provide the hon. member with details. We are considering a government demonstration project for Ottawa itself.

ROUTINE PROCEEDINGS

[*Translation*]

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

FIRST REPORT OF STANDING COMMITTEE

Mr. Ian Watson (Laprairie): Mr. Speaker, the Standing Committee on Indian Affairs and Northern Development has examined Bill C-9 to approve certain agreements concerning the inhabitants of the James Bay territory, and I therefore have the honour to introduce the first report of the committee, in both official languages.

* * *

[*English*]

PRIVILEGE

MR. BALDWIN—AGREEMENT WITH BOEING AIRCRAFT

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I rise on a question of privilege which I believe affects the rights of all members of this House. The Minister of Justice (Mr. Basford) does well to put down his documents, because this also affects him.

My question of privilege arises out of an agreement between the Minister of Justice of Canada and his counterpart in the United States. It has already been the subject of exchanges

between myself and the minister. The right of members of this House to inquire about the expenditure of public funds is as old and as cherished as the institution itself. Our rights today are so limited that any attempt sensibly to diminish them further must be regarded with alarm and form the subject of such a question of privilege as I am now raising. I shall be very brief because the issue is plain.

The agreement in question provides that with respect to information gathered covering the potential illegal sales arrangements or considerations or activities of Boeing aircraft and all its subsidiaries in Canada there is an understanding reached between the ministers, between the two attorneys general, which covers this particular activity of the Boeing company. Part IV provides that except as provided in paragraph 5, which deals with taking criminal and other legal proceedings, all such information made available by the parties pursuant to these procedures, that is, the procedures for gathering information, and all correspondence between the parties relating to such information and to the implementation of these procedures shall be kept confidential by both parties and shall not be disclosed to third parties, including government agencies having no law enforcement responsibilities—which, of course, covers this parliament, the House of Commons and all its members.

This agreement is a solemn convenant between two high officials of two governments to operate as a gag rule to prevent knowledge of certain facts being brought to the attention of members of parliament. It is not enough just to have criminal proceedings taken. The Minister of Justice may have in his possession a large number of documents and a great deal of material and information. All he has to do is make a conscious decision not to go ahead with criminal proceedings or, if he does, to limit the information to very specific cases. Everything else can go into the shredder, and there is no way under those conditions in which members of this House can discharge their constitutional responsibility to make an inquiry as to what are the facts.

Some hon. Members: Hear, hear!

Mr. Baldwin: As my hon. friend from Northumberland-Durham (Mr. Lawrence) has said, if the Public Accounts Committee or the Auditor General in the discharge of their parliamentary duties saw fit to call before them government officials, they would be prevented by the terms of this agreement from gathering the facts which would be essential to making a parliamentary inquiry. I am not talking about criminal proceedings. That is outside our jurisdiction at this moment. But there are collateral inquiries governing issues of potential impropriety and misdemeanours which from time to time need to be the subject of an inquiry under the Inquiries Act, by this House or by a committee of parliament.

For these reasons, I say the agreement to which I have referred is an invidious and improper one, curtailing as it does the rights of members of this House, and if Your Honour holds that there is a prima facie case of privilege I would move, seconded by the hon. member for Grenville-Carleton (Mr. Baker):

That this House demand that the government explain fully the circumstances leading to this imprudent and dangerous agreement and, furthermore, on the basis that parliament has the primary responsibility to inquire into the proper expenditure of the taxpayers' money for the purchase of aircraft and supplies from Boeing Aircraft, that the agreement of March 15 and related circumstances be referred to the Standing Committee on Public Accounts.

Some hon. Members: Hear, hear!

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I shall be very brief. I do not have a copy of the agreement in front of me, so I am unable to cite chapter and verse. But there is no question of privilege involved here, and to suggest otherwise is specious. It is clear from the terms of the agreement that it is drawn up in accordance with the domestic laws of the requesting and the requested states. Nowhere in the agreement are the laws of Canada in any way displaced by the terms of the undertaking or by any action taken thereon.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I am joined in the motion and I want to say I question strongly the position which has been taken so blandly by the Minister of Justice (Mr. Basford) that the right of parliament to know about matters which may be under investigation and in respect of which criminal charges have not been laid, and therefore our right to discuss and question these matters, has not been infringed.

The Minister of Justice said he felt the hon. member for Peace River (Mr. Baldwin) was advancing a specious argument. I must say, if it is the position of the Minister of Justice that information will be denied parliament, and that is what the agreement says, that information will be denied to members of parliament or to the public accounts committee, that certain information will be denied to the servant of parliament, the Auditor General, I cannot see how, with respect to any matter that is being investigated and with respect to which a charge has not been laid, the minister can stand up and hide behind an agreement made outside this place. If ever there was a specious argument, it is the one advanced by the minister.

● (1510)

One more thing, Mr. Speaker. With regard to the level of secrecy involved, which may be normal, the first paragraph of the agreement recites that all requests for assistance shall be communicated between the parties through diplomatic channels. I can just hear how the minister of external affairs, the parliamentary facsimile of Ivan Head, would deal with the matter if someone ever had the temerity to ask a question. What this agreement does is effectively bypass parliament's right to question, parliament's right to information, and the servant of parliament's right to information. I do not suspect that the Minister of Justice has taken leave of his senses, but I do think that his observations with respect to what is right and what is wrong, in terms of disclosure to parliament, indicate that his attitude to parliament is all wrong. Surely this place, as much as the Minister of Justice, has the right to know.

This agreement with the Boeing company, its subsidiaries or affiliates, does not strangle parliament, but it does close a door on parliament. In that sense my rights and the rights of all members to question are affected and I hope Your Honour will so find.

Mr. Speaker: Order, please. The hon. member for Peace River (Mr. Baldwin) gave the Chair notice of his intention to raise a general question of privilege relating to some documents in the possession of the Minister of Justice (Mr. Basford) but was not any more specific than that in his notice. Certainly, no more specific notice was required by the Standing Orders. This question touches on the interpretation of an agreement. The Minister of Justice does not have the agreement here and, as he said in his brief intervention, he was not yet prepared to cite it.

I wonder whether it would be advisable, under the circumstances, to put the matter over for further argument for 24 hours to enable a better argument to be made. I would expect to reserve and to examine that argument carefully, and to pronounce judgment on it at some later time. If that benediction is understood, at three o'clock tomorrow afternoon I will call for argument. I would not expect it to be lengthy, but at least it would be in more detail by making sure that the parties had an opportunity to make reference to the agreement specifically. The argument might then be of more assistance to the Chair in coming to a conclusion on this very important question.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on another point of order having to do with an observation that Your Honour made in the course of the question period which concerned me and some of my colleagues. I do not think it was a ruling and I know I should not question your ruling, but when the hon. member for York-Simcoe was attempting to be heard on a supplementary question to the Prime Minister, a question supplementary to one which the Prime Minister had not answered—in fact, he remained in his seat—Your Honour used the words, and I think I got them down, "a supplementary cannot flow from a question that is not answered".

I rise only to ensure that Your Honour did not mean that no question at all could flow from a question that was not answered. I put it to Your Honour, with the greatest respect, that quite often failure to answer might raise a question. If that ruling was allowed to stand, it could apply to any question following a question that was not answered, and it could leave us in the position where, if a minister did not wish to answer a question with respect to any matter and he anticipated a supplementary or a series of questions, he could refuse to answer the one question. If that was the ruling which Your Honour made, though I do not think it was, then no other question could flow. I raise this matter so that if Your Honour does wish to clarify the matter, I would certainly like to hear such clarification.

Mr. Speaker: I can put at ease the mind of the hon. member and other hon. members. I have no difficulty in saying that there could be situations where an unanswered question might give rise to a supplementary. I must confess some difficulty in allowing supplementaries where a question is not answered, because in fact supplementaries ought to flow out of an answer that is given to a question. While that may be the norm, I would not want to make it a general pronouncement that under no circumstances would I permit another question if the one which had been put had not been answered. That would not be the general case.

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COMBINES INVESTIGATION ACT AND BANK ACT

AMENDMENT RESPECTING DEFINITIONS IN LEGISLATION

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs) moved for leave to introduce Bill C-42, to amend the Combines Investigation Act and to amend the Bank Act and other acts in relation thereto or in consequence thereof.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

[*Translation*]

INFLATION

MEASURE TO DEAL THEREWITH

Mr. Armand Caouette (Villeneuve) moved for leave to introduce Bill C-408, to provide for emergency measures to deal with the inflation of prices.

Some hon. Members: Explain.

Mr. Caouette: Mr. Speaker, this bill, which I am asking the House to pass on first reading today, is essentially the same as that introduced by the hon. member for Témiscamingue, the late Réal Caouette.

The bill provides specific measures to deal with the problem of inflation. At a time when the government speaks of putting an end to the anti-inflation controls, this bill becomes even more timely. It is therefore with pride that I take over from the late Réal Caouette and recommend this bill to the approval of the House of Commons.

Motion agreed to, bill read the first time and ordered to be printed.

* * *

[*English*]

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform this House that a message has been received from the Senate informing this House that the Senate has passed Bill S-3, an act to amend the Canadian and British Insurance Companies Act and the Foreign Insurance Companies Act, to which the concurrence of this House is desired.

QUESTIONS ON THE ORDER PAPER

[*Translation*]

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I ask that all questions be allowed to stand.

[*English*]

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

* * *

MOTIONS FOR PAPERS

[*Translation*]

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

[*English*]

Mr. Speaker: Shall the remaining notices of motions for the production of documents stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

● (1520)

[*English*]

IMMIGRATION ACT, 1976

AMENDMENTS TO IMPLEMENT CHANGES IN IMMIGRATION POLICY

The House resumed from Tuesday, March 15, consideration of the motion of Mr. Cullen that Bill C-24, respecting immigration to Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, last night before the adjournment of the debate I was canvassing the situation with regard to the present Immigration Act. I had a number of very serious criticisms to make with regard to the application of the act, the introduction of regulations and the postulate that these regulations have expressed the will of parliament, and a number of other points. I do not retract any of the statements I made last night.

Now I should like to turn to the bill before us. I want to make it very clear that while I have some pertinent questions to raise with regard to some of the clauses as they now appear, I think the present legislation, in some respects, is an improvement on the previous act and its application, and therefore it should receive the approval of the House to at least send it to committee where representations will be made. I have heard the hon. member for Parkdale (Mr. Haidasz) and others on the government side say that representations will be made on behalf of various interested persons and that the minister and his officials will be questioned much more closely as to the intent in the administration of the act and its interpretation, and also that the minister and his officials will have an opportunity to introduce the regulations. That point should be almost non-negotiable for the further passage of this legislation beyond the report stage. The regulations should be there to be seen, because they are the heart and core of this act. I hope the House will agree, either later this day or at a very early opportunity, with the sending of this bill to the committee for further consideration. It is not acceptance in principle.

There are a number of points that I want to raise with regard to the bill. Under clause 12 it is proposed, quite rightly so, that every applicant for landed immigrant status in Canada shall appear before an immigration officer. That is understandable. But what concerns me is that now, in many ports of entry, the immigration officer in the first line is a customs officer. It is not every Tom, Dick and Harry who is trained and qualified to be a customs officer who should be an immigration officer. An immigration officer is a man of particular skill who has important decisions to make. True enough, if the first-line immigration officer has any question about the application of the applicant, then it passes on to a second-line examination carried out, I understand, by an immigration officer, not a customs officer.

I have a particular interest in the Department of National Revenue, and I know the problems they are having with the customs officers. I understand that adequate steps will be taken—and this is a point I will make on another occasion—to provide adequate facilities for the better training of our customs officers so they can cope with both customs problems and immigration problems. It may be a training college or some other facility, but it would be more than just passing an examination of the public service. The requirement would be attendance at a familiarization course of indeterminate duration and then being placed at a port of entry where that individual would perform both as a customs and an immigration officer. If this first-line immigration officer is merely a reader of stamps and visas to see whether the page conforms with what has been laid down in some manual, then I question the value of that requirement. But if that person is going to be a functioning immigration officer, then let us be sure that he is adequately trained and has the adequate background knowledge of the Immigration Act and the regulations, that his decision shall be reviewable and that there shall be a second-line decision. This is one point to which I take grave exception.

Applicants for immigration to Canada, under the present act, who are in the field arrive at a decision with regard to the assessment of points or other factors. If the total does not add up, the decision is not reviewable. That is totally wrong. It is an injustice to the individual concerned or any individual representing that person. As a man who has had a great deal to do with immigration, I do not want to see this practice continue under the act. There must be a procedure developed

within the department. It is not a question of going to the Immigration Appeal Board, but there again I am uncertain because I have also serious doubts as to civil rights and natural justice in the denial of access to the Immigration Appeal Board. Frankly, between what was passed two or three years ago with the limitation on the Immigration Appeal Board Act and the changes embodied in this act, I could almost say that the Immigration Appeal Board is a superfluous luxury.

The jurisdiction and the administration of that board which have been introduced into the immigration process on account of rights and justice have been cut away, frittered, although not entirely, but I think also the board has become too much like a court. Members of the board have imposed upon themselves certain rules which I think were not intended. So I think the whole question of the Immigration Appeal Board should be reviewed. It is not exactly relevant to discuss it here, but I have the report of the Law Reform Commission of Canada with regard to the Immigration Appeal Board.

● (1530)

I suggest that the report of the Law Reform Commission of Canada with regard to the Immigration Appeal Board be referred to a House committee for examination, because it makes some strong recommendations with regard to the workings of that board. I think that there should be some changes to the Immigration Appeal Board Act, but not those brought forward by the Minister of Manpower and Immigration (Mr. Cullen), who himself is subject to the jurisdiction of the Immigration Appeal Board. In other words, the minister makes himself the prosecutor and the judge by bringing forward legislation which controls the Immigration Appeal Board, to which he later must submit. How do we load the dice? There will have to be some answers to that question.

There is another point to which I would like to refer. As I recall it, this bill says that there shall be no discrimination on the grounds of race, creed, colour—practically everything except age. For years I have been fighting the Department of Manpower and Immigration over its points system and with regard to penalties against people over age 35. I have been saying that this has been a practical denial of the government's stated intention that there should be no discrimination as to age. The public is not supposed to discriminate against people with regard to employment or any other thing on the ground of age, but the regulations under the Immigration Act say that that is allowable. I say that is wrong. I suggest that Bill C-24 is in contravention of clause 8 of Bill C-25. Clause 8 of Bill C-25 reads as follows:

> It is a discriminatory practice
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> (a) to use or circulate any form of application for employment, or
>
> (b) in connection with employment or prospective employment,
>
> (i) to publish any advertisement, or
>
> (ii) to make any written or oral inquiry that expresses or implies any limitation, specification or preference based on a prohibited ground of discrimination.

Discrimination on the ground of age is prohibited, and under the Immigration Act as it is presently applied—under Manpower form 1234—in any inquiry with regard to employment there can be an inquiry as to age. That is now to be prohibited under Bill C-25 but not under Bill C-24. Since this immigration legislation is to be geared to manpower requirements—and that is the prime purpose of Bill C-24—an inquiry as to the age of a prospective immigrant and the allocation of points based upon age is, I suggest, in flagrant contravention of clause 8 of Bill C-25. I am glad to see, for instance, that with respect to reunification of families, parents under the age of 60 will be admitted regardless of Manpower form 1234. That is a big step forward, because there has been great heartbreak and difficulty because parents aged 45, 50 or 55 have been "totally unemployable" in this country.

These people have been considered to be totally unemployable in areas where the officials have said there should not be any admission of unskilled labour. They are talking about the service industries where people can act as assistant managers in local restaurants. To the officials, that is an unskilled occupation. They think that working in a kitchen as an assistant cook is an unskilled occupation; but these immigrants know the language required, they have the necessary family connections and, I suppose, the ability to make a particular operation work. However, do not try to explain that to a bureaucrat. When you try to explain that to departmental officials, you get the blanket assertion, signed by the minister or any number of officials, that it is the policy not to admit any unskilled labour.

Who says they are unskilled? Is it Manpower? Do these people have to fall under the headings of bricklayer, carpenter, electrician, certified by a union or certified by a provincial labour board? I would like to see those who make that assertion try to operate those establishments and find out whether they are skilled or unskilled. Some of them could not operate a corner peanut stand, yet they call others unskilled. There has to be a complete change of thinking in this area.

Let me assure this House that all of Canada is not to be painted with the same bland brush. There are high demands today in certain areas of the country for so called unskilled labour. There is a crying need for people in some regions, and yet suitable prospective immigrants are turned down. We are told we can put Greeks into Chinese restaurants, or Italians into Hindu restaurants. This is the same throughout the service industries. I am told this in letter after letter. This nonsense is compounded by Manpower officials in the Department of Manpower and Immigration and sometimes by the human rights legislation of some provinces. This is just not practical.

I am hopeful that under clause 19 one of the carryovers of the old act will be eliminated. I refer to epileptics. The wording is not as clear as I would like it to be, because to me there are some weasel words of discretion which will make it very difficult in appropriate cases to get at the reason a medical officer who has different views from others will be more restrictive. I suppose I am getting back to the question whether the prospective immigrant or his or her representative can gain access to the information they need. In the past I have had experiences where people have been ruled not admis-

sible on medical grounds because of active tuberculosis. All that was required was a set of X-ray films examined by a radiologist and confirmed by a non-departmental official to determine that the original diagnosis was wrong. Over the years I have had many cases on simply that point. It is a question of being able to get at that information and question it. That is what I ask.

● (1540)

I raise another point which will have to come out in committee. The Immigration Appeal Board Act, which I do not have before me, provides that any person had a right to appeal to the Immigration Appeal Board if the appeal is made within Canada. Somewhere along the line an innocuous-looking order in council was passed which said that "any person" shall be defined as a "Canadian citizen." Therefore, we have the case of a landed immigrant, say a woman who has been here four years, marrying a person and not knowing that that person was not admissible to Canada. Perhaps he was here illegally. There could be extenuating circumstances which, for a number of reasons, one could argue before the Immigration Appeal Board. But, Mr. Speaker, unless that wife is a Canadian citizen there are no grounds for appeal and deportation must follow, even though the spouse in this country could then apply to bring the other spouse in from the other country, subject to ministerial approval. Mr. Speaker, how cruel; how wrong! What right is there, when the statute speaks of "any person", to abuse the right to pass regulations by saying that "any person" shall be limited to "Canadian citizen"?

To me, that is one of the orders in council that before the statutory instruments committee should be struck down because it is an abuse. That order in council, limiting the definition in that way, is entirely contrary to the spirit of the statute. But it made things very much simpler for the Department of Immigration. It applied a restriction on the Immigration Appeal Board, or the rights of persons to appeal to the Immigration Appeal Board which might rule against the decisions of immigration officers. That order in council, to me, is a denial of justice and a denial—indeed, an abuse—of the parliamentary process.

I hope that in the regulations we shall see some clarification of that much abused term "moral turpitude" which has been used, like some of the general orders, in the Queen's regulations. If you cannot find anything else with which to charge a person, you allege that he or she was guilty of moral turpitude. Even the signing of a statutory declaration, which the person did not understand, signing under pressure from the spouse, was deemed to be moral turpitude and an excuse to exclude the wife of a man already in Canada as a landed immigrant. I hope that we shall get some explanation of section 10, and that students will not be limited to university and other institutions over and above high school. There are so many young people who must clear up one or two subjects.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, but I must inform him that his allotted time has expired. He may continue with the unanimous consent of the House. Does the hon. member have unanimous consent to continue?

Some hon. Members: Agreed.

Mr. Lambert (Edmonton West): Mr. Speaker, I thank you and hon. members of the House. I shall take only three or four minutes to make some positive suggestions which I want to see included in the regulations and in the statute. I think we have accomplished a great deal in our program of immigration by admitting students who have come into this country to finish their high school education so they can be eligible for university entrance. The trouble is that the requirements for university entrance are not uniform across Canada. Why say, then, that they shall all be qualified for university entrance only? Why cannot we bring them in, perhaps to improve their English? There are institutions, colleges and high schools which would do this. I have no difficulty introducing high school students to high schools in Edmonton on a selective basis. The classes are half empty in some places, and they are happy to do it. I am thinking of Mount Royal College, Calgary, and Concordia College in Edmonton, which can prepare students for university according to the standards of the university they have chosen. But section 10, unless amended by regulation, prohibits that. I think that is wrong. There should be more flexibility in that section.

Also, I want to see something done about the regulations and the application of those regulations with regard to special inquiries. I have read transcripts of special inquiries which to me, as a lawyer, cry out as an abuse of justice. They were filled with hearsay evidence, unexplained requirements, and so on. Individuals were intimidated by the very nature of the formal process. Frankly, they did not have a nickel's chance of beating the rap, to use that term, unless accompanied by counsel well versed in what goes on at special inquiries. Over the years I have read transcripts of some special inquiries and if those proceedings had been taken against the criminal it would have taken a court of appeal less than ten seconds to throw them out.

Also, why should the criminal have a higher right than the poor individual coming in as an immigrant? This process must be looked at, Mr. Speaker. If a special inquiry officer makes a decision, that should be reviewable on the spot by a senior officer, not somebody far removed, as now, at regional headquarters or headquarters. Why do I say this? A special inquiry officer may order the detention of a person, just like that, and it is not appealable. I also say this—and let me say here that I exchanged correspondence with the minister and I know the problems he is facing—that in Edmonton if detention is ordered by a special inquiry officer, it will be at the Fort Saskatchewan jail.

Mr. Speaker, there can be no more inhuman decision taken than that taken by special inquiry officers to place men or women into that common tank, that jail of hardened criminals. There is no requirement at the present time for separate facilities which would have to be maintained full-time. I would invite the minister, the deputy minister or anybody else to

accompany me into the tank at Fort Saskatchewan jail and see the conditions to which they submit persons who have not been guilty of a criminal act but for some reason or another have run afoul of the Immigration Act. They would not force that upon the meanest cur, but they would do it to a fellow human being. I protest that. Hopefully, negotiations are under way with the appropriate provincial authorities so that there will be adequate detention facilities for persons charged under the Immigration Act—but not the criminal tank. That is not their place.

● (1550)

I have had a lot to say about this act. I hope my colleagues in this House will allow me to appear at the committee when we have hearings because I am firmly dedicated to getting a most workable and humane Immigration Act. I have had 20 years' experience as a member of parliament and have fought many cases before the Immigration Appeal Board. Incidentally, I have not lost one of those I have taken to the Immigration Appeal Board. I can assure the minister that when it comes to the interpretation of the law in so far as those two acts are concerned, his officials have not been quite up to the mark in those cases where I have appeared. At least, the board has always ruled in favour of some poor individual.

We have to get a workable Immigration Act that responds to the needs of the country and the people. They shall not be mere chattels or cattle that we will be importing. We shall not handle them in this country any different than we handle Canadian citizens. They are human beings and they have the dignity of human beings. To direct an immigrant to go to such and such a place under penalty, or possible penalty of expulsion if that person should move, is not right. We would not do it to one of our fellow citizens. We have a great job to do with this act. I hope that parliament, in its wisdom, will accomplish it. I hope I have the opportunity of contributing in that respect.

I commend to my colleagues the passage of this bill to go to the committee so that we can introduce the necessary amendments and have the necessary explanations. Since many of us who could not attend the public hearings have a great deal of experience on all facets of immigration, perhaps we could make a contribution. I thank you, Mr. Speaker, and the House for these additional moments.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, the bill under study contains statements of principle which, at first glance, invite our support. However, for a country like ours immigration is becoming a vital question, considering that through immigration we can or could control in a way the very nature of our country. Otherwise we would be ignoring the fact that different nations exist in this country. And since November 15, that fact has no doubt become more obvious.

Indeed, we saw last week the Quebec minister of immigration object to at least some provisions of this bill. I would like, Mr. Speaker, to deal with some of the factors which make immigration a sensitive question in Canada. Of course, we ought not to fall into generalizations and charges such as those the Minister of National Revenue (Miss Bégin) indulged in last night when she said that the Quebec minister of immigration was being racist in his statements on immigration.

● (1600)

Mr. Speaker, that is absolutely not the question. We all know that every man should at the outset be considered as perfectly equal, no matter his colour, race, religion; this is obvious and of course I agree with that as does every one else in the House. But one would be blind not to find that to this day immigration in Canada has been a self-destructing factor for the province of Quebec, since immigration in Quebec has always been contrary to the national interests of French Canadians of Quebec. I would much rather it were not so, Mr. Speaker. But the strongest evidence of that lies in famous Bill 22. For some years now, the successive Quebec governments have all tried to deal with the language problem in Quebec, and up till now they have all failed and all met with disastrous consequences.

Mr. Speaker, Bill 22 would never have been introduced if immigration in Quebec had been dealt with normally but, as it was always dealt with abnormally, it follows that when the people demand that things be set straight which were always upside down, some think that they are revolutionaries who want to destroy everything. But, Mr. Speaker, nothing is to be destroyed at all when one says that it would be normal for anyone, regardless of where he comes from in the world, who decides to come and live in Quebec, for that person to integrate into the spirit of the majority of the people in Quebec. Is there anything more normal than that?

But for years and years the opposite happened, with the result that in the province of Quebec, where only about 4 per cent of the population are of Anglo-Saxon origin—yes, only 4 per cent in the whole of Quebec—16 per cent are still Anglophones in a Francophone province. Why? Because immigrants continually joined the minority instead of the majority, so much so that they had better schools than the majority.

They had more English-speaking universities in Quebec than there were French-speaking universities. The minority had more universities than the majority. And yet we Quebec taxpayers paid more from our own pocket to allow such a situation. This is ridiculous, as much as all Canada is ridiculous, and this is why we will have to reconsider the whole thing some day. In the meantime, when the minister introduces legislation concerning such a vital matter as immigration, it is very important to establish priorities. One of them already exists, and the minister admits it, for his bill refers to consultations with the provinces. It would have been shocking to leave out this priority.

But I think this legislation is deficient because it provides for consultations but not for a government priority as regards immigration. Although the Canadian constitution allows both the federal government and the provinces to deal with immigration, we should be wise enough in this parliament to decide

that the priority should go to the provinces. In my opinion, there is nothing to argue about it.

Obviously the problem is not as acute in the provinces with an overwhelming English-speaking majority. Of course I understand that this matter is of secondary importance for most Canadian provinces but its essential and vital importance to Quebec should be recognized. Therefore I can only agree when the minister responsible for immigration in Quebec says categorically and clearly that an agreement is required in this area.

I understand that we could trust the honesty of the federal government but, Mr. Speaker, the people of Quebec know what that means. We have trusted it for years and where are we now? The effect has been that more often than not we are second-class citizens, who are full of complexes and who ask themselves to what extent they can consider Canada as their own country. This is where we are now. Therefore others seem to be aware of this now. It is strange that this awareness comes at a time when Quebec is on the verge of independence and that we have been waiting so long, but these are the facts.

So I think that the government should display a more efficient flexibility and when it legislates on matters such as immigration it should at least realize that in that field the province of Quebec must have priority. That is why I feel consultations are not sufficient. Mr. Speaker, everybody knows that we almost have dictatorship with the present Prime Minister (Mr. Trudeau). We know very well that consultations can sometimes amount to precious little and if we go back to November 14, 1976, we all recall that the Prime Minister was still taking the liberty of saying to the provinces: whether or not you accept it, that is what is going to be done. So he said.

He did it again. Even in the evening of November 15, his first reaction was not a wise one but rather he said: we are going to organize Lévesque and his government. His first reaction was one of disillusion, like somebody who wants to kick over the traces. Mr. Speaker, since that time he has become almost bland and he wants to change everything. He is ready to do anything. We do not know what, however, but he said he would go as far as amending the constitution. If he is ready to do all that, he should begin by making changes in his bills so as to prove his good will, because people have had enough talk. Quebec has had enough. We want action, we want proof that federalism is worthwhile, that it will not continue to be a burden for us. So, to prove it, things must be made clear when such a bill is introduced. That is what I find unfortunate, and I think that it is so important that failing to think of solving that problem would prove there is no intent on his part to solve all other problems.

But that problem, Mr. Speaker, is so important, so essential that I wonder if, before introducing his bill, the minister should not have met the authorities of other provinces, especially the province of Quebec. Then he could have introduced the bill and said that he had the agreement of all provincial ministers responsible; we would have been able then to discuss the subject matter, its form, and reach a worthwhile and efficient conclusion.

But since that was not done, we are faced once more with a dilemma. I gave a concrete example of this a minute ago while discussing Bill 22. Some members seemed surprised at my making a connection over this but, Mr. Speaker, I could come back to it for a few seconds to show that it is a fact. Who created problems with regards to Bill 22? It is common knowledge that it was the Italian community of Montreal. It was not the Anglo-Saxons since there are none in Quebec. The vast majority of English-speaking Quebecers are of Italian origin, plus many other nationalities; they did it. I understand them and do not blame them.

But the successive administrations in Quebec have always tolerated these abnormalities, that is why it seems revolutionary to talk of correcting them, as I said earlier. Nevertheless, truth always prevails and we must see things in their true perspective. And if there is a problem in Quebec today and that terrible mess about Bill 22, it is because we have not been diligent enough to give the responsibility with regards to immigration to those who are best able to judge in this respect and, this being so, the provincial authorities should have had such a responsibility. That is why I still hope that the consultations indicated in the bill will have some effect and bring about an understanding to define precisely the powers of the various levels of government in this area.

But fundamentally, I believe that these things had to be said in the House. We will have to consider more and more the possibility of amending this bill to establish clearly certain priorities for the control of immigration at the level of the Quebec administration. Once we have control over immigration at that level, we will have nothing else to criticize, to find fault with in the federal administration in this area. Indeed there are those who will jump to the conclusion, Mr. Speaker, when considering the facts I have enumerated a while ago, that we are trying to drown systematically the French-speaking element in Quebec. I am not saying they are right, but considering the way things are going on, we are inclined to think so. This is why I think the minister has very well pointed out the advantages of this bill, putting particular emphasis on the consulting process with the provinces. He took pride in the fact that he had introduced this provision in the bill. I can only congratulate him for having done this. But, Mr. Speaker, consultation is not enough nowadays, in 1977. Terms of agreement have to be determined and this is nothing less than giving control over immigration to those who are able to give it a direction likely to favour emancipation and openness.

● (1610)

[*English*]

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I will not take too much of the time of the House, but there are some specific aspects of the bill with which I want to deal since I think that the ramifications of particular provisions for Canada's international relations are very serious indeed. Why I relate specific provisions to Canada's international relations is because of the Helsinki accord and our capacity as a nation to persuade countries that refuse to allow their citizens to leave,

such as the Soviet Union, Czechoslovakia and a good many of the eastern European countries, to observe that accord. If we are going to be successful in terms of persuading such countries that their citizens have the right of freedom of movement from one country to another, then why, in God's name, have we included in this bill clause 115(1)(n)? Let me read this provision, since I fear the significance of it has been lost to some extent on the general public and it should be brought to their attention:

> The governor in council may make regulations . . .
>
> (n) requiring any person or class of persons to report to an immigration officer before leaving Canada and prescribing the information to be provided and the manner in which such report shall be made to the immigration officer by any such person—

Any plain reading of that provision leads me to the conclusion that this is the beginning of exit visas for Canadians. I am glad to see the minister is flipping through the bill, because I should like to hear his response. Surely it is hypocritical of this government to condemn the Soviet Union, Czechoslovakia, Poland and all the other countries who wrongfully refuse to allow their citizens to rejoin their families and who have violated the Helsinki accord, when the government inserts into this law the capacity to require exit visas for its own citizens before they leave this country.

The minister will probably say that this is a catch-all section, that the government is trying to catch some of the bad boys. Or he may say that this does not really apply to any particular person but refers only to illegal immigrants who are leaving the country. But the clause does not say that, Mr. Speaker. I have read what it says and I do not accept explanatory notes.

Clearly, there is authority under this provision to require exit visas for Canadians before they leave the country. If we are going to embark upon that route, I will feel awfully funny when I write to the local Czech chargé d'affaires, as I have been doing to try to unify a family in my community, and as I am sure other members have who have similar cases, and ask why this oppressive regime does not allow the unification of families and why they continue to violate the Helsinki accord. The answer of the chargé d'affaires at the Czechoslovakian embassy to me will be, "Look at clause 115(1)(n) of your own Immigration Act". He will say that all countries do this and we are no different from any other.

I urge the minister to withdraw this provision from the bill. The Helsinki accord cuts both ways, not just one way. We love to jump up and complain about other regimes, but let us look to home first and make sure that our act is clean. Then when the hon. member for York-Scarborough (Mr. Stanbury) goes to the United Nations he will not have to hide clause 115(1)(n) when talking to his counterparts about their consistent violation of the Helsinki accord. I urge the government seriously to reconsider that particular provision. Although I have reservations about photographing and fingerprinting, to me this particular provision is the most iniquitous because it clearly gives the government power to restrict the movement of Canadian citizens from this country.

I remember a long time ago we condemned the United States for refusing to allow a man called Paul Robeson to leave that country. The reason was that he was saying some very anti-American things abroad. He was complaining that society was racist and he was embarrassing his government. If a Canadian citizen wishes to leave this country and to criticize Canada, that is his right and I do not think we should restrict this kind of freedom of ideas under the provisions of this law.

I submit to the minister that what was done to Paul Robeson can clearly be done to any person in Canada no matter what are his political views. If this government did not want him to travel, they could clearly apply clause 115(1)(n). This is one of the reasons out of many why we in this party will oppose this bill. We think this provision is so serious in terms of our international relations and the reunification of families in Canada that it strikes at the heart of the principle of what to some extent this country stands for, namely, the freedom to travel and to go abroad.

● (1620)

I am concerned, as many Canadians are, that we are dealing with the immigration bill at a time when we have officially one million people unemployed in Canada. At a time when we have high unemployment we face a very high risk in Canada of increasing racist tensions among people, particularly working people who feel far less secure about their employment and about the competition which may come from immigrant groups for their employment, and because of that increasing tension we have to be cautious about the approach we take to immigration. Some of the evidence that racism is growing in Canada need not be repeated. There are many examples of it. I am getting a little tired of going back to my riding and hearing someone in a men's club telling racist jokes. We should all look into ourselves and say that is not a respectable thing to do in this country; it is too dangerous.

Some hon. Members: Hear, hear!

Mr. Leggatt: I am tired of people who cloak racism under articles about immigration. The idea that we have to maintain a certain ethnic character in this country is an idea I reject. I think we can bring in people of whatever origin so long as they are needed in Canada. The problem up to now has been that we have not properly assessed our needs in terms of immigration. I do not see immigration as anybody's right to come to this country; I still say it is a privilege.

I know my friend, the hon. member for Greenwood (Mr. Brewin), does not agree, but that is what makes our party so healthy. We have healthy disagreements on a number of questions. I say that those who see it as an excuse to apply racism in terms of their chance to deal with the unemployment situation should not be allowed to do so. I reject that out of hand. But we must consider immigration in terms of Canadian need.

The B.C. schools trustees association in my province recently made a decision that a film that had been made about the history of British Columbia which dealt with our own attitudes

to various racial groups, particularly the Chinese, the Japanese and the East Indian communities, should not be shown in those schools. The argument they used was that that kind of film would be inflammatory. I say that their refusal to allow the history of B.C. to be told in the school system is itself inflammatory, is itself wrong.

We have to expose the history of Canadians in terms of the racial tensions that have developed. I am including, of course, the problems with regard to the Japanese and the rotten record of the Liberal government of that time in dealing with the right of the native Japanese Canadians. We have a poor race record in Canada, and let us admit it. We have a bad record with regard to the toleration of other groups, and the sooner we get it out of the way, the faster we can move on to tolerating people of various ethnic backgrounds.

Let me say how this is related to this bill. I am delighted the bill clearly does not discriminate on the basis of national origin, and I must say that that is a feature in the bill which could almost persuade me to change my mind about voting against it on second reading, except for this fantastic power that is given in terms of the discretion under the regulations. That in itself is too bitter a pill to swallow, even in the face of what seems to be some improvement in other sections of the bill.

I want to deal now with another principle which this bill does not protect. There are visitors to this country and there are immigrants to this country. Once in a while we have a visitor to this country who has very radical ideas, ideas with which probably very few people would agree. I am referring to people whose ideas may be unpopular in this country. But we should not be afraid of ideas. Surely we should be able to explore ideas. I am referring to the recent case of André Frank and the refusal to allow him to come to this country. Mr. Frank had something to contribute to the academic life of this country, but he was denied access to Canada. We have done it before. We still seem to have trouble distinguishing between revolutionary ideas and people who might commit terrorist acts. I say that the record is a bad one in Canada. We err continually on the side of excluding those people with unpopular ideas who are no danger whatsoever to Canada. I think we are strong enough and big enough as a country to explore a whole range of ideas. A few of them might rub off, and this would not hurt us at all.

I do not want to take a long time on this bill. There are provisions in it which require fingerprinting and photographing. I should like to ask hon. members how they would feel if they were fingerprinted and photographed each time they entered another country. I realize that this again is under a regulation that can be narrowly interpreted. We would like to see it limited. We do not want to wait and hope that discretion will be exercised in a proper way, because there have been instances in the past when that discretion has not been exercised in a fair way.

I want to say that I stand this afternoon in opposition to the immigration bill. I accept the principle that we have to limit the population in Canada in accordance with our needs. I also happen to think that this country does not need 50 million people.

I see the Minister of Transport (Mr. Lang) is here. I remember his famous remark about that subject some years ago. I liked the population of Canada in 1939. It was a nice place at that time. We had a lot of room and our ecology was well protected. I do not think we need to have all this growthmanship of developing another giant on the north American continent. We can be cautious about population growth. We can set an example to the world in terms of the way we relate our environment and our geography to the number of people who are in Canada, and we can keep this country one of the most desirable countries in the world by having a reasonable program of family planning and a reasonable program—

Mr. Epp: A program for abortion?

Mr. Leggatt: —in terms of the country as a viable combination of population. I hear my friend saying, "Abortion from my point of view". I want to tell him that I do not favour abortion. I do not think he does. I suppose we could relate that to the bill. I do not favour abortion, but I do favour family planning. I do favour the right of the family to have a certain number of children for which they can plan, and I must say that the question of abortion is related to population, no matter how much we want to avoid that question, and we had better get to work on family planning or we will continue to have too many abortions in Canada. I can deal in another context with the civil liberties question. But we must continue to oppose provisions which embarrass us abroad, as clause 115(1)(n) does, and which have the capacity for giving to this government far too draconian a power in terms of regulation.

• (1630)

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, the first reading of Bill C-24 took place on November 24 of last year. Since then I have been concerned about the approach of the government to this most important subject. When we brush aside the sweeping generalities and the gloss in the bill, the proposed legislation simply asks parliament to give the government and its advisers a free hand in establishing immigration programs of unknown and unspecified characteristics. This raises an important question: does this government's past performance justify the kind of trust it is now asking for?

I will not dwell on the weaknesses or the purpose contained in this badly written and questionable bill; spokesmen for our party have already covered this ground pretty thoroughly. But I would like to give one or two illustrations of the defects of the bill before questioning the minister about the relationship between the bill and the government's immigration record. The minister's first objective is to establish and obtain demographic goals with respect to the size, rate of growth, structure and geographic distribution of the Canadian population. What does this mean? The government does not tell us how it will establish its demographic goals. It does not even define the term "demographic". We can only guess at the intention of the

government. Does the government mean that it will decide how many people will live here and there, and what their origins must be? If this, or anything like it, is so, I want to know what right a democratic government has to determine the composition and nature of a nation. There is a reminiscence of George Orwell here, and I do not like it. I am sure most Canadians will be equally concerned. The minister should tell us what he really has in mind.

The bill also states that the government will enrich and strengthen the cultural and social fabric of Canada by taking into account the federal and bilingual nature of the nation. Here is another fuzzy area. What does the government really mean? Bilingualism certainly has a number of different meanings in Canada today. In Windsor it may mean the forceful introduction of French schools over the objections of local residents. In Quebec it means French only for immigrants. I do not think the minister should allow any doubt to exist in this matter. Some people may feel that the government intends to continue catering to Quebec by ignoring legislation like Bill 22 and by sending to that province immigrants who are French-speaking or who are prepared to accept the racial policies of the Parti Quebecois and the previous Liberal administration. What does it mean for the rest of Canada? Are we to continue to receive large numbers of non English-speaking immigrants who are encouraged to retain their languages and customs? I think the minister should come clean and tell us what he really has in mind.

I would also like to know what the minister means when he states that we must not discriminate in the selection of immigrants on the grounds of race, national or ethnic origin, colour, religion, or sex. This sounds more like a pious hope than an immigration policy. I am sure all Canadians wish to be fair and want their government to judge a man by his qualities rather than by his appearance or origin. However, having said that, I wonder whether Canadians would support an immigration policy which could make a fundamental change in the nature of Canada's population.

Surely the people who come to this country do so to join us, not to change us. So it must be advantageous for us to recruit people who are most likely to adapt to our way of life. Charity begins at home, and whatever we do in immigration should be geared to the interests of the Canadians who are now here, so in that sense, surely, it is important for us to discriminate. But once again the minister should make his position crystal clear. If he wants to turn Canada into a multiracial society without roots and without unity, then he should tell us. If he is really giving lip service to old clichés, then he should tell us that as well.

I am also troubled by the inference that the government may allow its immigration policy to be influenced by foreign governments. I suspect that this may have happened in the past, and I hope that my suspicions are unfounded. When the government states that one of its basic policies will be to meet its international legal obligations with respect to refugees and to uphold its humanitarian traditions with respect to the displaced and the persecuted, I wonder what this really means. If the minister intends to follow automatically the lead of the United Nations, then we may find ourselves supporting refugees of one type but not another. Events in Africa could easily lead us to a racial situation of the very worst type, and I do not think we should be tied to an international obligation that would place us in this position. Will the minister tell us precisely what the government has in mind?

While I am dealing with this subject I would like to have the minister's assurance that foreign governments are not involved in Canada's immigration program and that there has never been a foreign government involved in an immigration movement that has taken place without the knowledge or consent of this House. I am not talking about colonial times; I am referring to the more modern period that began after World War II. I am a little amused by the last objective, and if the government really means it, I must say it is long overdue. The problem, of course, is how the government is going to manage it. The bill states that Canada should promote international order and justice by denying the use of Canadian territory to persons who are likely to engage in criminal activity. All I can say to this is, "Thank God the government has finally come to its senses". But what is it going to do about the international criminals who are already here? The minister should tell us how many criminals are living in Canada illegally. He should list the number of persons with criminal records who have been permitted to remain in Canada in spite of such criminal records during the last five years, giving the reasons why these people were permitted to remain.

Now let me come back to my question. Does this government's past performance justify the kind of trust it is requesting? During the last ten years Canadian immigration policy has been a national disgrace. There seems to be no rhyme or reason to the way in which it is handled, and I often have the impression that it has been running along out of control and out of harmony with national interests. This may not be justified, but my concern is shared by many others, and now that we are discussing the whole question of immigration the minister has an opportunity to put the record straight.

The problem of illegal immigrants must be fully outlined and considered. As I understand it, these people came to Canada as visitors and then stayed without obtaining immigration status. Most of them were people who could not meet our overseas selection standards or were barred from entering Canada because they were criminals, subversives, or in other prohibited classes. As they were permitted to enter without any form of registration or screening, there was no way of determining whether they were still in Canada after their visits were over.

How did we get into this mess? The costs have been staggering and the government has ended up allowing tens of thousands of workers to remain here who do not have anything like the minimum qualifications that are normally required, while others are lined up at immigration offices around the world. This has created imbalances in our labour force, taken jobs away from Canadian workers, placed great strains on our social welfare services, and is an important reason for our

current unemployment situation. I want to know what has happened and who was responsible for it. When our party was in office, immigration was under the management of the Hon. Ellen Fairclough, and later under the Hon. Richard A. Bell. Most visitors, other than persons from a few countries like the United States, the United Kingdom and France, required visitors' visas to enter Canada. This gave us their names, and if they overstayed we knew who we were looking for. But even more important, the requirements screened out most criminals and subversives because they did not present themselves to our overseas officers.

When was this system changed? Who changed it? Why was it changed? Did the people responsible for the change understand where their actions would lead? The minister should list the names of all people who participated in these deliberations, with details about their advice and why it was or was not taken. He should also indicate how the situation will be handled under the new legislation.

One of our great economic problems is the low productivity of our labour force. There is no doubt that illegal immigrants who do not meet our worker requirements have contributed to this problem, but I understand that the entire flow of immigrant workers, when balanced against Canadians who migrate to other countries, does not give us the occupational balance that is needed to improve or maintain our productivity. Some time ago the immigration branch worked out a scheme with most of the provinces for surveys to determine the provincial worker requirements that should be filled through immigration. I am told by provincial officials that when the immigration flow was geared to this program it was very successful, but it was suddenly stopped without explanation. Would the minister tell us how long the program ran, who was responsible for it, and, most important, why it was stopped? He should also indicate how the new legislation will work in this area and what provision, if any, is being made for the systematic involvement of the provinces.

● (1640)

Some of my colleagues believe that most of the current immigration problems began back in 1966 and 1967, just after the old department of citizenship and immigration became the Department of Manpower and Immigration. They still talk about the extraordinary events that took place during the discussions on the 1966 white paper on immigration. As most of us were not here at that time it would be helpful if the minister would tell us what really happened. I have read the white paper. It is an interesting document. The words were right. But why were the results so different? Perhaps it will be clearer if I quote from the paper, which states:

—the unproductive worker, exposed to unemployment, will be the uneducated one who lacks the capacity for learning new, more complex skills... the productivity of the work force should not be offset by the immigration policy as it would be if a large proportion of the immigrants were unskilled.

This sounds great, and it is certainly an approach that could be supported by members on all sides of the House who have the best interests of the nation at heart. My colleagues who were here at that time tell me they went to the initial meetings of the parliamentary committee, convened to consider the white paper's proposals, with great expectations. But to their surprise it became clear that Liberal backbenchers on the committee were against their own government's position and began a campaign to have it changed. Meetings were held all through the winter of 1966-67 and they gradually became less and less productive. One by one the good ideas were discarded. Departmental officials had little to contribute and began to act as technical advisers. One provincial official from my province sat up half the night preparing for the questions he expected after the presentation of his brief. He was amazed when he was not asked one significant question. Then, suddenly, the whole process ended.

On April 11, 1967, Jean Marchand, now Senator Marchand, told the committee that the white paper would be abandoned and he unveiled a completely new plan. Our members had spent the whole winter discussing a formal government proposal which was abandoned in 20 minutes without an opportunity for discussion. They thought they would be asked to consider a new plan, but there were no more meetings. It was a highly unusual move. Now that we are considering a new Immigration Act, I think the minister should tell us what happened.

When Mr. Marchand said that the white paper would be set aside he indicated that his department had devised a point-rating scheme for the selection of immigrant workers, and then he increased the number of classes that could be nominated by distant relatives. Rather curiously, in spite of what he had stated in the white paper, he stressed the importance of personal suitability over education and occupational training. He said that a brother would not be admissible solely because he was a brother, but he would be admissible as long as he ranked very modestly in the other selection categories. Provided he had good personal qualities, he would be admissible virtually without skill or education.

What did he mean? I think the minister should explain it in detail. Did he really mean that workers would be allowed to enter Canada without skills and educational levels needed in the labour force? I have noted that the percentage of unskilled immigrants entering Canada that year was 32 per cent higher than it was the previous year. Why was this allowed to happen at a time when the percentage of unskilled persons in the labour force had been steadily dropping at the rate of about 27 per cent for five or six years? At the same time unemployment was rising, as it is today, and the same Mr. Marchand had previously said that the unproductive worker would be the uneducated one who lacked the capacity for learning new or complex skills.

Mr. Marchand abandoned the white paper in April. Four months later an order in council was passed to introduce the new point-rating system. Why did it take so long? It would be helpful if the minister would tell us what really happened during this period. When was the rating system really established? Who were the people responsible for it? Did it require changes or modifications after its initial introduction? If so,

what were the reasons for the changes, and who authorized them?

Now I want to turn to a very serious matter that requires immediate clarification. For some time it has been rumoured that the immigration department had used unofficial quotas to control immigration from our traditional sources of immigration. I should tell the minister that I find this extremely difficult to accept, but I want his assurance that it has never happened, and will never happen in the future.

I have also heard that immigration advertising in some of the traditional countries was substantially reduced and that this was done at a time when offices were being opened in other countries where it was obvious that we could only obtain large percentages of unskilled applicants. I would like the minister to comment on this as well and tell us if there has ever been an instance where this has occurred. It would be a sorry day for Canada if it should turn out that this government has restricted the flow of traditional immigrant workers while encouraging the flow of unskilled people.

I have heard reports that one deputy minister of immigration told a representative of the provincial government that he would limit the flow of immigrants from one traditional country regardless of that province's requirements for skilled and professional workers, and that no explanation was given. It was even suggested that some kind of mathematical formula would be applied to restrict immigration flows from certain areas. I find this incredible and I want the minister's assurances that it has never happened.

I understand that one of the planks of the proposed legislation is the idea that people who are willing to go to designated areas where their services are in greater demand will be given preferential consideration at the time of selection. The idea sounds great—but does the minister really think it will work? I understand that it is not a new idea and it was tried out in the early 1950s and abandoned. I wonder if the minister will tell us about the the early farm workers, about the track workers' programs? I would like him to explain why they were not successful and describe some of the by-products of fraud and manipulation that went with them. There is no point starting back into the same old problem area. I want the minister to describe his reasoning.

In conclusion, let me say that I am not satisfied with the provisions of this bill. If it becomes law, the department will be able to go on its own course without parliamentary approval or understanding. Its track record, even in the few illustrations I have given, certainly does not justify this kind of power. On the other hand, if the minister will sit down with us openly and will honestly confide in us in the committee, we may be able to come to a mutually satisfactory position that will be in the interest of all Canadians.

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, a number of members who have spoken on this bill have suggested that it probably will prove to be the most far-reaching and important legislation to come before this House not only in the present session but in the life of this parliament. We are deciding, in this legislation, what kind of country this is to be. It deals partly with economic questions and it certainly deals with demography.

My grandparents came to this country from southern Russia 102 years ago. They left Russia because the political climate of the country was volatile then, as it was for several generations afterwards, and because they were concerned about the future of their family. They did not want to raise their family in that political climate. They were people of very strong religious beliefs. They wanted to pass those beliefs, values and traditions on to their children, and knew that if they stayed in Russia those opportunities would be jeopardized and family life would not remain as it had been. So they left, at considerable economic disadvantage, and moved to the prairies of our country. They lived in sod-houses. They lived in southern Manitoba and moved to Saskatchewan before Saskatchewan was a province and was part of the Northwest Territories.

Later, my parents lived in an isolated part of British Columbia. Being concerned about the conditions under which their family was growing up, they decided to move again, once more at considerable economic disadvantage, from that isolated area of British Columbia to a more populated area of Canada in order to give their family the benefit of all the advantages which could accrue to them. Again it was the family that was most important to them. One thing that I have appreciated about my grandparents and parents—and I know that other members can say the same—is that they passed those values on to me. In my home the family is the most important thing to me. That is one of the reasons I sponsored the private members' bill which government members and members of other parties in this House supported yesterday. It is the protection of the children we are after. If we do not protect the family in our society, our country will go downhill on greased skids. It is the family that is important.

• (1650)

I am not the only member of this House who shares that kind of tradition. There are those in this country who think that members of our party are looking for a sanctuary for Anglo-Saxons. That is such a distortion of the truth that it deserves no attention. I would, however, like to put on record a list of the names of our caucus members which ought to be indelibly imprinted upon members of this House and upon the Canadian public. Let me just read to members the following names: Diefenbaker, Alexander, Mazankowski, Paproski, Hnatyshyn, Andre, Skoreyko, Epp, Yewchuk, Korchinski, Alkenbrack, Schumacher, Oberle, Jelinek, Masniuk, Elzinga, Friesen, Mitges, Schellenberger—

An hon. Member: La Salle.

Mr. Friesen: And La Salle.

Mrs. Holt: You are being racist against the Anglo-Saxons.

Some hon. Members: Oh, oh!

Mr. Friesen: Jack Marshall is another one.

Mrs. Holt: You should object; he is being racist.

Mr. Woolliams: You are not a Tory, but you will be.

Mr. Friesen: Yes, you'll be Tory. There are those who want to label and almost libel members of our caucus because we want to have a responsible immigration policy. With the kind of a heritage we have in this caucus I should not have to emphasize, but seemingly I do, that we want an immigration policy because our tradition stems from that kind of policy. I am offended by the hon. member for Vancouver East (Mr. Lee) when I read in *Hansard* at page 3900 that he said the spokesman for our party, the hon. member for Provencher (Mr. Epp), said that the members of this party "do not give much importance to the principle of family reunification". I am offended by that. As the right hon. member for Prince Albert (Mr. Diefenbaker) said this afternoon, there are some words in this House that are considered unparliamentary. That statement by the hon. member for Vancouver East is diametrically opposed to the truth. He went on to say:

> He is against grandparents of any age sponsored by a Canadian citizen being included in the family class and the retention of the nominated category. His rationale for rejection of the nominated category is that they congregate in the urban areas but independents do not.

Again I want to emphasize that I resent that kind of statement being made by the hon. member for Vancouver East because it libels members of this caucus. It does not do any justice to the truth. The kind of tradition and heritage that we hold in this caucus and in this House ought to put some kind of restraint on a member like the hon. member for Vancouver East. I might add that I and other members of this parliament refuse to be whipped into servile, cringing submission to government measures by that kind of emotional blackmail.

Some hon. Members: Hear, hear!

Mr. Friesen: What we are looking for is a responsible policy that is well defined so that we, as legislators, and the Canadian people know where we are going. We want a policy that is clearly defined. Other members have said that we need to have a copy of the regulations and the opportunity to debate the regulations just as much as we want to debate the statute itself. The minister has sat there and nodded his head, saying in effect that he will provide the regulations at committee stage. All he will do is nod his head. He will never put it on the record.

I wish the minister would say emphatically and unequivocally that the regulations will be before the committee for open discussion, the committee will be responsible for the revision of those regulations, and that they will be the regulations under which the immigration department will operate. Right now we do not know what we are debating because the operative part of the act is in the regulations. Let me illustrate. I turn to page 2 of the bill, the definition stage. Under the word "family" I read:

> "family", for the purpose of any provision of this act, has such meaning as is prescribed for the purpose of that provision—

That was obviously written by a bureaucrat. What in the world does it mean? Where are we going with that kind of definition? Who knows what it means? I turn to page 60 of the bill. Under "Regulations" It reads:

> 115. (1) The governor in council may make regulations
>
> (c) exempting members of the family class from any of the requirements of the regulations and prescribing, in substitution for such regulations, special regulations for the purpose of determining the ability and willingness of persons who sponsor applications for landing to assist such members in becoming successfully established in Canada,

Nowhere in the bill do we have a clear definition or statement as to what is a family. Every culture is entitled to its definition of a family. However, we do not know what that definition is. If, as the minister proposes, we are going to be able to predict the immigration flow into our country, somewhere along the line we will have to know what we are talking about.

Mr. Woolliams: They will make orders in council in reference to that.

Mr. Friesen: The hon. member for Calgary North (Mr. Woolliams) is correct; that is the way it will be done. The minister has become an Artful Dodger: now you see it; now you don't. Does he mean a nuclear family as it is normally and traditionally thought of in the North American sense? Does he mean the larger family unit that is thought of in some other cultures? I again reiterate that every culture has its own definition of a family unit. It ought to. That is not to say that defining it means we are any less caring about other members of the larger family unit. We are. How else would the minister and his department work on immigration, not ceilings but targets, as he calls it? How in the world can you establish a target if you do not know what the definition is under which you are operating?

• (1700)

Having said that, I refer to the recommendations made by the committee which studied the green paper and travelled all across Canada listening to briefs, listening to Canadians. I was a member of that committee and I recall the many hours we spent struggling with the formulation of recommendations. I also remember hearing people all across Canada saying, "I guess this is another government exercise which will cost close to a million dollars, but what is likely to come out of it? Will there be any relationship between the recommendations of the committee and the new bill which the government is proposing? "Well, here is an example. One of the recommendations appearing on page 45 of the report of the committee reads as follows:

> Significant changes in regulations should be explained and defended before the Standing Committee on Labour, Manpower and Immigration.

Again I challenge the minister. Does he intend to take significant regulations, such as the regulation which has done away with the humanitarian clause, and include it in the family clause—I think that is a significant regulation—and take the time to show respect to the committee by explaining and defending them before the committee? The committee

recommended that where possible this course should be followed before regulations were put into effect. Mr. Speaker, I have here a copy of the flow chart of the implementation network which the minister and his officials have outlined. We see that back on February 14 they had already decided they would revise manuals and then refer the material to management. Apparently these regulations are already set for operation. The forms have been printed, the regulations have been drafted and they are ready to go with regard to them. Why is the minister so reluctant to tell us what these regulations are?

Mr. Lambert (Edmonton West): That is the catch.

Mr. Friesen: Has he something to hide? Do the Canadian people not have a right to know what the implications will be? If he has nothing to hide, he will share them with us. Another of the views expressed by the special parliamentary committee studying the green paper read as follows:

> The committee objects to the practice of issuing regulations under the guise of confidential departmental directives.

Again I would remind the hon. gentleman that all across Canada citizens were coming to us saying, "Is there to be any kind of comparison possible between the findings of the committee and the new immigration bill?" The most significant thing which in my view identified the bill before us with the old act is the fact that in both cases the regulations are being kept from the Canadian public. All we can do is read the Canada *Gazette* to see whether the regulations have been changed, and then we can find out what departmental policy is at a particular time. I submit, Mr. Speaker, that this is pretty shabby treatment of the Canadian people. I should like to illustrate what I mean.

Just a few days ago I received from the department the quarterly statistics manual, "Migration, '76" showing migration statistics up to the third quarter of 1976. As everyone knows, we are facing an unemployment crisis in our country; one million people are unemployed. So I was naturally interested in seeing what the Department of Immigration was doing in relation to the number of immigrants coming to this country in a time of such high unemployment.

On page 8, in table 3, the department outlines the flow of immigrants by occupational groups and province of destination. I may say I find this to be a very helpful document and I am grateful to the minister and to the department for sending it to us. But I was amazed to find out some of the things that are happening. Under the heading "Teaching" I find that in the first three quarters of 1976, 1,998 teachers came to Canada—effectively, 2,000 in the first nine months of the year. I do not have my finger on the need for teachers all across this country, but I do know that in British Columbia teachers are looking for jobs and I am sure that is true of other provinces as well. Yet I find that the department of immigration brought in, as I say, 2,000 teachers in the first nine months of 1976. I see here that Quebec, with 10 per cent unemployment, received 409 of these teachers, and Ontario 711. I wonder whether the Teachers' Federation of Ontario is aware of the number of teachers who came to Canada last year, and particularly to that province, in face of the unemployment picture today. The number of new teachers admitted to British Columbia was 263.

What startles me is that in order to qualify to come to Canada these teachers have supposedly to apply to the professional division of Canada Manpower in the central offices of large provinces; they have to qualify in the professional centres before coming here to work. I do not know about the experience of other hon. members, but any time I have gone to the Manpower office in my riding I have found they are very honest with me. They say, "Unemployment is running at about 9¼ per cent and we cannot really do very much." Any time I try to intervene on behalf of a constituent to help bring someone into the country under the unification of families policy, a Manpower official says, "Yes, but with the unemployment figures we are facing today it really cannot be done." So I run up against a brick wall.

Nevertheless, we find that in a nine-month period 263 teachers came to British Columbia. Let me go down the list. Clerical workers. I would imagine that with unemployment running at 7½ per cent across Canada, 10 per cent in Quebec, between 15 per cent and 20 per cent in the Maritimes, and about 8 per cent in British Columbia, clerical people are looking for jobs everywhere. There should be people lining up for clerical positions. Yet I find that in nine months no fewer than 7,478 clerical people were brought into Canada. Of those, 1,303 went to Quebec, 3,864 went to Ontario, and 1,101 went to British Columbia. Just a few weeks ago I tried to find a job for a secretary in British Columbia. I called up the Manpower office and asked whether there was any shortage of secretaries in the province. I was told that these people were coming out of his ears, that he had more than he could handle. Yet the immigration department ratifies admission of 7,500 in nine months—all by regulation!

• (1710)

As for sales, I guess this is another area in which jobs ought easily to be filled. In a period of high unemployment many people who are unemployed would gladly take on a sales position if only they could get a job. The immigration department brought into Canada 2,040 sales persons in nine months, and I am wondering what the hundreds, if not thousands, of unemployed sales people would think if they found out that some 2,000 extra sales people were admitted to this country by the immigration minister. Of that number, 414 went to Quebec, 999 to Ontario and 332 to British Columbia.

In the area of machinists we are facing a critical situation, yet 2,400 came to Canada in nine months, from where I do not know. I wonder whether the machinists union is aware of that? With 10 per cent unemployment in Quebec, 400 machinists went to the province, and 158 went to British Columbia. In the fabricating trade, 6,533 people were admitted to Canada. Of that number, 1,769 went to Quebec. Just think of all the textile workers who are unemployed in that province, yet the immigration department brought into the province another

1,700. In addition, 2,782 went to the province of Ontario, and 671 to B.C.

As for the construction trades, we are facing a decline in the construction industry and a lot of construction workers are out of work, as well as carpenters, carpenters' helpers, masons—you name it, Mr. Speaker. Despite this, the immigration department brought into Canada 3,208 construction workers. With one million unemployed in this country, do we want to bring in additional construction workers? Of that 3,208, 388 went to the province of Quebec, 1,573 went to Ontario and 399 went to British Columbia. I know that in the lower mainland of British Columbia there are construction workers who would like to have a job.

Is the department serious about enforcing its regulations governing the need for a manpower permit to enter Canada? How is it that 400 construction workers in nine months enter British Columbia, in view of the kind of unemployment that industry is facing there? The number admitted in nine months was 48,590, but with their dependants, amounting to 68,921, the total figure in the first nine months of last year for immigration was 117,511.

I am not concerned so much with the total number of immigrants; rather, I go back to the time when I represented people who were dealing with immigration officers and manpower officers in an effort to help them unify their families in Canada. Or there have been occasions when a businessman has come to me and told me he needs a man who is qualified to do a certain kind of work. I would tell him to go the Manpower and to have Manpower advertise the job for 30 days all across Canada. If in 30 days no one applies for the job, then I tell him he can bring in a person from outside. I think that is a fair arrangement if everyone were playing by the same rules. However, I have struck out every time except once. Only once was I successful in helping an employer bring an employee into Canada, and that was because no one else in Canada could do the job, which was a very esoteric and unusual one. On every other occasion Manpower has advertised jobs across Canada.

When I see these immigration figures, Mr. Speaker, I wonder what is going on, whether there is one regulation for one group of people and another regulation for another group. If, for example, there is an oversupply of staff in jobs such as sales, how is it that by the department's own admission 2,040 sales persons were brought into Canada? I have no objection to people coming to this country, Mr. Speaker, because I think it is wholesome for Canada to have an infusion of immigrants. But the same rules should apply to everyone, and somehow I do not think this is the case.

This reminds me of a man who came to me several months ago. He had lived for some years in one of the British possessions in the Third World and had raised his family there. Finally he decided to move to Canada. His adult son decided to move back to England, where he worked in a professional capacity chartering cargo planes. This young man is the only member of that family in England; I do not think he has even an uncle or a cousin there. All the members of the family live in different parts of the world, but his parent and one sibling are in Canada.

Having read press reports concerning the government's policy on family reunification, the father went to the local immigration office and applied for his son to come to Canada. In effect, the immigration officer said he would try, but that since he was now an adult he had to apply under the independent category. He applied, and naturally was struck out. Finally, the father called me and I contacted not only the local official, who was as helpful as he could be under the regulations, but also the immigration officer in London to see whether he could find some ingredient which would enable the one son left in England to come to Canada. But, Mr. Speaker, there was no way.

The government says it believes in the reunification of families, but I go back to what the hon. member for Vancouver East said. The government wants to parade itself to the Canadian people as believing in the reunification of families, but when I try to reunify one family it does not work out that way. This policy is good only for certain people. I have yet to be successful in bringing that young man over to Canada, even though he is the only member of that family left in England. Is that justice? Something has to be done, and that is what I mean about the injustice of having the regulations separate from the bill. The minister seems determined to make sure that we will never see them and debate them on the floor of the House, and the Canadian people will be kept in the dark as to how the immigration policy of our country will operate. And they call this the just society!

• (1720)

There are a couple of other aspects of the bill which give me cause for concern. I think the whole area of the refugee class is something we should reconsider. I reiterate that we are members of the Canadian family or are members indirectly because we left a country or our forefathers left a country for political reasons. I have a great deal of sympathy for those people, and more than sympathy, compassion, for those who are faced with a future in a country that is hostile to their convictions and where their life is at stake. But in the intervening years, in the last 100 years, we have been facing a new philosophy in this world; that is, the philosophy of pragmatism which says that whatever works is right, that there is no such thing as absolute morality. Truth is truth if it works, and it is no longer truth it it does not work. That is pragmatism.

There are a lot of political activists across the world who believe in that philosophy and who are politically active in their country. They even believe in the violent overthrow of their country. Their morality is based on pragmatism. What we have to define for ourselves is what their relationship would be to our way of life here. We would be totally irresponsible Canadians, and certainly irresponsible legislators, if we did not examine thoroughly the implications of that philosophy as it pertains to the immigration policy.

Surely we owe it to ourselves, to the future of our country, to our children and to our children's children, to make sure

that the people who want to come to Canada are those who believe in the validity of our institutions, who want to see our way of life perpetuated and who believe in democracy as we know it today. But more and more we see around the world societies and political systems that do not hold to our way of life. It is all too easy to declare yourself a refugee from that kind of society. I reiterate that we need to be very understanding of the plight of refugees, but it seems to me that the United Nations' declaration may be a little too tolerant in that area. Certainly, I do not think we should allow them to define, in Canada, whether or not they are political refugees.

If I understand the act correctly, one of its provisions is that the judge who is adjudicating the final stages of a refugee's disposition within Canada must ask of that refugee, "Are you a political refugee"? If you do not believe in the absolute right or wrong, or the absolute truth, and you are pragmatist, then surely anything you say can be justified; and if the judge asks you whether you are a political refugee, then of course you are going to say "Yes" if it means staying within the country rather than being deported to your hostile homeland. Somehow we will have to come to grips with this provision in the Immigration Act. I reiterate that we need to be very compassionate and understanding of the plight of the refugees, but we have to do it in the knowledge of the new philosophy which exists in our society.

Finally, there is one other provision in the bill which I believe should be examined carefully. I think this provision was drafted with the intent of being more fair and finding a more operative and equitable way of admitting people into Canada. It has to do with what is called the inadmissible classes. What concerns me about this is the fact that there are about 750,000 people who apply to come to Canada every year, and there are probably 1.5 million who want to come, but only half of them take the first step, that is, to apply to come to Canada. Even under the present regulations most of them are refused. There are six or seven times as many people who apply to come to Canada as are admitted to this country.

With that kind of reservoir of people of whom probably 99.9999 per cent would be wholesome contributors to our way of life, it concerns me that we want to spend so much time examining the ways in which we can get people to come to the country who might be a threat to our society. Why should we spend so much time on that when there are so many people who would appreciate the opportunity of living here and who would contribute to the welfare of our society? I think all members would agree that for some classes of people it has been too difficult in times past to come in, and I am glad to see provisions in the bill which eliminate the discriminatory aspects of the bill, such as health provisions and so forth. But in the previous act they were the so-called prohibited class. Now the drafters have used some cosmetics; they have used a less offensive term and they are calling this group of people the "inadmissible class."

As I look at the provision, I see it as a nightmare for the people who are supposed to administer the act to find ways of making it as equitable as they want it to be. Is it the intent of the act to make sure that people who have been convicted of crime in their country are treated the same way under our system of jurisprudence?

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired. Is there agreement to allow the hon. member to continue?

Some hon. Members: Agreed.

Mr. Friesen: Thank you, Mr. Speaker. I will conclude my remarks in a couple of minutes. I cannot help but think that under this provision we are creating more problems than we can solve. If we are to take our Criminal Code and superimpose it over the criminal codes of every other country in the world, what a nightmare that will be. We would have an army of bureaucrats trying to make sure that every provision of the Criminal Code matched a similar provision in other criminal codes. Can you imagine what kind of a job that would be? In the United Nations alone there are 150 countries, each with its own lifestyle, traditions and set of values. What is a crime in Canada is not necessarily a crime in other countries. How in the world will we standardize our laws? I think we have good intentions, but how are we going to do that? These are the things the minister and his officials have not examined thoroughly enough. They have to be examined further if we are going to have a bill which will benefit Canadians now and in the future.

• (1730)

I will conclude by saying, as I said at the outset, that the immigration bill has probably the most far-reaching implications for Canada of any bill we will be debating in this session and probably in this parliament. It behooves us, as legislators, to examine this bill more carefully and to demand of the minister good stewardship of his department. The minister should provide the regulations so that we can examine them and be responsible for them, as we ought to be. If he will do that, he will be doing a service both to parliament and to the Canadian people.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I can assure the House that my speech will be short. This has been a lengthy debate and I do not want to jar its tenor in any way. I simply want to contribute two points to the debate before it is wound up by the hon. member for Egmont (Mr. MacDonald).

The first point I would like to make is with reference to refugees. We need a better procedure for refugees, and I hope this bill will provide a procedure to take care of cases like the one about which I am going to talk. This case concerns a teenager whose uncle moved to Canada and established a very successful business in Halifax-East Hants. When trouble broke out in Lebanon, the young man managed to move to Cyprus. He was in a position to move to Canada at a moment's notice if we had had a procedure for making him a Canadian citizen. His uncle here wished to adopt him. His parents wished that he could have that right. They were prepared to give their son

up, and under all the circumstances it seemed to me to add up to a pretty humanitarian type of situation. However, there was great frustration in trying to bring it about. There was frustration in dealing with the regulations in the act which we have now. There was frustration in dealing with the school system in Nova Scotia and in dealing with a dozen and one things, including the attitude of the bureaucracy in Cyprus. So, all in all, what seemed to me to have been a step which should have been taken very quickly turned out to be a step which even with the best help of those in the minister's office here in Ottawa we were not able to take.

I am prepared to share my frustration with the Minister of Manpower and Immigration (Mr. Cullen) in the committee and to present this as a classic case in which there should have been not only more discretion but also the ability to move rather quickly. This matter has really bothered me and I present it for the public record now. However, when the committee is asked to deal with the refugee part of this bill I would like to have at least five minutes in the sun.

There is another point about which the House might expect me to speak at more length than I will, and that is the point about regulations. Regulations sometimes take on horrendous or even Frankensteinian-monster proportions to the people in this place and in the other place. For reasons which are probably pretty apparent, having worked in the committee which deals with regulations I know that one can live with a certain type of regulation, but with other regulations it is very difficult indeed. Those who argue that the regulations should be seen beforehand make a very good argument. I think the Minister of Manpower and Immigration, whose attention I hope to get eventually, would be well advised to take the same attitude as the Minister of Justice (Mr. Basford) about the proposed regulations under the gun law; that is to say, they shall be looked at in committee before the act becomes final. I think that was a very useful precedent in our parliamentary process. We all know that that particular bill did not go to its final conclusion, but the fact that that offer was made was, to my mind, a substantial improvement over anything we have seen before with regard to regulations. I hope the Minister of Manpower and Immigration will accept this proposal as being reasonable.

I do not think it hurts to have proposed regulations examined from the standpoint of the criteria which have been adopted both in this House and in the Standing Committee on Regulations and Other Statutory Instruments. I gather I am not to have the ear of the minister, but perhaps my contribution can be drawn to his attention. I make my proposal very seriously. Perhaps I can repeat that it would be a very useful step, when new legislation which contains broad powers for dealing with problems by way of regulation is introduced, to have the regulations attached to it brought in so that they can be examined. They do not necessarily need to be examined in the committee which I have the honour to head; I think they should be examined in the committee which deals with the legislation.

[Mr. McCleave.]

In that committee there are likely to be experts. For example, I am looking at my friend, the hon. member for South Shore (Mr. Crouse), and I think many things should be brought into the Standing Committee on Fisheries and Forestry by way of regulation so that he can have the first crack at them, rather than the Standing Committee on Regulations and Other Statutory Instruments. As we all know, the legislation dealing with statutory instruments provides that future regulations shall be presented to that committee.

The second thing is that some of the tactics the privy council office has used on our parliamentary committee to keep future regulations away from that committee should be restricted. I said I would speak only for a brief period of time, but I make these points sincerely. I would be inclined to raise hell, if I may use that word, if no regard was paid to the two small representations I have made this afternoon.

Mr. David MacDonald (Egmont): Mr. Speaker, I have read with interest some of the remarks made earlier in the debate. I did not have the opportunity to hear them all firsthand. However, I listened carefully to some remarks today. The hon. member for Surrey-White Rock (Mr. Friesen) said that this bill is likely the most important legislation we will deal with in this parliament, and I know other people have made similar statements. I believe that the whole subject of immigration and migration policy as it affects the jurisdiction of the federal government is indeed a major responsibility. I do not think anyone, no matter what his views with respect to this important and, at times, controversial subject, would say otherwise.

There are a couple of basic questions which I think have to be examined at the outset with respect to the legislation which is before us. I suppose the principal question which must be asked at some point in the process is why new immigration legislation is being proposed. Perhaps that is an overly obvious question to ask, since it has been well documented by the minister and others who have participated in this debate that a process has gone on for three or four years which has involved the initial commitment of his predecessor, the publication of the green paper and supporting documents, the reference to the special committee, the work of that special committee, its report, obviously made after lengthy consideration on the part of the committee and, finally, this legislation.

● (1740)

I think this question must be raised at the outset: Why are we launched on this particular process? The best argument I have been able to hear, either from the minister, his officials or his predecessor, is that the legislation of 1952 is obviously obsolete. It is obvious that the reference to obsolescence has as its basis those prohibited classes which now are an anachronism. They bring to mind words like moral turpitude, epilepsy, and the names of other illnesses which in all justice we would not want to see included today in any legal definition.

If the intent was primarily to remove the obsolescence built into the present legislation, one feels that it would not have been necessary to embark on such a major process involving special reports, special committees, examinations by special

committees, concluded by a fairly lengthy debate on this matter in parliament. Obviously, much more is at stake than the occasional anachronism in a piece of legislation.

There have been, as I suppose the minister and his officials may say, very real pressures for a new act which could give us some kind of new approach, a more modern approach, to the question of immigration. I think we come closer to the truth when we hear the minister or his officials talking about more effective management of the immigration program. We use certain code words, Mr. Speaker, and when certain public people use code words in talking about immigration we must examine those words most carefully. I am of the firm belief that some of the code words have to do with management, efficiency, the effectiveness of resources and some of the other things listed in the objectives set out in this bill for the first time, to which I shall refer in a moment. Those code words should be looked at carefully and as penetratingly as possible, because they may tell us a good deal about the real intentions of the government, the minister and his officials.

I believe that the government is attempting to respond, perhaps even reinforce, some perceptions which have received a good deal of publicity and discussion during the past few years. Those perceptions do not see immigration as a kind of objective or neutral social phenomenon; they see it as being a major problem, a major social difficulty which we must confront and somehow solve.

It seems strange to me that almost everybody seems to believe we are dealing with a difficult and complex problem, a problem which somehow must be controlled, managed and brought under effective jurisdiction. I find this a disturbing concept from two points of view. It disturbs me because it flies in the face of the evolution of this country. Numerous speakers on both sides of the House have indicated, as they have shown with documented evidence, that we are in a very real sense a nation of immigrants. I think the hon. member for Parkdale (Mr. Haidasz) mentioned that something like ten million immigrants have come here since confederation. Clearly, at present more than half the population consists of either first, second or third generation Canadians or is related to those who originally came here as immigrants within the last 100 years. Indeed, some time ago, when reflecting on the public attitudes of a couple of years ago and of a decade ago when Mr. Marchand introduced the white paper and amendments to the Immigration Act, I looked at a number of editorials which were written a decade ago. I examined a good deal of the publicity which had surrounded the introduction of that white paper.

I have the white paper here, but I will not quote from it. If hon. members read it, it should become obviously and painfully apparent to them that this same government, under a different leader and minister but listening to essentially the same bureaucratic advisers, took the position about a decade ago that immigration was a powerful tool, a powerful process which has been extremely valuable in the total development of this country. One recalls the rhetoric surrounding various events of our nation's history, the appeals by public figures to Europeans and statements about this great land of promise, Canada. We know the extent to which previous governments in our history invested large sums of money in order to ensure an adequate flow of new Canadians to populate this country and open its virgin territories. As late as a decade ago, indeed, after we had existed for more than 100 years as a nation, this government was able to talk in positive terms about the continuing phenomenon of immigration as being an asset to the further development—the exploitation, if you like—and exploration of this country.

The green paper produced two or three years ago contained none of that positive, buoyant atmosphere. It was, indeed, a document which left one with the feeling that although immigration perhaps was not an evil it was a problem, and that if we did not cope with it we would find ourselves living in a social situation which could rapidly get out of control. When we are told we need a new immigration act, it is not just a question of revising or eliminating anachronisms in a piece of legislation 25 years old: it may, indeed, be turning around the question of immigration. That is what has bothered me so seriously about the measures which the minister has brought before the House in this bill.

We are not debating a piece of legislation which would enshrine Canada's continued belief in the importance of having new people come here with new ideas to populate this country, although there is lip service paid in the objectives to those kinds of values and cultural advantages—but they are far down the list when compared with advantages of trade and commerce. Lip service is paid to the notion of effectively regulating, managing, controlling and dispersing the immigration phenomenon of this country.

We have been taken in, Mr. Speaker. When problems have developed concerning unemployment, inadequate or unavailable housing in urban centres and the occasional reports of racial or ethnic disturbances or confrontations, we have allowed extremists in our society to propagate the belief that immigration is a problem and that we must effectively control this dangerous gene of immigration. I suggest that the seeds of such beliefs were sowed ten years ago with the introduction of the points system, because that system allowed us to enunciate a new kind of discrimination.

At root, what bothers many people about the green paper is that it considers immigration as a problem. Basically, it sees immigration as negative, as something to be managed. It is much more concerned about systems management than about dealing with people as people. That, certainly, is the atmosphere pervading this legislation. The points system, to which I will refer in a moment, laid the groundwork of a new kind of discrimination with which we have had some years of experience. I say, at the outset, that in a sense we have turned the subject of immigration on its head. I think we should all be clear about what has happened to us, because all of us have to some degree fallen into an enormous trap. The trap is simple, but many threads and nuances run through it. It is that immigration is no longer to be considered as basically a

positive force; it is no longer to be considered as essential to the further unfolding of this country.

● (1750)

This is, in fact, increasingly a problem-oriented situation which must be increasingly controlled, regulated and brought under some kind of effective systems management. It has also been a very convenient scapegoat, particularly for government apologists or others who want to blame many of the social ills of our country on those who are new or different. We should not be surprised at this. This is not something altogether different from other societies.

If we study some of the social development and cultures to the south of us, or in Great Britain, and the problems that have arisen with regard to urban slums, unemployment and abrasiveness of situations which exist in educational centres, all have caused people to look for some effective solution or basic cause as to why we are faced with these particular problems. If we can point to the stranger, the person with a different accent, different customs, different language or different skin colour and blame many of the problems of our society on those we regard, quite frankly, as outsiders and strangers, that is a very dangerous situation for any society to arrive at. To be aware of that in the context of this debate is certainly to be very irresponsible. To allow for the growth of these kinds of myths is to strengthen beliefs and harden situations which will make it more difficult in the final analysis to solve some of the very real social and economic problems that we face.

The objectives set out in the bill claim that this will allow, for the first time, as the minister said in his press release at the time of the tabling of the bill:

> The bill explicitly affirms, for the first time, the fundamental objectives of Canadian immigration law; family reunification, non-discrimination, concern for refugees, and the promotion of Canada's economic, social, demographic and cultural goals.

It is noteworthy that in spite of the government being preoccupied with this matter for the better part of three or four years, neither this minister nor his predecessor have given us a very firm indication as to our economic, social, demographic and cultural goals. The furthest we seem to get on this is some statement by the minister that there will be a process of consultation before such things as levels or quotas are arrived at. Clause 3(f) of the bill reads:

> —to ensure that any person who seeks admission to Canada on either a permanent or temporary basis is subject to standards of admission that do not discriminate on grounds of race, national or ethnic origin, colour, religion or sex—

To use the word "non-discrimination" to apply to that is certainly something I would hope all, or almost all of the people in Canada would strongly support. It is in line with previous declarations that have been made in the past ten-year period. Certainly, it was an important step forward in making that kind of assertion. I say that because, as I think previous speakers have mentioned, our record with respect to complete neutrality and non-discrimination concerning Oriental and Asian immigrants is not one of which any of us can be proud. The situation with regard to the Chinese, Japanese and Indian people has been one that should give us all cause for thought, when we are all inclined to say all too quickly that Canada has had a great and long tradition of non-discrimination when it comes to race.

What disturbs me is that while the minister has enshrined in the objectives admirable sentiments, which I think are agreed to by many other countries similar to Canada, the points system as it has been established and as it will apparently continue will indeed perpetuate if not exacerbate discimination in other areas with which we have yet to come to grips.

It may be true that we do not discriminate against those who are of different racial origin, but very clearly our points system discriminates against the poor. It may be true that we do not discriminate against those who have another creed, but we very clearly discriminate against those of lesser education or sophistication. It may be true that we do not have any particular discrimination against people from any particular origin, but it is true that we locate our offices and the processing of those who apply for immigration very much with a view to origin and geographic location. As I have said, the points system discriminates very much in favour of those who are already here. It is a self-serving one, self-serving in a negative sense in that those of us who are here feel increasingly threatened by those who want to come.

There is, within the context of this kind of points system, a sort of siege mentality which, given the kind of world we live in, will increase interaction between nationalities, groups and cultures which is exceedingly dangerous. In fact, the points system is a kind of clever put-down of those of different economies, societies and cultures. Behind much of the debate on points and quotas is the very real question of a protection of privileges. There is in a sense an attempt to achieve a kind of monolithic, cultural and economic enclave. While an enclave may have some appeal on a short-term basis, its long-term virtues for all the citizens of this county are greatly to be doubted.

It is important that we realize the sense of the Immigration Act is to move, not toward a more open society but toward a more closed one, one that will require more regulations and more rules and regulations that are not really public knowledge. I shall mention that again, because I think the lack of commitment on the part of this minister to, in effect, explain how the act is going to operate is nothing short of shocking, given the importance of this bill to every Canadian.

I would hope that within the time the bill is being debated on second reading, perhaps before we come back to debate it again, the minister will reflect on the numerous calls he has had from many members of this chamber for full disclosure of the regulations before we conclude second reading. Only in that way can we be sure that when the minister said future immigration levels are made a matter for open decision and public announcement in advance by the government, his commitment to such open decision will in fact be a credible one.

May I call it six o'clock, Mr. Speaker?

Mr. Deputy Speaker: It being six o'clock, this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 2(1).

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, March 17, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

ST. PATRICK'S DAY

TRIBUTE TO CONTRIBUTION TO CANADA MADE BY IRISH PEOPLE—MOTION UNDER S.O. 43

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I rise on a matter of urgent and pressing importance under Standing Order 43. I move, seconded by the hon. member for St. John's East (Mr. McGrath):

That on this important day, March 17, we pay tribute to one of the greatest races of people in the world, the people who have contributed so much to the development of this country, who have not done it without suffering and so on, and that we long remember the contribution that they made and are still making to this country.

The people I refer to are the Irish.

Some hon. Members: Hear, hear!

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INDUSTRY

SUGGESTION CORPORATIONS GIVE THREE MONTHS' NOTICE OF INTENTION TO CLOSE PLANT—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, under the provisions of Standing Order 43, I ask the unanimous consent of the House to introduce a motion of urgent and pressing necessity. As a result of irresponsible action by the multinational ITT corporation, 107 men, many with long years of service have been made jobless with the closing of Ontario Malleable Iron in Oshawa. This action was taken without respect or concern for the employees or the community. I therefore move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That the government introduce legislation requiring multinational corporations to give a minimum three months' notice in advance of a plant closure and be made responsible for protecting full pension benefits of employees with 20 years or more service.

Mr. Speaker: The presentation of such a motion pursuant to the standing order requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

● (1410)

AGRICULTURE

REQUEST FOR MEASURES TO HALT DECLINE IN FARM INCOME—MOTION UNDER S.O. 43

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I rise under the provisions of Standing Order 43. Statistics Canada has just reported that farm cash receipts have dropped by some 31 per cent this January over January of last year, and since this is only the first blow of what is shaping up as a devastating income year for the farmers of this country, I would move, seconded by the hon. member for Sault Ste. Marie:

That this House direct the government to announce programs to halt the continuing slide in farm income.

Mr. Speaker: Presentation of such a motion under the terms of Standing Order 43 requires unanimous consent. Is there unanimous consent?

Some hon. Members: No.

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THE CANADIAN ECONOMY

INVITATION TO PRIME MINISTER TO LIVE ON UNEMPLOYMENT INSURANCE BENEFITS AND REPORT RESULT—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, under the provisions of Standing Order 43, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), I move:

That this House, noting the view expressed yesterday by the Prime Minister that one of the reasons we have more than a million unemployed persons is that Canadians are living beyond their means, invites the Prime Minister to join the ranks of the unemployed or to live on the amount available to them as unemployment insurance for six months and then report to the House as to whether he still holds the view he expressed yesterday.

Mr. Speaker: Presentation of such a motion under Standing Order 43 requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed!

Some hon. Members: No!

REQUEST FOR JOB CREATION PROGRAMS FOR YOUNG PEOPLE—MOTION UNDER S.O. 43

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to move, under Standing Order 43, a motion on a matter of

urgent and pressing necessity. In view of the fact that almost half of the Canadians without jobs are between the ages of 15 and 24, and that in another two months several hundred thousand students will also face a hopeless search for summer employment, and in view of the fact that the unemployment rate for the 15 to 24 age group is now 14.4 percent on a seasonally adjusted basis—more than 2.5 times the unemployment rate for those 25 years of age, and in view of the fact that the severity and chronic nature of the youth unemployment problem in Canada, as well as its long-term effects, make it economically, and socially explosive, I would like to move seconded by the hon. member for Winnipeg North Centre:

That this House urges the government to initiate substantial job creation programs oriented towards the youth in Canada.

Mr. Speaker: Such a motion under the terms of Standing Order 43 can be presented only with unanimous consent. Is there unanimous consent?

Some hon. Members: No!

ORAL QUESTION PERIOD

[*English*]

FINANCE

EFFECT OF UNITED STATES LAW CONCERNING CONVENTION EXPENSES—INTEREST AND DIVIDEND IMBALANCE WITH UNITED STATES

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is directed to the Minister of Finance. As interlocked with rising unemployment we have current account trade balance deficits among the highest in the world, including travel deficits which rose sharply over last year amounting to $1.1 billion in the last year for which we have figures, would the minister tell us whether he has received any confirmation from Washington of an exemption or other alteration with respect to the Washington order affecting convention expenses as they pertain to Canadian institutions?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, as I stated in the House last week, I discussed this question with Secretary Blumenthal during my visit to Washington. It was pointed out, of course, that Canada as well, in its tax law, applies restrictive provisions with regard to conventions and it was suggested by me that we might seek some reciprocal provisions so as, on one hand, to protect taxpayers generally, while on the other to make certain that the long standing practice of exchanging conventions across the border will continue. That is a subject which will be actively considered in the treaty negotiations which are now reaching the completion stage.

Mr. Stevens: A supplementary, again to the Minister of Finance. Included in the current account deficit figures not only do we find this tourist imbalance but also an interest and dividend imbalance of $2.5 billion, would the minister indicate whether in the current year he anticipates this deficit will grow even higher?

Mr. Macdonald (Rosedale): As I indicated to the hon. member in the standing committee, it is difficult to know exactly what provincial and municipal governments and private borrowers will do with respect to their financing in the current year. There is reason to believe that provincial demands on the money market may be somewhat lower this year than they were last year, but this will depend very much on the difference between United States and Canadian longer-term interest rates. At the moment it is difficult to predict exactly whether there will be a substantial difference in this current year.

TREND OF DEFICIT ON SERVICE TRANSACTIONS—GOVERNMENT POSITION

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, again to the Minister of Finance; not only do we have deficits in the two items that I have referred to but we also have a $2 billion deficit on other service transactions up 11 per cent over the previous year, would the minister also indicate if he anticipates that this deficit will continue to rise in this most unsatisfactory year as far as our economic condition is concerned?

Hon. Donald S. Macdonald (Minister of Finance): It seems to me, Mr. Speaker, that this trend is the least likely to change in the sense that it represents payments for shipping services overseas, insurance and other invisibles of that kind. In that sense I do not anticipate there is any prospect of a very dramatic reduction there.

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THE CANADIAN ECONOMY

POSSIBILITY OF CHANGES IN METHOD OF ECONOMIC FORECASTING AND DEBATE ON CONDITIONS PRIOR TO BUDGET

Mr. James Gillies (Don Valley): Mr. Speaker, my question is directed to the Prime Minister. I would like to ask the right hon. gentleman, in relationship to the current economic situation, the high levels of unemployment, rising inflation, balance of payments deficit and more particularly to the fact that over the past few years there has been a fair degree of discrepancy between the forecast and the realities of economic performance, whether or not the Prime Minister is satisfied with the way in which we are organized in this country for the development of economic policy? I have in mind specifically whether or not he would consider the possibilities of changing the budget procedures so there might be debate on major economic trends before the budget comes down, and a new role for the Economic Council of Canada, the possibility of a council of economic advisers or some new arrangement whereby we might feel that we are getting perhaps a broader and better interpretation of economic forces and economic outlook that is ahead of us?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there is an indication in the question of very legitimate concern by the hon. member and some suggestions for improving our institutions. I will consider them. The hon. member himself might want to consider elaborating on them in a speech in the budget debate and certainly the Minister of Finance, myself and other members would be interested in improving in any way our procedures.

SUGGESTED COMMITTEE STUDY OF INSTITUTIONS CONCERNED WITH ECONOMIC POLICY

Mr. James Gillies (Don Valley): Mr. Speaker, I wonder if the right hon. Prime Minister would give serious consideration to the appointment of a select committee of this House to examine the institutional framework for economic policymaking in this country with the terms of reference requiring a report by the end of this year so that some of the recommendations might be taken into account, if accepted by the House, in the preparation of the budget for the next fiscal year?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this calls for the same type of answer. I will consider the various suggestions. However, if the hon. member could find some moment to elaborate on them, either inside or outside the House, I would be very interested.

* * *

FINANCE

DEFICIT AS RESULT OF CANADA-UNITED STATES AUTO PACT—DISCUSSIONS WITH UNITED STATES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Finance. Given the need for government initiative to create jobs for the more than one million Canadians who need them, will the minister confirm the figures I have that the deficit in automotive parts trade with the United States increased a further $200 million in 1976 for a total of $2.7 billion in deficit for that year and if so, could he tell us what he said about this when he went to Washington recently, because such an imbalance obviously means a profound loss of jobs to Canadians and completely goes against the spirit of the auto pact?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the first part of the hon. gentleman's question requires a statistical answer and I would be prepared to seek that. I do not have it to hand at this time.

On the second and broader aspect of the question, indeed the question of the auto pact was referred to. As the hon. gentleman knows, there have been parallel considerations within both Canada and the United States with respect to the trade in automobiles and auto parts, a parallel preparation of positions of the two countries in this regard. We would anticipate that in this area we would have opportunity of comparing those respective positions of the two countries as a step toward a further examination of the auto pact.

Mr. Broadbent: Mr. Speaker, a year ago last month the minister informed me in the House in reply to a question that the government was then preparing its position on the auto pact and considering that the deficit now is of the magnitude that I just told him, I am astounded that he did not have these figures at his fingertips when he went to Washington last week. Does the minister know that we have not got our share of investment in the auto pact in each of the years for the past half dozen years, and if he knows this, could he tell the House why he did not bring this major job creating pact supposedly for Canada to the attention of the Americans when he was there last week?

• (1420)

Mr. Macdonald (Rosedale): Mr. Speaker, I think it will be evident from the nature of the question that it is obviously a matter of a difference of opinion, for example, as to what is the appropriate share, and indeed the preparation of viewpoints on that matter has been underway. I have to remind the hon. member that there was little prospect of achieving progress in negotiations with the United States during the period of time in which that country was in the process of selecting its administration for the current term.

POSSIBILITY GENERAL MOTORS WILL CEASE PRODUCTION OF VEGA AT STE. THERESE—GOVERNMENT ACTION TO PROTECT JOBS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, one view of the share would be that we get investment in the industry at least in proportion to the amount we consume in the industry on this side of the border. We have been getting about half that amount for the past half dozen years.

My final question to the minister concerns the announced intention of General Motors to shut down production this coming fall of the Vega automobile which is currently produced at Ste. Therese, Quebec. Has the minister investigated this report, and if so, has he obtained assurances from General Motors that that company will not shut down production of the Vega, or if it does that, the jobs involved—and there are hundreds of them—will be fully protected through the production of another model of that company's line at that plant on this side of the border?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, as the hon. gentleman knows, detailed dealings with the automotive industry in Canada are the responsibility of my colleague, the Minister of Industry, Trade and Commerce.

Mr. Broadbent: He is not here.

Mr. Macdonald (Rosedale): He is not here, but I am quite prepared to bring to his attention for his consideration the question asked by the hon. member.

[*Translation*]

CONSUMER AFFAIRS

INCREASE IN COST OF FIRE INSURANCE—GOVERNMENT INSURANCE

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I would like to ask a question of the Minister of Consumer and Corporate Affairs.

Is the minister aware that 80 per cent of Quebec fire insurance companies have jointed into a combine to control the insurance rates which have gone up by 100 per cent in the last two years, and to determine themselves the appraisal of insurable properties on the basis of replacement value, which means a total increase of 200 per cent in three years ? Is his department responsible for these companies and what is the minister doing against this monopoly which is going to be prejudicial to 75 per cent of small fire insurance policyholders?

[*English*]

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Mr. Speaker, the companies mentioned and their practices could come under the examination of my department. Subsequent to the raising of a Standing Order 43 motion I asked the director of the combines branch to report to me on this question, and I will advise the hon. member as soon as possible.

[*Translation*]

Mr. Gauthier (Roberval): Mr. Speaker, may I ask a supplementary question of the minister?

I thank the minister for his answer. Now I want to ask him whether it would be possible to proceed immediately with regard to this combine which has started its activities because, as I said before, this would make it impossible for 75 per cent of the people to get fire insurance.

[*English*]

Mr. Abbott: Mr. Speaker, I thank the hon. member for his representation, and I will look into the matter.

* * *

NATIONAL DEFENCE

STATUS OF CFB CORNWALLIS

Miss Coline Campbell (South Western Nova): Mr. Speaker, my question is for the Minister of National Defence. In the past there have been rumours that CFB Cornwallis is to be closed down. Can the minister tell me and the people of South Western Nova the status of CFB Cornwallis at this time?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, CFB Cornwallis is certainly an active Anglophone recruiting centre. Not only is it continuing, but its size is being increased by about 100 new recruits per month. Base operations are going on. There are refittings for a new mess hall and an expansion of existing facilities, so the hon. member can be assured that Cornwallis is strong, alive and producing mighty fine troops for our armed forces.

Some hon. Members: Hear, hear!

* * *

MANPOWER

PROGRAMS TO GIVE EMPLOYMENT TO NATIVE PEOPLE—EFFORTS TO OBTAIN UP-TO-DATE STATISTICS

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, my question is for the Minister of Manpower and Immigration and is related to the exceptionally high unemployment rate in the Indian, Inuit and Metis communities which averages between 45 per cent and 60 per cent and at times is as high as 95 per cent. In view of the fact that the policy announced by the former minister on May 17, 1976 has failed to attain the objectives of increased participation in the labour force and to decrease the unemployment rate, can the minister say what new programs he will be introducing to correct this serious problem.

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I disagree with the premise of the hon. member's question. I recognize of course that the unemployment level of that particular group is in fact high, and that is why we set the figure at 75 per cent and brought the status Indians under the Canada Works program so that on a constituency to constituency basis some effort was made in that direction. In other projects that we have operating across the country in conjunction with both DREE and the Department of Indian Affairs and Northern Development we are endeavouring to do what we can to assist at the government level.

Mr. Holmes: The minister referred to the Canada Works program. If the unemployed status Indians were included in the unemployment statistics for February, the number of Canadians out of work would be substantially more than one million. What steps is he taking to obtain accurate, up-to-date ongoing unemployment statistics for status Indians, and indeed for Metis and non-status Indians, so that the government can immediately introduce programs to correct the serious unemployment problem and, in addition, to permit the government to develop a long-term employment strategy in anticipation of the exceptionally large number of status Indians who will be entering the labour force by 1980?

Mr. Cullen: As the statistics for non-status Indians are not included in the labour force survey, the hon. member's question might better be directed to my colleague, the Minister of Industy, Trade and Commerce. We did recognize the fact, and the statistics are available for the Department of Indian Affairs and Northern Development. For that reason we used those particular figures in establishing criteria under the Canada Works program. With regard to the other groups to which the hon. member referred, they are included in the labour force survey. However, they tend to be swallowed up in the over-all unemployment figure. On that basis I met in

particular with the Metis and the non-status Indians to see what could be done to accommodate them under the provisions of the next phase of the Canada Works program.

MINISTER'S VIEW OF FAILURE TO INCLUDE NON-STATUS INDIANS IN LABOUR STATISTICS

Mr. Arnold Malone (Battle River): Mr. Speaker, my supplementary question is for the same minister. Does he consider it in accordance with human rights that the non-status Indians are not considered within the over-all labour statistics?

Hon. Bud Cullen (Minister of Manpower and Immigration): As I said, I am not sure that this has direct relevance to my department. So far as I am concerned, I will see what we can do about cutting down the numbers of unemployed. The figures are available, they are incorporated into the criteria used by my department, so there is no discrimination. We err on the side of going higher rather than lower in the figures we consider.

* * *

TRANSPORT

SUGGESTED RECONSIDERATION OF FUNDS FOR DEVELOPMENT OF URBAN TRANSIT IN TORONTO AREA

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, my question is for the Minister of Transport. In view of the fact that it has been established that a further $800,000 would be added to the cost of improving Union Station in Toronto, should this project be postponed by two years as a result of the refusal by the government to abide by its 1974 campaign promise to aid the urban transit system in that area, can the minister, in consultation with the Minister of Finance, reassess the government's position in this regard and make funds available, as promised, for the very important purpose of improving the over-all urban transit system in that area, particularly in view of the increased cost if it is postponed for several years?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, our exact position in reviewing this question was stated in the House in the last day or two, and I would refer the hon. member to the answer on that day.

REQUEST FOR RECONSIDERATION OF COMMITMENT TO SUPPLY FUNDS FOR URBAN TRANSIT DEVELOPMENT

Mr. Otto Jelinek (High Park-Humber Valley): In view of the minister's answer, I should like to direct my supplementary to the Prime Minister. Last year the same government made grants available amounting to millions of dollars for such purposes as, "to study the role of the harmonica in a social culture of each region of Canada"—

• (1430)

Mr. Speaker: Order, please. Perhaps, if the hon. member has a supplementary question to ask, he will ask it.

Mr. Jelinek: Mr. Speaker, my question is this: In view of these grants, I wonder if the Prime Minister could ask the cabinet to reconsider its priorities in respect of this matter, and the grants in order at least to fulfil its election promises, particularly when they pertain to an area as important and serious as urban transportation, which affects perhaps millions of Canadians.

Mr. Speaker: Order, please. The hon. member's question to the Minister of Transport was a repetition of an earlier question, which I allowed. But the hon. member has now repeated it.

* * *

GOVERNMENT ADMINISTRATION

USE OF DEPARTMENTAL STATIONERY FOR FUND-RAISING LETTERS—GOVERNMENT POSITION

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is for the Secretary of State for External Affairs. I have in my hand a purported copy of a letter written by the Minister's parliamentary secretary, on the departmental stationery of the office of the Secretary of State for External Affairs.

Some hon. Members: Oh, oh!

Mr. Grafftey: It says, "Dear Sir, as you know—

Some hon. Members: Oh, oh!

Mr. Grafftey: —the federal government favours the participation directly by citizens and businessmen in the financing of the Liberal party. It says—

[*Translation*]

Be assured that your contribution will be greatly appreciated. Liberally yours, Fernand Leblanc, member for Laurier.

[*English*]

Some hon. Members: Shame!

Mr. Grafftey: My question is this: Does the minister approve of the practice of fund-raising letters being sent on behalf of the Liberal Party on departmental stationery; is he aware of this practice? If he is, does he approve it, and will he take up this matter with the parliamentary secretary?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, I will make the usual and thorough inquiries into the matter and respond later.

Mr. Grafftey: A supplementary question, Mr. Speaker. Was the Secretary of State for External Affairs aware that fund-raising letters for the Liberal Party were going out on departmental stationery? If so, does he approve of this?

An hon. Member: He answered that.

Mr. Grafftey: With respect, he said that he would investigate.

Mr. Jamieson: Mr. Speaker, I assured the hon. member I would look into it thoroughly. It may not be the letterhead of the departmental secretary. I should point out that there are letterheads prepared for members of the House of Commons, on which their parliamentary status, as parliamentary secretary or of various other offices in this House, is included.

Mr. Paproski: Why are you blushing?

Mr. Jamieson: I am not.

Some hon. Members: Oh, oh!

Mr. Jamieson: I am not saying that that practice is suitable or unsuitable. I am merely saying that I have not seen the letter in question. If the hon. member will give me a copy of it I will find out whether it is written under the Department of External Affairs letterhead, or one from the House. If it is from the House, the House itself can decide whether or not that is an improper use of stationery.

Mr. Hnatyshyn: You are no diplomat.

* * *

NATIONAL ENERGY BOARD

POSSIBILITY PREMIER OF MANITOBA OFFERED POSITION OF CHAIRMAN OF BOARD

Mr. Jake Epp (Provencher): Mr. Speaker, my question is for the Prime Minister and pertains to Manitoba. In view of continuing stories in Manitoba that the Manitoba premier has been offered the position of Minister of Finance in the cabinet of this government—

Some hon. Members: Oh, oh!

Mr. Epp: —may I ask the Prime Minister if the Premier of Manitoba has been offered the position of chairman of the National Energy Board and, if so, when will that appointment take effect?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I would not want to contemplate such an appointment before the next budget. I will consider the matter after that.

Mr. Paproski: You are on trial, Don.

Mr. Epp: A supplementary question, Mr. Speaker. Disregarding the fact that the budget is to come down on March 31, can the Prime Minister say if the premier was offered that appointment to the National Energy Board? I ask this question, because Manitobans would like to know if they will be asked to vote for a Liberal-Socialist government or an NDP-Socialist government.

[Mr. Grafftey.]

Mr. Trudeau: Mr. Speaker, I would be happy to consider that as a suggestion. We are always looking for people to join the federal cause and if the premier is interested, we will get him.

Mr. Hnatyshyn: Why don't you get Jim Richardson?

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[*Translation*]

EXTERNAL AFFAIRS

RIGHT OF QUEBEC DELEGATES TO SPEAK FOR QUEBEC AT INTERNATIONAL CONFERENCES—GOVERNMENT POSITION

Mr. Jean-R. Roy (Timmins): Mr. Speaker, I should like to put a question to the right hon. Prime Minister.

As it has been reported that two ministers from the province of Quebec who are members of a Canadian delegation attending two international conferences have said that they speak directly on behalf of Quebec and not Canada, does the government intend to prevent that type of shabbiness in the future, or does it plan to allow all the provinces to act on their own behalf at all international conferences in which Canada takes part?

[*English*]

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, I suspect the hon. member's question was based on the news reports which I also saw. I can tell him and the House that the news reports were quite a way from being factual in this particular case. As for the second part of the question, all provinces, when they have a special provincial interest in an international conference are invited by the federal government to come as members of the Canadian delegation. That is the case with the conference in question, and will continue to be the case.

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TRANSPORT

DISCUSSION WITH MARITIME PREMIERS ON BUS AND RAIL SERVICE—REQUEST FOR REPORT

Mr. Leonard C. Jones (Moncton): Mr. Speaker, my question is directed to the Minister of Transport. When the minister or his officials met with Maritime premiers or their officials, was it proposed to subsidize bus service and abandon or abolish certain rail passenger services in the Maritime provinces? Did the premiers agree to those proposals and what were those plans and proposals?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, there were detailed discussions on the general advantage of saving money on certain services which cost a great deal and do not provide adequate service to the people of an area. That involves possibly the exchange of rail service for an improved bus service. The matter was complex and a long statement was issued in relation to it, but the actual details will be pursued

following the hearings to be held by the Canadian Transport Commission in relation to rail services.

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MANPOWER

MEASURES TO REDUCE LEVEL OF UNEMPLOYMENT AMONG YOUNG PEOPLE—GOVERNMENT ACTION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is for the Minister of Manpower and Immigration. In view of the severity and chronic nature of the youth unemployment problem in Canada today, the youth unemployment rate being more than two and a half times higher than the adult unemployment rate, is the minister's department considering introducing a series of employment generating projects and policies oriented to reducing the chronically severe nature of youth unemployment in Canada today?

Hon. Bud Cullen (Minister of Manpower and Immigration): Yes, Mr. Speaker. We have our ongoing student summer employment and activities program. In 1977 we will be allocating $60 million for this program—$20 million for ongoing departmental programs, and $40 million for job creation activities. In addition, under the new legislation we have offered to the provinces the co-operative education program. We have a summer and winter component proposed for the job experience and training program. We have increased the number of Canada manpower centres in universities and increased the number of Canada manpower centres for students. So, to that extent we are fulfilling our role, Mr. Speaker.

Mr. Orlikow: A supplementary question, Mr Speaker. Since funds allocated for programs such as the Young Canada works program are sufficient for only one, two or three projects per constituency, whereas there may be 50 applications; the programs are not meeting needs; and since the Canadian Council of Social Development indicated that if this problem is left unattended the situation will become explosive, will the minister not say if he will consider bringing in measures similar to those introduced a few days ago in the United States by President Carter, who will be spending $600 million on a national conservation corps, to combat youth unemployment?

Mr. Cullen: Mr. Speaker, we have actually received a commendation from no less an authority than Senator Hubert Humphrey for the lead Canada has taken in this field. The speech I made to that group on youth unemployment has been incorporated into the Congressional record, indicating Canada's lead in this field.

NATIONAL DEFENCE

PROPOSAL TO ESTABLISH YOUTH CORPS—GOVERNMENT POSITION

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, my question is for the Minister of National Defence. In view of the current high level of youth unemployment and the fact that in the Speech from the Throne of last fall there is a statement to the effect that the government is considering the establishment of a youth corps, can the minister tell the House whether the youth corps, which might help to alleviate the high levels of youth unemployment, will be in place soon so that youth can participate in that youth corps, say in the months of June and July this year? Second, will the youth corps all be under one ministry or under more than one ministry? If so, which one?

● (1440)

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, I am not able to answer all of those questions at this time. As I indicated to the hon. member earlier, I hope to make an announcement and answer all of those questions by the end of the month.

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MANPOWER

YOUNG CANADA WORKS PROGRAM—REQUEST FOR ADDITIONAL FUNDS

Mr. Paul Dick (Lanark-Renfrew-Carleton): I guess the Minister of National Defence is not aware of what they are doing in that youth corps. I will direct my supplementary question to the Minister of Manpower and Immigration. In view of the fact that applications for the Young Canada Works program are running in dollar amounts ten to one over the amount of funds available, will there be supplementary funds going into that program for this summer?

Hon. Bud Cullen (Minister of Manpower and Immigration): Needless to say, Mr. Speaker, both my department and the government are very pleased with the reaction to and the reception of both programs, Canada Works and Young Canada Works. I thank the hon. member for his support for more funds.

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GRAIN

GOVERNMENT'S PLANS FOR ELEVATOR FACILITIES AT PRINCE RUPERT

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question is for the Minister of Transport. It is in connection with the grain handling facilities at the port of Prince Rupert which are owned by the government and the wheat board. Is it the intention of the government to upgrade or fix up this facility so that an orderly movement of grain can be

programmed through it or does the government have other intentions, such as selling the facility to private owners?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, as grain elevators come under the Canadian Grain Commission and I report to the House for the Canadian Grains Commission, I will reply to the question.

Mr. Speaker: Order. I wonder if I might ask those hon. members who are bent upon some conversation with other hon. members if they might conduct their conversation outside the chamber so that the questions and answers can proceed?

Some hon. Members: Hear, hear!

Mr. Whelan: We are considering, I believe, four submissions from different people who want to operate the Prince Rupert facilities. I met with the Canadian Grains Commission about ten days ago with regard to the submissions that have been received. We are also considering expenditures on the grain elevator at Prince Rupert ourselves. No decision has yet been made, but we hope to make one in the near future.

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ANTI-INFLATION BOARD

SUGGESTED INSTRUCTIONS TO HOSTESS FOODS ON REFUNDING EXCESS PROFITS

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, I have a question for the Minister of Finance while he is still the Minister of Finance.

Some hon. Members: Oh, oh!

Mr. Friesen: Recently the Anti-Inflation Board ruled that Hostess Foods had made considerable excess profits on the marketing of their potato chips, all in eastern Canada, and to refund this excess profit to the consumer, the company plans to issue 20 cent coupons, price reductions and free goods in certain sizes of packages, but all in British Columbia where they have never been in the market. Will the minister give an undertaking that he will instruct Hostess Foods or the Anti-Inflation Board officials to instruct Hostess Foods to restrict the distribution of this cut rate product to the market where they made the excess profit?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I have to point out to the hon. member that in a law passed by this parliament the Anti-Inflation Board has been given the responsibility of making this kind of judgment and, indeed, making appropriate arrangements with the particular firm found in an excess revenue position as to how this is to be returned to the public. In that sense, his suggestion that I might direct the board to do this is counselling an illegality. I will be glad to bring to the attention of the board the hon. member's opinion on this question.

[Mr. Oberle.]

ADMINISTRATION OF JUSTICE

ALLEGED ILLEGAL FINANCING OF QUAI D'ORSAY HOTEL—GOVERNMENT ACTION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question for the Minister of Justice, notice of which was given him on Monday last. It arises out of a reply to my question from the Minister of State for Urban Affairs in which he admitted that the guaranteed loan financing for the Quai d'Orsay Hotel was made under Section 6(1) of the National Housing Act. Since there are no provisions under the National Housing Act, Section 6(1) or elsewhere, for funding hotels and since the advertising for Quai d'Orsay clearly indicates beyond any doubt that this is a hotel, what steps does the minister propose to take as Attorney General of Canada since there appears to be an act of some illegality?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, I appreciate the hon. member giving me notice. I would advise him that the matter is in the hands of the legal officers of Central Mortgage and Housing Corporation who are not officers of the Department of Justice. Those officers advise the Minister of State for Urban Affairs and his answers are given accordingly.

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CENTRAL MORTGAGE AND HOUSING CORPORATION

ALLEGED ILLEGAL FINANCING OF QUAI D'ORSAY HOTEL—GOVERNMENT POSITION

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I ask the Minister of State for Urban Affairs whether he has contacted or consulted with the law advisers of Central Mortgage and Housing Corporation, and has he satisfied himself that this was a proper loan guarantee made in accordance with the provisions of the National Housing Act, Section 6(1)?

[*Translation*]

Hon. André Ouellet (Minister of State for Urban Affairs): Mr. Speaker, originally the loan was granted on the strength of the information given to the corporation. It is true, as the hon. member said, that somewhere along the way the building was put to another use than had originally been planned. Still, the legal advisers of the department told me that nothing, in the terms of the mortgage insurance policy issued for that project, stipulated that Central Mortgage and Housing Corporation should cancel the insurance if the building was put to some use other than the one planned initially. That is why nothing else has been done. We have asked the legal advisers of the corporation to look into the matter further with a view to establishing whether it might not be wise to change our rules to prevent such occurrences in the future.

[*English*]

ENERGY

POSSIBLE MEASURES TO AID NEW BRUNSWICK CONSUMERS OF ELECTRICITY

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In view of the fact that the chairman of the New Brunswick Electric Power Commission last week labelled the Nova Scotia and Prince Edward Island home insulation programs and grants as blatant political discrimination, can the minister tell this House if he is going to get in touch with the New Brunswick government to correct their cockeyed perception of ongoing generous federal assistance for electrical energy production in that province? Can the minister also inform us if he is considering further direct or indirect help to New Brunswick consumers at this time, above and beyond, for example, price stabilization of fuel oil, gasoline and so on?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I look forward to an early opportunity to meet the premier. I expect to be doing so in a matter of two weeks, along with other energy ministers to discuss the whole question of the next price rise for oil and natural gas in Canada. At that time I will take the opportunity of reminding him that the federal government provided very generous assistance in the form of 50 per cent of the financing of the nuclear reactor at Point Lepreau and a further $14 million within the past ten days with respect to the financing of an electrical interconnection with Nova Scotia.

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● (1450)

[*Translation*]

THE CANADIAN ECONOMY

POSSIBILITY OF CONFERENCE ON METHOD OF RAISING FUNDS TO CREATE EMPLOYMENT

Mr. Roch La Salle (Joliette): Mr. Speaker, my question is directed to the right hon. Prime Minister.

Being aware of his responsibilities in the unemployment situation which prevails throughout Canada and given the fact that federal measures were inefficient in lowering the unemployment level, as everyone would wish, and considering also that the Minister of Finance will soon bring down his budget, I would like to ask the Prime Minister whether in the circumstances he would be prepared to do his utmost, namely to call a meeting before the presentation of the budget with members from the Economic Council of Canada, union representatives as well as provincial and federal officials. This would enable the minister to receive judicious advice and to provide for efficient and short term credits.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it would certainly not be possible to hold such a conference before the presentation of the budget but as far as the budget itself is concerned, we are always prepared to listen to the proposals of hon. members of the opposition, and I would add that if the hon. member for Joliette has some brilliant ideas before the budget he could perhaps convey them to us and we shall try to consider them.

* * *

[*English*]

AIRPORTS

HAMILTON—STEPS TO IMPLEMENT RECOMMENDATIONS OF COMMITTEE STUDYING NEED FOR EXPANSION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Minister of Transport. Now that the report of the ad hoc committee studying the need for regional expansion in terms of airports in the Hamilton district has been filed with the minister, can the hon. gentleman tell the House and the city of Hamilton what steps will be taken to see that the recommendations of that committee are implemented?

Hon. Otto E. Lang (Minister of Transport): We will take a look at the committee's report. I will then expect an analysis and a recommendation from my officials, after which decisions and announcements will be made.

STATUS OF ALLEGED COMMITMENT OF FUNDS FOR EXPANSION

Mr. Lincoln M. Alexander (Hamilton West): The recommendations came from citizen participation. This was the format. They have made a decision. The most important question is with respect to the flip-flop for which the government has been responsible in the past with regard to its commitments. Can the minister assure me now that there will be no flip-flop with respect to the $25 million commitment made by the Secretary of State for External Affairs a few years back? Have we still that commitment with respect to the funds which were earmarked for the expansion of Mount Hope airport which is where the extension was supposed to be taking place?

Hon. Otto E. Lang (Minister of Transport): I am informed by my neighbours here that it is the hon. member himself who has been doing the flip-flopping. I am glad, however, that he recognizes the importance of the procedure we have adopted in involving the full participation of citizens in developing plans and analyzing future airport expansion proposals. We have now received that input and obviously the next step is serious consideration by the government, consideration of the timing, and a determination as to when various forms of action can be taken. I cannot at this point, before examining the recommendations and an analysis of those recommendations, make a decision. I presume the hon. member would say he can, but I am not sure he would do that, either.

Mr. Alexander: There has been no flip-flop on my part. I have always indicated that I was in favour of the expansion of the Mount Hope airport. It is the minister's colleagues who

have been flip-flopping. Will the minister answer my question: is that commitment still there or is it not?

Mr. Lang: Surely, the hon. member knows that we are very anxious to provide good, desirable airport facilities for communities across the country and that we are doing this, often without very much support from the hon. member or his hon. friends.

Some hon. Members: Hear, hear!

Mr. Alexander: So we do not have it any more.

* * *

STATUS OF WOMEN

SUGGESTED CHANGE IN VOTERS' LISTS TO REFLECT STATUS AND OCCUPATION OF WOMEN

Mr. Lloyd R. Crouse (South Shore): Thank you, Mr. Speaker. I wish to direct my question to the Prime Minister. In view of the fact that we may soon see another federal election—

An hon. Member: On June 6th.

Mr. Crouse: —on June 6, I am told—and that voters' lists as presently prepared discriminate against women by listing them as Miss, Mrs., Spinster, Widow or Housewife, will the Prime Minister consider changing the rules as forwarded to enumerators so that women are given the opportunity to use their own names if they so desire and the right as well to be listed by their occupations, such as teacher, secretary, business manager, receptionist or nurse if they are trained, for example, in those vocations?

Right Hon. P. E. Trudeau (Prime Minister): I can see that that list could certainly be improved by adding to the number of professions that of professional photographer—

Some hon. Members: Oh, oh!

Mr. Trudeau: But I will certainly look into this.

Some hon. Members: Hear, hear!

* * *

AGRICULTURE

MEASURES TO HALT DECLINE OF FARM INCOME

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I would like to flip-flop to a member of another profession, the Minister of Agriculture, if I could ask the friendly leprechaun to go back to his seat.

Some hon. Members: Oh, oh!

Mr. Nystrom: Before he flies off for Saint John, can he tell me, in the light of the fact farm income as reported by Statistics Canada has dropped by 31 per cent, and since the Prime Minister told us yesterday that Canadians are now living beyond their means, how much further must farm income drop before farmers will be living within their means?

Mr. Speaker: The hon. member realizes, I am sure, the argumentative nature of the question. Does he have a supplementary question?

Mr. Nystrom: Perhaps I can rephrase the question and ask the minister this: in the light of the fact that national farm income has dropped by 31 per cent and prairie income by 38 per cent, can he tell the House what new programs he intends to announce shortly in the areas of dairy, cow-calf and grain income to halt this slide which is devastating in its effect on Canadian farmers?

Hon. E. F. Whelan (Minister of Agriculture): The hon. member has recognized that part of the problem arises from world conditions. I take this from what he said, because the lower world price of grain has been responsible for a big reduction in farm income. Then, there is the fact that we are dealing in beef products on the basis of the world price. I have made certain suggestions; I made them in the hon. member's own province yesterday. I might also tell him I referred to his comment about my trip to pay tribute to the Irish tonight in Saint John, New Brunswick: the people resented very much his suggestion that I should not go there, just as they would any suggestion I should not go to a Polish, Ukrainian, Hungarian or Italian—

Some hon. Members: Hear, hear!

Mr. Whelan: I just want to say, Mr. Speaker: May the little people be kind to him.

Some hon. Members: Oh, oh!

Mr. Nystrom: Mr. Speaker, the minister would not know what the grass roots looked like if they were staring him in the face.

An hon. Member: Shame!

Mr. Nystrom: I should like to ask him this: does he agree with the statement made in this House yesterday that farmers are living beyond their means, and, if he does not, what programs does he intend to announce in the near future to bring about an improvement in their income situation?

Mr. Whelan: I am not aware of any statement about farmers living beyond their means. But I do know this: more people are going on vacations; more students on winter break went to California and Hawaii than ever before in our history. More people have money in banks and credit unions than ever before.

An hon. Member: Now you are in trouble!

ALLEGED FRAUDS IN SALE OF BUTTER—GOVERNMENT ACTION

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, following the massive butter frauds in the province of Ontario which have now come to light in Burlington, Hamilton, St. Catharines, Welland, Toronto, and, now, in the Ottawa Valley, can the Minister of Agriculture inform the House whether he has received a report of the investigation from his departmental officials or from the law enforcement agencies and, if so, what does he intend to do about it?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I have received a report. I have not had time to study it thoroughly but I can tell the House that according to the information we have no dairy is involved, no organization for which we in the Department of Agriculture are responsible. We are, of course, concerned about the activities of any group which is putting a fraudulent product on the market, as is the Department of Consumer and Corporate Affairs. Our people are working on this investigation also, and if we can find whoever is responsible, charges will be laid.

Mr. Lawrence: In view of public reports that there is no question that an adulterated form of butter is being passed off on the citizens of this province as butter—surely there is an offence there—I am asking the minister whether charges are being laid. This is an interprovincial matter and one which falls under the minister's authority. Certainly, we should have more specific word than that "buttering up" by the minister on the subject.

● (1500)

Some hon. Members: Oh, oh!

Mr. Whelan: Mr. Speaker, I did not intend to smooth over the subject in any manner or form. I just wanted to say to the hon. member that we have laid charges to prosecute people in the past. I believe it was in the area of Barrie, Ontario that they found this situation existed. Unscrupulous people do crop up from time to time. It is difficult to make sure that it does not happen again, but if it does there will be prosecutions.

An hon. Member: They won't!

* * *

[*Translation*]

LABOUR CONDITIONS

RESULT OF MEETING WITH MARITIME EMPLOYERS ASSOCIATION

Mr. Raymond Dupont (Sainte-Marie): Mr. Speaker, my question is directed to the Minister of Labour.

Following the minister's meeting yesterday with the Maritime Employers Association concerning labour relations in the port of Montreal, could the minister tell the House the result of that meeting?

[*English*]

Hon. John C. Munro (Minister of Labour): Yes, Mr. Speaker, I did have a meeting with the MEA with reference to the whole situation of the port of Montreal and I had representations from the longshoremen involved. As a result of discussions yesterday, I have appointed Guy De Merlis, director of mediation and conciliation to get the parties together as soon as possible. I believe the most convenient time is this Monday in Montreal.

* * *

GOVERNMENT ADMINISTRATION

USE OF DEPARTMENTAL STATIONERY FOR FUND-RAISING LETTER—GOVERNMENT ACTION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, may I direct a supplementary question to the Secretary of State for External Affairs following the question asked by the aggressive member for Brome-Missisquoi. He handed me a document which is in French, signed by Fernand E. Leblanc, Député de Laurier. I am translating it in my own way so the minister will understand—

Some hon. Members: Hear, hear!

Mr. Diefenbaker: "As you know the federal government favours a participation more direct of the citizens and the men of affairs—that is businessmen—in the financing of the Liberal Party.

The new electoral law permits you to obtain credits—" and he goes on to set out what the credits will be when the contribution is made.

"Your contributions—" and I am translating still.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: And I translate with the same ease that I read English.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: "Your contributions will be recognized by an official receipt sent out by the central organization and will be accepted by the Minister of National Revenue. Be assured that your contribution will be greatly appreciated. Liberally yours, Fernand E. Leblanc"—

Some hon. Members: Oh, oh!

Mr. Diefenbaker: There are three "Ls", Leblanc, Liberal, Laurier.

Some hon. Members: Oh, oh!

Mr. MacFarlane: Fantastic; good translation.

Mr. Diefenbaker: They apparently recognize he is in the House. He is sitting three seats behind the minister. Can the

minister just get in touch with him because I do not believe in asking questions of parliamentary secretaries.

Mr. MacFarlane: It is below your dignity, is it?

Mr. Diefenbaker: The hon. gentleman may be an authority on athletics, but parliament is a little out of his way.

Mr. MacFarlane: You did not answer my question.

Mr. Diefenbaker: In order to satisfy the curiosity of the House, I would like to find out whether he sent this and whether he had any basis for saying the federal government favours the participation more directly of citizens and businessmen in the financing of the Liberal Party.

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, first of all, I must, of course congratulate the right hon. member on his remarkable translating capability.

Some hon. Members: Hear, hear!

Mr. Jamieson: A number of years ago had he understood French as well as he knows it now the whole course of history might have been changed.

Some hon. Members: Hear, hear!

Mr. Jamieson: Mr. Speaker, while I congratulate him on his new skill in French, I am surprised that such a renowned Tory member could get out three such distinguished Liberal words as the ones he mentioned without choking over all three of them.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Jamieson: On the basis of his question I undertake, as I always do with the right hon. gentleman, to make a detailed inquiry and I will let him know at the first opportunity.

Mr. Diefenbaker: Mr. Speaker, I—

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I appreciate very much the observations of the hon. gentleman. I read French and translate just as I always did, and there has been no recent study such as he is endeavouring to speak about—

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The hon. member for Laurier.

[*Translation*]

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): I rise on a question of privilege, Mr. Speaker.

[Mr. Diefenbaker.]

Mr. Speaker: The hon. member for Laurier on a question of privilege.

Mr. Leblanc (Laurier): Mr. Speaker, I think the hon. member for Brome-Missisquoi (Mr. Grafftey) is making a storm in a teacup. What he forgets to say is that during the leadership convention, while he was a candidate for the Progressive Conservatives, he sent requests for financial support on House of Commons stationery.

However, I must free the Secretary of State for External Affairs (Mr. Jamieson) of all responsibility in that matter, for he was not even aware of my subscription campaign in the constituency and I did not see fit to discuss it with him because it is with the leader in Quebec, the Minister of National Health and Welfare (Mr. Lalonde), that I discuss those things.

Moreover, Mr. Speaker, nothing in what I did violates the election legislation passed by this House nor runs counter to the normal use of our stationery. If I am not mistaken, yourself, Mr. Speaker, three weeks or a month ago, when the question was put to you and we discussed it, said that someone had asked you if that practice was acceptable, and if I remember well you told me that a minister may use his stationery in those circumstances, just like his parliamentary secretary, and anybody else may use the House of Commons stationery, if being a member is their only title.

[*English*]

Mr. Speaker: The hon. member for Saskatoon-Biggar.

Mr. Hnatyshyn: Mr. Speaker, on this point of order; I think it is very important, sir, in view of the remarks of the parliamentary secretary, to point out that notwithstanding the answer of the Secretary of State for External Affairs, this indeed is not House of Commons letterhead. This is letterhead which relates directly to the office of the Secretary of State for External Affairs. Now, sir, when letterhead of this sort is used with respect to the solicitation of funds and statements are made in the course of the letter that the government will expect persons to make contributions for the betterment of the Liberal Party, you can understand the apprehension that might be caused in the minds of certain citizens within the constituency within which it was sent. Seriously, therefore, the question of privilege is that this is an exceptional matter with respect to which I should move, seconded by the hon. member for the Yukon (Mr. Nielsen) that this matter be referred to the Standing Committee on Privileges and Elections.

● (1510)

Mr. Speaker: Order, please. Both questions with respect to this matter were, quite properly, directed to the Secretary of State for External Affairs whose letterhead was involved either directly or indirectly. I have not examined the letter. Those questions were directed to the Secretary of State for External Affairs to determine whether that action met with his approval, he being the minister whose letterhead was being used in this way. The minister undertook to answer that question as soon as possible. That answer may precipitate actions which the House may want to take. It seems to me that it would be

orderly to wait for the response of the minister who takes responsibility for the conduct of his portfolio and for the use of his letterhead before entertaining any motion such as the one just put. I am not ruling out of order any such motions, but I think it would be more orderly now to await the developments which have been initiated today to see whether they will lead us to further procedures.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Hnatyshyn: Mr. Speaker, I rise on a point of order. It being Thursday, I wonder if I can direct to the government House leader the usual question with respect to the business anticipated today and during the course of next week.

Mr. MacEachen: Mr. Speaker, as the hon. member knows, the business for today is a motion in the name of the leader of the opposition. Tomorrow the first item of business will be amendments to the Pension Act, followed by the report stage and third reading of the bill regarding advance payments for crops. Hopefully, on Monday we will deal with the immigration bill, and if it receives second reading we may wish to agree to defer the vote until a more convenient time in the week. On Wednesday I intend to call, if in the meantime the committee has reported, the amendments to the fiscal relations bill. I am not sure whether the committee will report by that time, but if it does I would consider calling that item. Tomorrow I will indicate what days will be designated as allotted days for next week.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I have a question which arises out of the fact that there seems to have been some change since we discussed this matter this morning. I should like to ask the minister when the debate on the motion regarding the report of the statutory instruments committee will be called. I should also like to ask what we will deal with on Monday if we finish second reading of the immigration bill before the day ends.

Mr. MacEachen: Mr. Speaker, I realize that there has been a shift in plans, as the hon. member mentioned. That is because it is not possible to have all those who wish to participate tomorrow on the motion in the name of the hon. member for Halifax-East Hants. However, it is still open to call that motion for a certain period on Monday following the immigration bill, and if we do call it for this certain period it would have to be agreed to by all those who wish to participate and, particularly, additional time may have to be provided for that discussion if the motion to concur is called very late in the day.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, the minister also mentioned an understanding about a vote on Bill C-24, if one is called. So that we may know what we are doing, I wonder if the minister would ask for agreement now, that if a vote is requested on Bill C-24 on Monday it be deferred until a time on which we might agree.

Mr. MacEachen: I suggest that it be deferred until Wednesday, and because there is considerable notice I suggest we agree to a 15-minute bell.

Mr. Speaker: I take it an agreement is being sought that in the event of the calling of the immigration bill on Monday, and in the event that a vote is required during that time, that vote will be deferred until Wednesday upon calling of orders of the day and that the bells be of 15 minutes' duration. Is that agreed?

Some hon. Members: Agreed.

Mr. Grafftey: Mr. Speaker, I rise on a question of privilege. In reply to the question of privilege of the Parliamentary Secretary to the Secretary of State for External Affairs, what he said in terms of my franking fund-raising letters was not true. I have double-checked with my office, and at no time during my fund-raising campaign for the leadership of my party did I use a frank or parliamentary stationery. I used blank notepaper and paid for my mailing.

Some hon. Members: Hear, hear!

* * *

PRIVILEGE

MR. BALDWIN—AGREEMENT WITH BOEING AIRCRAFT—RULING BY MR. SPEAKER

Mr. Speaker: Order, please. Yesterday a question of privilege was raised by the hon. member for Peace River and reference was made to an agreement entered into, or purportedly entered into, between the Minister of Justice and the attorney general of the United States. I indicated that it might be propitious to hear further argument today with specific reference to the agreement. I see that the hon. member for Saskatoon-Biggar, and perhaps the Minister of Justice, are prepared to extend further argument.

Mr. Hnatyshyn: Mr. Speaker, I merely rise to apologize on behalf of the hon. member for Peace River who is required to be out of town at this time. I wonder if it would be possible to forestall deliberation on this interesting point until such time as my colleague is back in the House and when the Minister of Justice is also here. If that meets with the approval of the minister and your approval, Your Honour, I make that suggestion.

Mr. Basford: Mr. Speaker, naturally, I am in your hands. As I understood Your Honour's remarks yesterday, the arguments had been made but neither I nor your Honour had the agreement in front of us and we were unable to refer to it as to specifics. I am ready to proceed today. As I understood Your Honour's remarks yesterday, you wanted to hear specific reference to the agreement and then your Honour would

reserve on the matter. I am ready to go today, but if it is the wish of the Chair to have the hon. member for Peace River in the House, I would be prepared to wait until tomorrow.

Mr. Speaker: Order, please. I have to confess that upon study of the question of privilege raised by the hon. member for Peace River my first impression is that if there is merit in the essential point he faces a secondary difficulty in that it may be hypothetical; that is to say, basically I think there is recognition of the fact that the point raised by the hon. member for Peace River was that entering into the agreement potentially raised a situation regarding which the House might be deprived of information.

It is not even certain whether the House would be deprived of information, but in any case it is absolutely certain that if the difficulty does exist, it exists potentially rather than in reality. That being the case I would be very much inclined to consider, that the proper time to raise the point would be when it is a reality instead of a hypothetical case as it is now. However, in view of the unavoidable absence today of the hon. member for Peace River, and because the matter is not immediate in itself, it does not seem to me that any harm would be done to defer the matter indefinitely until such time as parties may wish to deliver a brief argument. But that does not alter my basic disposition in any way.

ROUTINE PROCEEDINGS

HOUSE OF COMMONS

BROADCASTING OF PROCEEDINGS—COMMITTEE REPORT

Mr. Speaker: I have the honour to present the second report of the special committee appointed to supervise the implementation of radio and television broadcasting of proceedings of the House and its committees.

Some hon. Members: Hear, hear!

VETERANS AFFAIRS—FIRST REPORT OF STANDING COMMITTEE

Mr. Prosper Boulanger (Mercier): Mr. Speaker, it is an honour to present a report following your presentation. Let me also say that, it being St. Patrick's day, the Standing Committee on Veterans Affairs did a tremendous job this morning.

MANAGEMENT AND MEMBERS' SERVICES

First report of Standing Committee on Management and Members' Services—Mr. MacGuigan.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings*].

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the following questions will be answered today: 1,244, 1,535, 1,559, 1,617, 1,694, 1,700, 1,738, 1,807, 1,883 and 1,903.

I ask, Mr. Speaker, that the remaining questions be allowed to stand.

[*Text*]

NUMBER OF VASECTOMIES PERFORMED IN THE NORTHWEST TERRITORIES

Question No. 1,244—**Mr. Firth:**

What are the number of vasectomies performed on (a) Inuits (b) Indians (c) others in each community in the Northwest Territories for each year since 1970?

Hon. Marc Lalonde (Minister of National Health and Welfare): (a) None recorded; (b) None recorded;

(c)

Vasectomies—Northwest Territories
By Community and Year
1970-1975

Community	Year	Number of Vasectomies	Rate/100M
Frobisher Bay	1970	2	290
	1971	2	280
	1972	6	840
	1973	7	940
	1974	7	820
	1975	3	340
Inuvik	1970	—	—
	1971	3	150
	1972	12	750
	1973	14	810
	1974	7	340
	1975	8	380
Hay River	1970	3	70
	1971	2	50
	1972	5	20
	1973	8	120
	1974	2	30
	1975	3	60
Yellowknife	1970	—	—
	1971	1	1150
	1972	—	—
	1973	2	30
	1974	1	170
	1975	5	660
Pine Point	1970	2	120
	1971	6	380
	1972	3	180
	1973	2	120
	1974	2	110
	1975	5	280
Fort Providence	1972	1	630
	1973	1	630
Fort Simpson	1974	1	130
Fort Smith	1972	1	80

NOTE: For most communities in the North, data on vasectomy procedures is not available. Since the vast majority of vasectomies are performed as out-patient procedures in doctors offices, data exists only in individual patient records maintained in those offices. Moreover, the computer maintained by the Northwest Territories Medicare officials has not been programmed to record and retrieve this vasectomy data. For the reasons outlined above, these statistics relate only to procedures performed on in-patients in some hospitals and probably understate the over all situation in terms of the number of vasectomies performed. Due to the small number of vasectomies performed and the small populations in these northern communities, the rate per hundred thousand, although strictly accurate, can be misleading.

MANPOWER AND IMMIGRATION—HIRING OF EMPLOYEES FROM PRIVATE EMPLOYMENT AGENCIES

Question No. 1,535—**Mr. McKenzie:**

1. Has the Department of Manpower and Immigration obtained (a) part-time (b) full-time employees from private employment agencies in (i) British Columbia (ii) Alberta (iii) Saskatchewan (iv) Manitoba (v) Ontario (vi) Quebec (vii) New Brunswick (viii) Nova Scotia (ix) Prince Edward Island (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies (b) average hourly rate paid to employees (c) total amount paid by the Department in (i) 1975 (ii) 1976?

Hon. Bud Cullen (Minister of Manpower and Immigration): As on January 25, 1977: 1. (a) and (b) (i) (ii) (iii) (iv) (vi) (vii) (viii) (ix) (x), Nil. (a) (v), Nil. (b) (v) 15.

2. No Private employment agencies are paid from the departmental operating budget.

3. Based on fiscal year basis to January 25, 1977: British Columbia, (a) (i) and (ii), Nil; Alberta, (a)(i) and (ii), Nil; Saskatchewan, (a) (i) and (ii), Nil; Manitoba, (a) (i) and (ii), Nil; Ontario, (a) (i) $5.36; (a) (ii) $5.80; Quebec, (a)(i) and (ii) Nil; New Brunswick, (a) (i) and (ii) Nil; Nova Scotia, (a)(i) and (ii), Nil; Prince Edward Island, (a)(i) and (ii), Nil; Newfoundland, (a)(i) and (ii), Nil. (b) (i) and (ii) Employees are not paid by the department. Payment is made directly to private employment agencies. The hourly rate paid to employees is the subject of negotiation between employees and agencies. (c) (i) $286,081.67; (c) (ii) $250,983.53.

FITNESS AND AMATEUR SPORT PROGRAMME

Question No. 1,559—**Mr. Marshall:**

1. Were all universitites in Canada made aware of the Fitness and Amateur Sports Programme and, if so, (a) in what manner (b) were applications received and were they approved?

2. Was Memorial University in St. John's or Corner Brook, Newfoundland, advised of the Programme and, if so, on what date and by what means?

Order Paper Questions

Hon. Iona Campagnolo (Minister of State (Fitness and Amateur Sport)): 1. (a) A total of 52 degree granting institutions, contained in a list supplied by the Association of Universities and Colleges of Canada, received a letter from the Minister of National Health and Welfare outlining the terms and conditions of the Physical Resources Development Programme. The provincial ministers responsible for sport and recreation were similarly informed. (b) Applications were received from 21 institutions. On December 4, 1976, the Minister of State for Fitness and Amateur Sport, the Hon. Iona Campagnolo, announced contributions to eight Canadian universities.

2. Memorial University in St. John's was advised of the Physical Resources Development Programme by letter from the Minister of National Health and Welfare to the President of Memorial University (St. John's Campus) on March 20, 1975. Memorial University (Corner Brook Campus) was not specifically advised of the programme since it was not, at that time, accredited and not included in the list supplied by the Association of Universities and Colleges of Canada prior to March 21, 1975.

NATIONAL LIBRARY BOARD—NEWFOUNDLAND REPRESENTATION

Question No. 1,617—**Mr. Marshall:**

Is Newfoundland represented on the National Library Board and, if so, by whom?

Hon. John Roberts (Secretary of State): I am informed by the National Library as follows: Members of the National Library Advisory Board are appointed by the government and all provinces are not represented on the board at any one time. However, one of the most active members of the National Library Advisory Board has been Miss Margaret Williams, Assistant Librarian of Memorial University, St. John's, Newfoundland whose term of office was recently renewed and who is currently Chairman of the Board's Committee on Bibliographic Services for Canada.

AIB—ROLLING BACK OF PRICES AND WAGE SETTLEMENTS

Question No. 1,694—**Mr. Howie:**

1. In how many cases to date has the Anti-Inflation Board rolled back (a) wage settlements (b) prices?

2. (a) In how many cases were fines levied (b) what was the total amount in each case (c) against whom was it assessed?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Anti-Inflation Board and the Department of National Revenue as follows: 1. The Anti-Inflation Board from October 14, 1975 to February 1, 1977 has received 27,402 compensation agreements. In 3,553 cases, the terms of the agreements were rolled back. As of January 31, 1977, the Anti-Inflation Board has received 1,343 price prenotification reports. Companies were required to give prior notice of increases in those Canadian selling prices which would increase a company's projected

annual domestic sales revenue for any product line by more than 2 per cent (1½ per cent effective February 8, 1977). As of the end of January, the Anti-Inflation Board has intervened in 25 cases, either disallowing the requested price increase or requiring that the increase be deferred. The remaining increases, which were allowed, were in accordance with the guidelines. While the figure 25 represents the number of times that the board has intervened directly in the raising of an individual price, the board is also instrumental in controlling prices through the restraint it imposes on the amount of profit that individual companies may earn. To date 294 companies have been in excess revenue. This excess revenue is disposed by the companies through the reduction of individual prices, the paying of rebates or the delay of intended price increases.

2. (a) One; (b) $25,000; (c) Irving Pulp and Paper Limited, Saint John, N.B.

PEI NATIONAL PARK—ENTRANCE FEES

Question No. 1,700—**Mr. MacDonald (Egmont):**

1. Does the 1975-76 Annual Report of the Department of Indian Affairs and Northern Development state "it is Parks Canada policy to consult with the public on National Parks proposals" and, if so, what public groups were consulted prior to the original imposition of the National Park entrance fees in Prince Edward Island and on what date?

2. Is there a public advisory type committee for the Prince Edward Island National Park?

Mr. B. Keith Penner (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. Yes. The matter of National Park Motor Vehicle Fees for Prince Edward Island National Park was discussed in mid-February, 1975, by the Hon. Judd Buchanan and the Hon. Gilbert Clements. On February 21, 1975, Parks Canada officials met with officials of the PEI Department of Tourism to brief them on the entrance fee policy and regulations and to invite provincial comments. The provincial department of tourism subsequently discussed the matter with the PEI tourist association. The announcement of Parks Canada Five Year Programme made by the minister on March 14, 1975, contained the information that the motor vehicle licence fee would be imposed in all developed national parks. Following Mr. Buchanan's announcement, a protest telegram was sent by the newspaper, the *Guardian,* to the Prime Minister. The various communications led to a decision to delay the implementation of the motor vehicle licence fee for one year in PEI National Park to allow Parks Canada time to carry out construction of kiosks and extensive road entrance changes. Parks Canada officials discussed the fees situation with residents adjacent to the park who could only get access to their property by travelling through the park. They also met with tourist operators, moss harvesters, fishermen and Community Improvement Committee members. On December 5, 1975, a committee of concerned citizens placed a two-page advertisement in the *Guardian* in protest of the entrance fees. The radio station conducted an open-line program and television interviews on the topic were held also. Citizens in the other Atlantic provinces were concerned also and made their views known to Parks Canada. As a result of these concerns, a revised schedule of motor vehicle licence fees was announced by Mr. Buchanan at a press conference held in Halifax on February 27, 1976. The following day Mr. Buchanan met with Mr. Clements and the PEI tourist association in Charlottetown. Later a newsletter was mailed to all residents of PEI explaining the revised schedule and inviting residents to get in touch with the superintendent of the national park for further information.

2. There is no public advisory type committee for Prince Edward Island National Park. However, the public participation process described below fills the same role as a public advisory committee: Parks Canada is co-operating with the government of Prince Edward Island in a planning project for the north shore central zone of the province. The services of a planner and a financial contribution of $50,000 has been given to the project. Through open consultation between local communities and government it is the objective of the planning process to: (a) prepare a concept plan for the north shore central region; (b) express mutually agreed (community and government) resource management and development objectives; (c) document policies and proposals which are not agreed upon by both government and community, as a basis for on-going consultation. Five series of meetings and one round of open houses have been held in six communities in the area. The sixth series began February 7. Policy, planning and operational questions raised at the first series of meetings were responsed to in written form by Parks Canada officials and discussed by them with community participants at the second series. At the seventh series of meetings the goals, objectives and planning options will be discussed in relation to the project, and at the subsequent open houses.

TRAVEL EXPENSES OF CANADA CUSTOMS PERSONNEL

Question No. 1,738—**Mr. Cossitt:**

1. What was the total amount of public money used for all aspects of travel, including living expenses etc., on the part of Canada Customs personnel for each of the past four years and what is the estimate for the current fiscal year?

2. What was the overall total for the same periods?

Hon. Monique Bégin (Minister of National Revenue): 1. F/Y 1972-73, $3,021,526; 1973-74, $3,437,570; 1974-75, $4,336,772; 1975-76, $4,615,204; 1976-77, $4,867,000 (Estimate).

2. $20,278,072

NATIONAL HEALTH AND WELFARE PUBLICATION—"SEX EDUCATION: A TEACHER'S GUIDE"

Question No. 1,807—**Mr. Dinsdale:**

1. How many copies of the Department of National Health and Welfare publication *Sex Education: A Teacher's Guide* were printed?

2. (a) What was the cost of the printing (b) how many were distributed (c) is the government reprinting the publication?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. Number printed: English, 6,000 units of six

booklets; French, 3,000 units of six booklets; Total, 9,000 units of six booklets.

2. (a) $23,500; (b) 9,000 units of six booklets; (c) The Family Planning Division of the Department of National Health and Welfare is reprinting the publication.

MINIMUM WAGE RATES—NORTHWEST TERRITORIES

Question No. 1,883—**Mr. Herbert:**

1. What are the current minimum wage rates in the Northwest Territories?

2. What were the rates in each of the past two years?

3. Have any changes conformed to the guidelines of the Anti-Inflation Board?

Hon. John C. Munro (Minister of Labour): 1. Effective May 7, 1976, the minimum wage rates are: $3 an hour for workers over 17 years of age. $2.55 an hour for workers under 17 years of age.

2. From May 7, 1974 to May 7, 1976, the minimum wage rates were: $2.50 an hour for workers over 17 years of age. $2.25 an hour for workers under 17 years of age. $2 an hour for workers 15 to 16 years of age. $1.75 for workers under 15 years of age.

3. There is no relation to the Anti-Inflation Board Guidelines, since the guidelines do not apply to wage rates under $3.75 per hour.

OFFICIAL PROCLAMATION OF CITIZENSHIP ACT ON FEBRUARY 15, 1977

Question No. 1,903—**Mr. Lambert (Edmonton West):**

1. How many persons were brought to Ottawa at public expense in conjunction with the official proclamation of the Citizenship Act on February 15, 1977 and (a) how many were (i) judges and officials of local citizenship courts (ii) candidates for citizenship (iii) members of the general public (b) how much time was spent by judges and officials in receiving instruction on the interpretation and procedures under the new Act (c) what was the cost of (i) transportation (ii) food and lodging (iii) other allowances with respect to such persons?

2. How many regional courses of instruction in the interpretation of and procedures under the new Citizenship Act have been held, involving how many persons and at what estimated public expense?

Hon. John Roberts (Secretary of State): 1. (a) 30. (i) 30; (ii) none; (iii) none. (b) Four days. (c)(i) Travel, $3,832. (ii) Food & lodging $4,972. Total $8,804. (iii) Nil.

2. Regional courses of instruction in the Citizenship Act.

Location	Number of Courses	Number of Persons Trained	Estimated Expenses
Toronto	3	54	$ 3,944
Montreal	2	27	2,974
Winnipeg	2	26	9,535
Vancouver	2	26	5,942
*Ottawa	2	41	14,279
Total	11	174	$36,674

*For Ontario other than Toronto, and Atlantic.

● (1520)

[*English*]

ENERGY

TABLING OF REPORTS ON OIL AND NATURAL RESOURCES

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, under Standing Order 41(2) I should like to table, in both official languages, two reports, the first "Oil and Natural Resources of Canada, 1976", and the second "Oil Sands and Heavy Oils, the Prospects".

* * *

CANADIAN AND BRITISH INSURANCE COMPANIES ACT

AMENDMENT TO CLARIFY DEFINITIONS

Hon. Donald S. Macdonald (Minister of Finance) moved first reading of Bill S-3 (from the Senate), to amend the Canadian and British Insurance Companies Act and the Foreign Insurance Companies Act.

Motion agreed to, bill read the first time and ordered to be printed.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—SUGGESTION THAT BUDGET CONTAIN PROVISIONS TO STIMULATE EMPLOYMENT AND CONTAIN INFLATION

Mr. Joe Clark (Leader of the Opposition) moved:

That this House condemns the government's failure to set or fulfil reasonable economic goals, and urges the Minister of Finance to be forthright with the people of Canada by revealing in the budget the specific goals he will be seeking to reach with regard to employment, inflation, Canada's trade balance, and the rate of economic growth.

He said: Mr. Speaker, we are dealing today with a motion that should not have had to come at this time to the House of Commons but is brought before the House because of two events which occurred this week: one was the revelation by Statistics Canada of the worst record of unemployment in the history of this country, and the second, almost as serious, was the repeated refusal of the government to give any indication, under questioning in the House, that it would give a commitment to the House of Commons and to the more than one million Canadians who are now out of work that there would be, as the central purpose of the new budget, the creation of new jobs, a stimulus to the economy which is needed to create new jobs, and a serious coming to terms with this problem which is critical for all of us, but critical for none more than the one million Canadians who are out of work in Canada.

We are dealing today with a government which has been responsible for running the affairs and the business of Canada for the last nine years. At different times, when faced with their failures, they have blamed the weather, the opposition, international factors, and even Radio-Canada. But now the fact is clear that they have much to answer for after nine years in office as the government of Canada.

One clear area of failure of this government has been in their responsibility to unite this nation. They came to office in the afterglow of the centennial and the Expo celebrations; they came to office with the good will of a great majority of the people of all the provinces and the territories of Canada. However, after nine years, as a direct result of the inflexible centralizing spirit in which this government has governed, we are a much less united nation now, with a government formed in Quebec by a party dedicated to the partition of Canada, with distress deepened in western Canada, and with cynicism and alarm throughout the land. We need only look at the record of this government to see what has soured the spirit of co-operation in Canada. The Prime Minister (Mr. Trudeau) attacks the Premier of Quebec—and he is quite non-partisan about it; he attacked Mr. Bourassa with the same fervour he attacks Mr. Lévesque.

The Minister of National Health and Welfare (Mr. Lalonde) attacks the Prime Minister of Ontario. The Minister of Transport (Mr. Lang) attacks the Premier of Saskatchewan. The Minister of Finance (Mr. Macdonald), in his capacity as minister of energy, mines and resources, attacked the premier of Alberta. That has been the government's constant program and tactic, to attack their partners.

Some hon. Members: Hear, hear!

An hon. Member: Confrontation.

Some hon. Members: Shame.

Mr. Clark: We know the results—we see them all around us—of that antagonistic, confrontationist approach in a country which can only be held together by a national government that is prepared to act in a spirit of partnership and co-operation.

Some hon. Members: Hear, hear!

Mr. Clark: But it does have to be said that on the question of unity the government at least had an approach; at least it knew what it wanted to do. There has been a clear pattern of centralizing authority and of using almost exclusively one agent, namely, a language policy to seek to make French-speaking Canadians feel more at home in the whole of Canada. The language policy, as is well known in this House and across the country, is accepted by all members and all parties in the House. The centralizing policy remains in place and it remains a cause of disunity in Canada wherever it is applied. But at least on the question of national unity there was a policy, there was a pattern. In the field of economics there has been no pattern at all to what the government has done over the last decade. My colleague adds that there has been no pattern except failure, and perhaps they plan that too, although I think that had they been planning the failure, given their track record, it would not have been as thorough as what we have seen.

Some hon. Members: Hear, hear!

Mr. Clark: There has been no pattern, there has been no consistent policy. It has been, in terms of economic development, a decade of drift. The consequences are known to all of us, but they are known with particular bitterness by those Canadians, who now number more than a million, who cannot find work in a rich, young country like Canada because the economic drift of this government has made it impossible to create the jobs or the stability that would let Canadians get to work.

One of the most damning statistics in the report released this week by Statistics Canada was the figure which indicated that fully 52,000 Canadians who have been in the habit of looking for work in Canada are no longer looking for work, and they have given the reason. The reason is that they have given up hope. Under this government they believe there is no work to be found, there is no point in looking. They believe, because of the conditions this government has created, that there is no work available for them to look for, and that is among the serious consequences of the economic policies that this government has allowed to function in this country. This government has allowed the economy to drift into a mess which is ruinous enough for Canada today. What is even more alarming is that it has set the stage for even worse to come.

● (1530)

The economic mismanagement of recent years has set off, ticking in our midst, a time-bomb for the future of Canada. The unemployment of today and the balance of payments deficits of today will damage Canadian society and the Canadian economy for years to come, perhaps for decades to come. While the government continues to walk in its sleep, it tells the idle and the unemployed—as it did yesterday and the day before—just to wait and see what will happen, if anything.

It was walking in its sleep at the time of the last budget. At that time, let me remind the House, the Minister of Finance confidently predicted a quarter of a million new jobs for Canadians created by an export-led recovery and new direct investment in this country. None of those hopes has materialized, and Canadians now and in the future will pay the price of this government's failure to look forward. The fact of the matter is that the government does not care about economic policy. I suggest to the House that if the government of Canada paid half as much attention to the economic needs of the Canadian people as it does to picking fights with the provinces or seeking out saboteurs in CBC Canada, this would be a better place in which to live and work.

Let us review the basic facts of the situation. There are one million unemployed in Canada, the largest number in the history of such statistics, and the rate is the highest in nearly 20 years. In the fourth quarter of this last year Canada's

balance of payments deficit stood at nearly $1.4 billion, a record deficit. For the whole of last year Canadian portfolio indebtedness increased by $8 billion, twice the figure of the previous year. In the last two years Canada has added $12 billion to new foreign indebtedness. The flight of direct investment capital from Canada last year was of frightening proportions. The outflow of capital last year was almost $1 billion.

Some hon. Members: Shame.

Mr. Clark: Those are all records—record unemployment, record indebtedness, record outflows of capital. In the olympics of economic failure this government is a winner, hands down. The unemployment figures, as usual, hide more than they reveal. Behind the national figures lie striking regional variations. Those of the provinces of Canada which are above the national average include two of our three most populous provinces. Once, sir, if you remember, Canada had a strong economy, with a few weak spots and some depressed regions. Today Canada is well along the road to becoming a whole country of depressed regions. Those of you who find time to go home and watch television will know the hamburger advertisement. The problem we face in this country is that the whole of Canada today is suffering from a "Big Mac attack."

Some hon. Members: Hear, hear!

Mr. Clark: Sir, we deserve a break from the Minister of Finance, a break from "Big Mac." We had a break from his predecessor who was as ineffective in bringing direction to the Canadian economy as is the present incumbent of that office. We need, fundamentally, a change in the commitment by the government of Canada to the need for economic development in this country.

[*Translation*]

Mr. Speaker, unemployment is an economic phenomenon with serious political implications. It forces people to turn to radical political solutions, as was the case in Quebec recently. In recent months, the level of unemployment in that province has remained at almost 10 per cent. It is interesting to note, Mr. Speaker, that the evolution of the separatist feeling was most pronounced outside Montreal, where the rate of unemployment is usually higher than in the metropolisis. That is the result of bad economic administration, both on the part of the province and the government of Canada. Bad Liberal administration in both cases.

[*English*]

Sir, one of the most important features of the Canadian labour force in recent years has been the increased participation in the labour force of women, from under 30 per cent 15 years ago to over 40 per cent today. But the unemployment rate continues to mount in this category. According to the latest figures, that rate is now 7 per cent for women over 25 and double that for women under 25. This cannot be passed off easily since so many—fully 43 per cent of working women, according to the figures of the minister responsible for the status of women—work out of economic necessity as the only household wage earner. This is a serious crisis, not only for the women affected but also for the families which so many of them are obliged to support in this country.

Another of the hidden aspects of the gross unemployment statistics—"gross" in several ways—has to do with the way the government deals with young Canadians. The unemployment rate among the young is now nearly twice the national average. In the Atlantic provinces it is now over 20 per cent of the national average, and in Quebec it is nearly that figure. Our young citizens who make up one-fifth of the Canadian population form two-fifths of the army of the unemployed in Canada. They are starting on what should be their work careers, without jobs to go to, without training which can be found, and with no incentive except to be unemployed. Sir, this large group of our population upon whom the future of Canada rests is being scarred by the tragedy of unemployment in a way that threatens to alienate them permanently from Canadian society. Beyond those actually unemployed, Mr. Speaker, there are tens of thousands who, as the Canadian Council on Social Development recently showed, are working part-time or at jobs which lead in no direction because there are no full-time or meaningful jobs available for them.

In brief, what is happening under this government as a result of the economic policies they have followed as a government for the past nine years—and I cannot believe they did not see the young coming—is that the largest generation in Canadian history is growing up with only a marginal attachment to the labour force. Sir, I am not one of those who believes that the youth of Canada have lost the work ethic but there must be work for youth to have the ethic about.

Some hon. Members: Hear, hear!

Mr. Clark: So the price of today's high level of youth unemployment is being paid now in terms of lost growth, lost production and lost hope in the promise of Canada. But it will also be paid tomorrow in terms of social unrest and dissatisfaction with a society which promises more than it can deliver. Sir, the first time bomb for tomorrow is in those statistics.

Turning to the balance of payments, we find another record, a record last quarter deficit of $1.4 billion, indicating an annual rate of $5 billion. Our relatively small surplus on merchandise account, the smallest surplus which has been recorded since 1969, was more than wiped out by our $2.5 billion deficit on interest and dividends paid abroad, a year on year increase of 30 per cent over 1975. That is a figure which we can expect to increase as a consequence of the government's complacency both in the past year and in the years in which it has had responsibility for managing the economic future of this country.

Deficits today can only be financed by borrowing against tomorrow. Canada cannot live for long on borrowed dollars and borrowed time. This government is borrowing today against our children's future in order to buy time for its own political survival today.

● (1540)

As I have indicated, our national level of foreign indebtedness has increased by more than $12 billion in the last two years, two-thirds of that in the last year alone. Over that period, the bond interest rate has averaged around 10 per cent, creating debt servicing requirements that could have the most serious consequences for our long-term balance of payments situation. This is the second time bomb for tomorrow.

[*Translation*]

If the government keeps on borrowing from abroad at the present rate, the burden of financing the national debt may reach monstrous proportions. If debt financing increases by a mere 2 per cent of the gross national product, the burden will lead to a serious and continuous increase in our deficit. Indeed, the country will have to continue borrowing, just to pay back the interest on its debt. To my mind, that way of managing things is irrational, and would impose on future generations an unacceptable burden.

[*English*]

Investors recognize the state to which Canada's economy has fallen. More than one investment analyst has concluded that investment-spending in Canada is, to quote one of them, "flat on its back". That is an interesting quote because "flat on its back" is a condition that sometimes occurs in the sport known as wrestling, a sport to which reference has been made by the Prime Minister and his colleagues from time to time. It is clear that what this government has succeeded in doing is wrestling investment to the ground.

Some hon. Members: Hear, hear!

Mr. Clark: Both Canadian and foreign investors are voting with their feet when it comes to investing in Canada. In 1974, Canada invested $50 million more abroad than foreigners invested in Canada. In 1975 that figure was $30 million. Last year the gap widened dramatically as foreigners reduced their direct investment in this country. The gap is now almost $1 billion. That is an outflow that causes lost jobs and lost production today and tomorrow. Today's investment, as we all know, creates, or can create tomorrow's jobs. The fact that Canada is no longer an attractive place in which to invest, either for Canadians or foreigners, is the third time bomb for tomorrow which has been set off by this government. That investment situation is inevitably associated with the control program and the government's lack of planning and lack of candour about the removal of that program. When they introduced the controls program—and it was the only justifiable reason for introducing it—they had the opportunity to act during the period of controls to bring about other adjustments in a national economy. It was only on that basis that controls could be justified in a country like Canada.

The government has done nothing at all with the time that it purchased with the imposition of controls. We have had 18 months wherein the role of the Minister of Finance has been that of little more than a spokesman for the Anti-Inflation Board. Instead of using the time that controls provided to bring together their partners in the Canadian economy, to work out changes, to bring direction to its economy, this government simply dragged its feet. Now we suspect it is looking for an opportunity to drag its feet a little longer.

It is clear that the controls program has brought serious distortions to the Canadian economy, including distortions in investment patterns. It is clear, also—certainly on this side of the House—that a young country like Canada, which depends so much upon imagination, investment and entrepreneurial spirit cannot have a regime of permanent controls. If we continue to maintain a controls regime over a long period of time because we think it is difficult to wind it down now, we will be creating a climate for permanent controls, a climate which will deeply endanger our capacity to grow as a country.

One of the things the budget must do on March 31 is make it abundantly clear what the government of Canada intends to do about this controls program, when it intends to wind it down, and what steps it intends to introduce to ensure that the winding down will not cause more problems than the regime of controls as practised by this government caused on its own.

Some hon. Members: Hear, hear!

Mr. Clark: I can only presume that the Minister of Finance intends to do that in his budget. It became evident in his answers to questions earlier in this House before the budget date was set that he and his colleagues were thinking of a later date when the question was first raised as to when the budget would come forward. They then changed that, bringing it up to March 31. It is clear to all who can see that the reason the government brought forward to March 31 the date of the budget was that the Progressive Conservative Party had introduced and had carried in this House an amendment that would have forced a debate upon controls the day after the date chosen by the minister for his budget.

Some hon. Members: Hear, hear!

Mr. Clark: The crisis that we face as a country today comes at a time when the government should be seeking all the economic advice it can get from this House, from the private sector and from its own economists. However, like all governments that are running out of steam; it closes off the avenues of advice at a time when every breath of fresh air in economic policy making is necessary. This government hints about winding down an agency such as the Economic Council of Canada.

The economic problems that we face are severe. There are many of them; some painfully apparent, others just below the surface ticking like time bombs. They are complex problems. There are no simple solutions. No one in this House pretends that there are. However, we believe those problems will never be resolved until the government is prepared to look them squarely in the eye. The government must realize that it has a responsibility to go beyond its particular view as to how to unite a nation. It goes beyond fighting with the provinces. It leads also to giving economic leadership to the people of Canada and creating a climate in which the other partners in

the Canadian economy can make their creative contributions. It will take time, but the process has to start.

I want to suggest a couple of areas where the government can start a process of reconstruction. First, the government has a major obligation to stop contributing to inflation. The governor of the Bank of Canada made a step in this direction by gradually scaling down the growth in the money supply. That has to be followed. The federal government has a very clear obligation to continue a reduction in the growth of its own expenditures. It has to be a real reduction, not one that is accomplished by some sleight of hand.

I want to talk for a moment about sleight of hand because behind the sleight of hand of the statement of the President of the Treasury Board (Mr. Andras) that expenditures will grow only 7 per cent in fiscal year 1978 is the fact that operating and capital expenditures will increase by 14.5 per cent. The federal government can, and must, do more to restrain the growth of its expenditures. It is not enough to say that the growth of government expenditures will follow the growth of the gross national product. That constitutes acceptance of an unacceptable status quo. The federal government must commit itself to reducing substantially, over time, the share of the economy which it and other levels of government have taken for themselves.

Third, there has to be determination to stimulate growth in this country. Savings in expenditures have to be passed on to Canadians. In doing so the administration can create jobs and stimulate economic activity without acting in a way which will further increase inflation. The tax burden on individual Canadians can be reduced. Thus, confidence will be restored, or a step toward restoration taken. At the same time, the purchasing power in the hands of Canadians would be increased. To assist in the expansion of investment, businesses also have to be given a tax break.

● (1550)

There are further important measures needed. This party has proposed reductions in personal taxation. The argument of the present administration that it has already passed on a tax break through the indexation of tax brackets is nothing more than a sham, an accounting trick. All the indexation of tax brackets does is compensate for past inflation; it replaces the profit the government makes from generating inflation in Ottawa and allowing it to develop across the country. There is no merit at all in returning to individual Canadians what was theirs in the first place. The stopping of confiscatory taxation is not an act for which the government deserves applause. It was their duty in the first place and they must now address seriously the requirement to bring in real, not sleight of hand, tax cuts.

In our view, tax cuts should be aimed directly at producing benefits for Canadians earning less than $8,000 a year, with lesser benefit for those earning from $8,000 to $16,000 a year. The purpose of tax cuts of this kind is to stimulate consumption among those who have borne the greatest burden of inflation. Some benefits in increased saving would also result. Thus, more capital would be available for domestic investment. The government should also consider a reduction in the manufacturer's sales tax, not necessarily across the board—that might work out to be a quite small reduction—but it should consider a sales tax cut in particular areas. Perhaps the remaining sales tax on building materials could be removed. We would certainly welcome and expect government initiatives in this area.

Obviously, the greatest burden of our national unemployment is borne by the five eastern provinces, as I mentioned earlier. That is an area of the country containing about 34 per cent of the population but carrying 45 per cent of the unemployment. In 1976 almost 80 per cent of the increase in the number of unemployed in Canada took place in the Atlantic provinces and Quebec. I suggest to the government that tax policies must recognize these facts and take steps to solve the problem.

A tax rebate or credit scheme for investment in research and development projects could be effective. Having more research and development done in Canada is one step we could take to reduce our truly mammoth deficit in trade and manufactured products. If the maximum benefits of such a credit were made available to companies and, I would emphasize, to small businesses investing in research and development in the Atlantic region and Quebec, then a positive contribution would be made to assisting the growth of employment in these provinces, one which would provide the basis of an industrial structure as well as assisting in the long term improvement of our balance of trade in manufactured products.

Some hon. Members: Hear, hear!

Mr. Clark: The government should also examine the possibility of introducing long term fiscal or tax contracts for companies investing in Quebec or in Atlantic Canada. I reviewed this proposal for the House earlier and I think it is one which has worked well in New Hampshire and in southern Ireland. I think it deserves some kind of consideration here. There should also be specific tax assistance to encourage investment in small and medium-sized business, particularly owner-managed enterprises. The government has received a lot of excellent proposals for a program like this. My predecessor, the hon. member for Halifax (Mr. Stanfield), called for—

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but his allotted time has expired. Nevertheless, he may continue if he has unanimous consent.

Some hon. Members: Go on!

Mr. Clark: Thank you, Mr. Speaker. There have been a number of proposals put forward. I will not reiterate them at length, but there was one proposed by my predecessor some years ago calling for a small business investment tax credit. The government of Ontario, in 1974, suggested venture investment programs. The Canadian Federation of Independent Businessmen suggested its own approach to deal with this problem. Whatever method the government decides to adopt,

it clearly has to act to create encouragement and incentive for this highly productive, highly important segment of the Canadian community, particularly because incentives to small business will have a direct impact upon some of the smaller communities in Canada where larger government and other programs might not be as effective.

Even if the government does act on the measures suggested, even if it does bring in programs designed to encourage job creation, it is going to take some time for the effects to be felt through the economy. There will be no immediate aid for the more than a million Canadians out of work today. That is the reason my colleagues and I have been urging in the House in the last few days that some emergency action be taken by the government, either in the field of direct job creation programs or, just as important, by changing some of the priorities in existing federal spending programs. The expenditure is already committed, but the question which has to be put is whether or not it is intelligent and in the national interest, given the necessity of restraint, to focus some of those expenditures in areas where they could be delayed at the cost of denying those expenditures to regions and people in Canada in desperate need of them now as their only means of obtaining jobs.

Some hon. Members: Hear, hear!

Mr. Clark: When I raised this very question with the Prime Minister yesterday, he answered with his usual seriousness—not answering at all. He suggested I should indicate where some of those savings might be made. I can suggest some areas which, cumulatively, might be able to stand the delay of expenditure for a year or two in the interests of the unemployed. We are spending $6 million building a new Canadian embassy in Yugoslavia. Might not that sum be better spent helping the unemployed in Newfoundland? We have spent $10.5 million in agents' fees for services in countries which deny having even heard of agents. Might it not have been better to have directed that money toward job creation in Quebec instead of investing in a phanton in Korea?

Some hon. Members: Hear, hear!

Mr. Clark: According to answers to questions on the order paper the other day, this government, which is unprepared to find jobs for the unemployed, spent $200,000 on pencils for the census. They are spending now, on an annual basis, $100,000 a year to stick Mirabel back together again because a Liberal administration, with its capacity for planning, used the wrong adhesive to hold together the slabs on the tarmac. They did not take into account the fact that this is a country dominated by winter, so we are spending $100,000 a year for as long as we can see ahead to keep Mirabel together instead of helping Canadians to find jobs.

What else is the government doing? It is spending $175,000 to study washroom usage in Canada. It is spending $133,-757.50 on briefcases. It is, of course, a question of priorities. We believe that expenditures of this kind, together with many others which are projected by the government, would be far better made if they were directed to job creation for the more than one million who are out of work today.

Some hon. Members: Hear, hear!

Mr. Clark: To try to regenerate the confidence of Canadians in our economic future so that there will be more willingness to invest in job-creating, capital projects, the federal government could make a positive contribution by providing to all Canadians the benefit of its thinking on the future course of the economy.

● (1600)

As a start, sir, I think that the budget brought down by the minister on March 31 should provide forecasts not just to the end of the fiscal year 1978, as would be consistent with past practice, but at least to the end of fiscal year 1979. The forecasts could include real growth, expected real growth, inflation, job creation, federal revenues and expenditures. In addition to this longer range forecast the government should suggest its targets for economic performance for five years, in this case up to 1982, in much the same way as the Economic Council of Canada has done.

The use of longer range forecasts and targets will provide an indication of where the government wants to take the economy. It will stand as a guide to Canadians and as a measure of performance. Right now there is no guide to Canadians. We have a government that has operated without bringing in northern land use regulations for seven years. We have a government that changes the rules regarding controls in the middle of the night and then changes the administrative rules daily. In the operation of the Anti-Inflation Board there is no certainty at all, and the only standards by which we have to judge the effectiveness of government policy are the kind of statistics which were released this week which show that more than a million Canadians are out of work as a result of the policies of the government.

[*Translation*]

A second very important step to revive the confidence of all Canadians in the future of their economy would be to call a national conference on the economy to discuss its future course. This should be a multiparty conference where all sectors of economic activity would be represented, not only large industries and big unions. Non-organized labour, small businessmen, all levels of government, consumers, farmers and other interested groups would also be represented.

At this conference we could discuss not only the long-term planning of the economy by the government but also the matter of the share of the GNP held by the government. Such a conference would have the advantage of removing the debate from the restricted and closed circles where the powerful generally meet. The economic future of our country should be discussed openly and in public. The Economic Council of Canada has already sponsored two similar conferences. Most participants found that process useful but questioned its validity for nobody ever followed up on the recommendations which were then expressed. I do not suggest that the federal govern-

ment should give up its responsibilities for managing the national economy in favour of a consensus resulting from a conference. I suggest that the federal government should commit itself to follow up on the recommendations of the conference or, on the contrary, to reject them in a rational way. Only such a mechanism would ensure that Canadians have a say in their own economy, the only way they will be protected against sudden and dramatic turnabouts in economic policy.

[*English*]

Mr. Speaker, the essence of this philosophy is that the economy of Canada is too important to be left to the cabinet of Canada and a handful of its bureaucrats. There must be—

Mr. Hnatyshyn: Especially to this cabinet.

Mr. Clark: This or any other cabinet, but this cabinet is particularly dangerous because we can see what they do.

Some hon. Members: Hear, hear!

Mr. Clark: We are speaking here of a process, and there clearly must be, in a democratic country where the private sector is so much more important to our growth than the government sector, a process that will allow everyone affected by major economic decisions to have some influence upon those decisions, and a process that will allow the government to escape from the prison of its own advice and its own advisers and consider the good advice and the good sense of people who want something more in this country than to get the economy going.

We face a serious crisis today. We face it for two reasons. The first is that we have a government that fundamentally does not care about economics. It was elected with a mandate to unify and it will be judged at other times on its capacity to unify this country, a capacity which, as I say, has become more clear in recent months in the province of Quebec and in recent years in western Canada and in other regions.

The other reason that we have a crisis today is that the government has consistently been freezing out other opinion—and that must change. The consequences, sir, are all around us. We have crisis today. We have, as I have indicated, time bombs built in for tomorrow. The budget is ahead. There is still, I would presume, some time to affect it. We have asked during the last two days that there will be a clear commitment to generating jobs as a major priority of this government. No commitment was given. The only instrument we have, as representatives of the people of Canada—representatives of the unemployed in Canada who obviously have no spokesmen on the government side—is to dramatize this crisis to a government which asks, in effect, "What's a million unemployed?", when bringing this matter forward in debate as we have done today.

The Minister of Finance will be replying. I hope he will give some indication of the general direction in which he intends to go. I hope he will give us some commitment that there will be in his budget a priority determination to create jobs for those Canadians who are out of work now, and I hope that he will give us some commitment that the budget will begin a process of much more open decision making. I express to him in advance my apology that I will have to read most of his remarks in *Hansard*—

Mr. Macdonald (Rosedale): Oh, come on.

Mr. Clark: You had to sit through mine, and I do apologize for this. But I will read them with the avidity that I do all his remarks, and I hope the minister will in his remarks today and in the budget that he brings in reverse a record that he and his colleagues have set—a record of contempt for the unemployed in Canada, of blindness to the need for economic confidence and growth in Canada, and failure to exercise its fundamental responsibility for national leadership. Clearly, if that is not done, this motion must express a majority view of the House of Commons as to the failure of this government to carry out its responsibilities to bring economic leadership to the country.

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, Canadians are in serious trouble. Outside this House we have the most serious unmeployment rate of any period since the depression, and inside the House—as has been demonstrated day after day since last September—we have a government which neither cares nor knows what to do about the problem. Just as in the depression, instead of advancing creative or innovative thoughts, the government has produced a new rigidity respecting conservative economics. So, too, today do we have a government which watches month after month as unemployment figures increase and responds to that with the most absurd banalities one could imagine.

• (1610)

Just yesterday in the House of Commons the Prime Minister (Mr. Trudeau) said that the cause—not the only cause, but one of the principal causes—of our situation is that Canadians are living beyond their means. I thought I was listening to R. B. Bennett all over again. The statement made by the Prime Minister was both incredible and sad. It was incredible because the Prime Minister ought to know better, and I think he does know better. It was sad because the statement he made betrayed an insensitivity—which is almost beyond belief—about the more than one million Canadians who are out of work. Certain people are living beyond their means, and I suggest that the Prime Minister is pre-eminently among them. Canada's poor and unemployed are certainly not living beyond their means.

This government displays lack of thought, lack of action and no caring at all. Instead, we hear commonplace utterances of the most conservative economic banalities one could dig up, and I say that with all seriousness. Instead of the present crisis leading to the imaginative application of new ideas, and instead of the implementation of progressive ideas which are not necessarily new, we have inaction by this government. In my view, this government's response to the unemployment crisis can only be described as traumatically regressive. It is

indifferent to the human and economic consequences of one million people being unemployed.

The figures are alarming and disturbing. They ought to concern the some 90 per cent of Canadians who have jobs. The official rate is now 9.1 per cent, with 932,000 unemployed. We know that the real rate is much higher and that the real number is much greater. If we add to the official figures produced by the government all those Canadians who would willingly take a job in this country, instead of 932,000 Canadians unemployed in 1977—not 1937—the figure would be 1.479 million. There would be a real rate of unemployment in February, 1977, of 13.7 per cent instead of the official figure of 9.1 per cent.

In a civilized industrial country some 40 years after the great depression that is a scandalous situation. Eight of the ten provinces have double digit inflation as well as double digit unemployment. If we look at the real figures—not the official government data—eight of our ten provinces have double digit unemployment. In Newfoundland the figure is 31.8 per cent. These are February figures, and I have added to the official data those people who in the view of my party ought to be included in the monthly data, namely, those who would be in the labour market if jobs were available.

Based on that, we get the following figures for Canada in 1977: Newfoundland, 31.8 per cent; Prince Edward Island, 25.9 per cent; Nova Scotia, 20.1 per cent; New Brunswick, 25.7 per cent, Quebec 16.6 per cent; Ontario, 11.4 per cent, Manitoba, 11.3 per cent; British Columbia, 13.4 per cent. Even in the two provinces where unemployment is not in the double digit category, what do we have? In Saskatchewan the figure is 9.2 per cent, and in the best of the lot, in Alberta, the figure is 7.3 per cent. It was not many years ago that even Liberals talked about 3 per cent unemployment being a serious objective for an industrial society and a target we should aim for in terms of job creation.

Fortunately, the economy of the province of Alberta has been stimulated because of the international oil situation, but it still has an unemployment rate of 7.3 per cent. I repeat that this is a scandalous situation in both human and economic terms. It should cause the government to express concern and to come forward and say, "We are trying to do (a), (b), (c) and (d), and perhaps over four years we will reduce the level significantly." I do not expect that to happen tomorrow, but the government should come forward with a program which will do something over a period of three or four years. But do we get those expressions of concern? Not at all. We get the flippancy of the Prime Minister who says we are living beyond our means. Like fun! Today the Minister of Agriculture (Mr. Whelan) made reference to farmers spending their time in Florida, or California; I do not remember which.

An hon. Member: Hawaii.

Mr. Broadbent: The minister should tell that to farmers whose incomes are going down at the rate of 30 per cent per year. He should tell that to the one million Canadians who are unemployed. That is the kind of attitude this government has—and this is the government which has control of our fate. God protect us! If the general picture is bad from region to region and from province to province, it is particularly bad for the young people of Canada. Almost half of those unemployed are between the ages of 15 and 24. In another two months there will be several hundred thousand young people leaving our schools and universities to go on to the job market. It will be the worst job market since the depression. Many of these young people want to stay in the job market. They are willing to work and contribute to the well-being of their families and communities. But jobs are not available, they will not be available and, reluctantly, many young people will go back to school. They will be doing so reluctantly, because returning to school is not their wish. At this stage they do not want to further their education, but because there are no jobs from coast to coast they will return to school.

The situation is serious and it is particularly serious in the province of Quebec. To use a phrase of the Leader of the Opposition (Mr. Clark), we indeed have a real time-bomb. Unemployment is at catastrophic levels among the young people of that province. It is no coincidence that young French Canadians in Quebec voted overwhelmingly for the Parti Québécois. The survey of the attitude in the province of Quebec which came out a few days ago shows that there has been a doubling of support for separatism since the election of the Trudeau government. I suggest that the young people of the province of Quebec are contributing to the increase in the commitment to have an independent province of Quebec. Surely that, if not humanitarian considerations, should bother this government.

We have had a number of debates on the subject of unemployment in the House since last September when my party first said that this should be recognized by the government as the leading political and economic question in this country. That has been carefully and benignly ignored by the government. At various times, on behalf of my colleagues, I have suggested what ought to be done both in the short run and in the long run. Today I will wait until near the end of my speech to repeat some of those suggestions, if time permits.

However, what I would really like to do this afternoon is report to the House and to the people of Canada on a three day visit my colleagues and I had in the province of British Columbia this past weekend. Four of us went to the province of British Columbia, for two reasons. We wanted to learn directly from people who are unemployed what it means to be unemployed in Canada in 1977, and how it affects their lives and the lives of their families. Second, we wanted to learn from the people who were experiencing this unemployment if they had some suggestions to make, because it is my serious view that the bureaucrats, the ministers and, indeed, the leaders of political parties on this side of the House all too often assume that we know the right generalizations, we know the broad framework of economic analysis and therefore we do not have to learn on the spot from ordinary people their proposals about what to do with their particular circumstances. It has been one of the things I have learned as a

politician that ordinary people do in fact have a remarkable grasp of the significance of their own situation and a remarkable capacity for making proposals for improving that situation based on common sense and a lot of economic sense in a general way.

● (1620)

I would like now to report on our trip to three communities in British Columbia, to report to the House the thoughts and feelings of the ordinary people of B.C. on the question of unemployment, and report to the House some of their suggestions about what could be done and what should be done in their communities to deal with this national and regional problem. First, we spent last Saturday in the very attractive seaport town of Nanaimo and we heard a dozen or so briefs on Saturday afternoon in that community which has an unemployment rate of about 14 per cent at present.

I will just give the House illustrations from some of those briefs which document the experience and contain some suggestions for improvement. First, I will refer to the briefs submitted by Chief Modeste of the Cowichan Band Council. I would like the Minister of Manpower and Immigration (Mr. Cullen), as well as the minister responsible for our native people, to read that brief because in it they will find a very moving description of the extent of unemployment on this reserve and its impact on the lives of the Indian people in that reserve, on their families, what it does to motivation and what it does in terms of expectations for their life in this land of ours.

It is not a charming piece of material to read. It would not move one to great feelings of optimism and high expectations about the future of Canada as seen from the perspective of a member of the Cowichan band in that part of our land. It is, indeed, a sad document, and I remind you, Mr. Speaker, that what is true in that band holds true universally for our native people in Canada, almost all of whom are excluded, I might add, from the official unemployment figures that come out month after month. At the conclusion of this very moving brief the last sentence reads:

> An old Indian teaching is that no man can suppress another for very long for he will pay for his action in the end.

That was not said in a polemical or threatening way; it was said seriously and movingly by a man who was acting as the spokesman for his people. A brief was presented by the Alberni District Labour Council. It describes, again in plain language and therefore movingly, the particular situation of our young people and how unemployment begins to destroy their incentive, begins to sap their energy and take away their commitment to this country. I quote from it as a recommendation to the government of the day. At one point it reads:

> Along with the right of education, health and housing, there has to be a right to a work place.

My party accepts that. It accepts the view that what we should have on the law books of Canada is a full employment act which says that in principle every Canadian from St. John's in the east to Victoria in the west has the right to a job. It is not utopian that a government of the day would be expected to lay down a four or five year program to achieve over that period full employment and then make annual reports to the House about its target and its success or failure in achieving that target. But we have no such legislation, no such commitment to full employment from this Liberal government, nor have we had it from any of its predecessors.

Mr. Stevens: How about a right to work law?

Mr. Broadbent: It depends entirely on what you mean by that concept. If you mean that Canadians should have the right to a job instead of welfare, you have the 100 per cent support of my party.

Some hon. Members: Hear, hear!

Mr. Broadbent: The third brief to which I should like to refer came from the Gabriola Island fishermen. Again, it was one that contained not only a moving description of the circumstances in which fishermen on the west coast find themselves but had some pertinent recommendations to make. It was concerned about the revival of the salmon fishery in that part of British Columbia. They objected to a proposed change in the division of our coastal waters in B.C. which would be harmful for small boats and trawl fishermen. I will not go into details at this time. Their point was that they did not want the announced change that had been outlined to them to take place because it would be harmful for the fishermen there. But what did they call for? They called for an independent commission whose purpose it would be to recommend practical means of reviving the salmon fishery in their area so that, as they put it, "fishermen can make their own living independent of subsidies, welfare or unemployment insurance". What they wanted was not some form of hand out, some form of charity; they wanted a sensible fishery policy which would enable them to live with dignity doing some work.

Mr. Friesen: What did Barrett do?

Mr. Broadbent: Let me tell the Tory backbencher that since the Tory-Liberal-Socred alliance has come in in British Columbia, unemployment has gone up and inflation has gone up, not down. The fourth brief we heard in Nanaimo—

Mr. Wenman: Tell us about the high income tax in Manitoba.

Mr. Broadbent: It is obvious the Tories have had nothing constructive to say the whole time Canadians have suffered such a high rate of unemployment, and now they are sensitive about the issue. The fourth brief to which I should like to refer is the one which was submitted by the Nanaimo Association for Intervention and Development. They provided a very disturbing set of statistics.

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon gentleman, but I must inform the hon. member for York-Simcoe (Mr. Stevens), that we must respect the decorum of the House and refrain from wearing a hat on this day.

Economic Policy

Mr. Macdonald (Rosedale): Mr. Speaker, I rise on a point of order. I would like to point out that there is a Standing Order under which all hon. members have the right to wear a hat in the House. Our only obligation is to take it off when we address the Chair. I will be glad to look up the appropriate citation, Mr. Speaker. As the descendant of a Healy and a McDermett and others on the Scottish side, I have to defend the hon. member's right to wear that particular hat.

The Acting Speaker (Mr. Ethier): Order, please. The hon. member for York-Simcoe will not have to rise on a point of order. The Chair withdraws its remarks. It has been the practice of the House, and if hon. members are prepared to allow it with unanimous consent I will allow the hon. member for York-Simcoe to wear his Irish hat.

Mr. Stevens: Mr. Speaker, thank you very much for your intervention, and I am particularly pleased that the Minister of Finance (Mr. Macdonald) has, in this instance at least, co-operated in my endeavour to pay tribute to my fine native land, Ireland. If I may, I should like to wear my hat in the House on the understanding that if I address you, Mr. Speaker, I will certainly remove it.

Mr. Broadbent: Mr. Speaker, this recent exchange boggles the mind. Here we are, in the midst of a debate on a motion moved by the Official Opposition expressing concern about unemployment, and the financial spokesman for the Tory party comes into the House and frivolously puts on a ridiculous hat. I say to you as seriously as I can that all Canadians of Irish ancestry who are unemployed hold the hon. member in nothing but contempt for this frivolous indulgence at such a serious time. I mean that. I note that some hon. members are smiling. Perhaps hon. members will be moved by the following statistics. One of the briefs suggested that of the people who attempted suicide in Vancouver between October, 1975, and September, 1976, 45.8 per cent were unemployed. Unemployment to them was not a joke. They did not have time to fool around celebrating St. Patrick's day. For them unemployment was a serious issue. I say through you, Mr. Speaker, to all hon. members that it may be fine for us to smile, to smirk, to kid. We are living well. We are fully employed. We have good incomes. But for the more than one million—in fact, there are almost 1.5 million unemployed—without jobs the situation is serious. Many of them have no income, and unemployment is not something for them to joke about.

● (1630)

Mr. Stevens: Who's joking?

Mr. Broadbent: Mr. Speaker, from Nanaimo we proceeded up the coast to that beautiful community in British Columbia known as Powell River.

Mr. Pearsall: Hear, hear!

Mr. Broadbent: Mr. Speaker, I understand that the hon. member opposite who claps represents that community. If he really represents it he must know that 25 per cent of the community of Powell River is unemployed.

Mr. Pearsall: You are wrong.

Mr. Broadbent: The hon. member suggests I am wrong. I welcome correction. If the hon. member rises and says the rate is 24.6 per cent, I will accept his correction. I tell him that the unemployment level is 25 per cent. We heard people of that community describing their attempts to find jobs. We were told, for example, of the provincial government's decision to do some budget cutting and of the federal government's attempt, allegedly, to co-operate with that budget cutting effort.

The provincial government asked the federal government to change the designation of Georgia Strait to that of an inland water system. I understand a decision has not been reached on that request of the British Columbia provincial government. But what would it mean? What would it do? That proposal, made by the Socred government of British Columbia, would mean, if accepted, cutting back the crews on ferries from 31 to 14 members. It would mean a net loss of employment in the area of 450 jobs. Not only would jobs be affected but, as I was told by seamen at Powell River, Vancouver and Nanaimo, the safety of the passengers on ships would be significantly affected by crew cutbacks since those waters sometimes become rough. That would be the result if the size of ships' crews was cut in half. The Socred government made that proposal to the federal Minister of Transport (Mr. Lang). Knowing our minister's previous attitude on transport, I fear the worst.

We also heard a moving story from a worker who had been laid off from the Texada mines in Powell River. He was dismayed, not at being laid off— for the mine was run down and the iron ore pretty well depleted—but at the way the unemployment insurance people treated him. He had lived in the community for some time and raised his children, and over a period of 20 or 30 years had accumulated his severance pay. When he was laid off he collected his severance pay, and when he applied for unemployment insurance was told he was not eligible. He was told to use up his severance pay to which he had contributed all his life.

Mr. Speaker, why should a man be put in that position? Since he was available for employment, why should he not be entitled to collect unemployment insurance? Under the regulations, if you are unemployed you are eligible for unemployment insurance if you are available for work. He was available for work. Therefore, I do not see why his severance pay should run out before he or any other Canadian should be entitled to collect unemployment insurance. The sole criterion ought to be, is he ready and willing to work? If he is available for work, he should be entitled to collect unemployment insurance.

Mr. Friesen: Right.

Mr. Broadbent: From Powell River we moved on Monday of this week to Vancouver. In Vancouver we heard extensive testimony on the problems of living, with the high unemploy-

ment levels of the province and particularly of the city. The British Columbia Federation of Labour submitted a brief which contained many proposals, to some of which I will refer. It noted particularly the large gap between job forecasting at the federal level and the meeting of those forecasts through the manpower retraining programs. The federation told us of men and women who had been trained for jobs for which there was no demand and which were often non-existent. Interestingly enough, they also told us that some skills were needed but there was no manpower retraining program for meeting those needs. The department did not provide the requisite courses. What the federation told us in British Columbia was exactly similar to what we had been told in St. John's, Newfoundland, two months ago. We were told that manpower retraining centres in St. John's were turning out hundreds of hairdressers. They turned out more hairdressers in St. John's than there were women in Newfoundland to use their services. That was a perfectly absurd situation.

The B.C. federation said that manpower retraining programs should bear some relationship to demand for workers in the market place. No reasonable person can question that suggestion. The federation appropriately stressed the cruelty of changing at this time the eligibility criteria for unemployment insurance—that is, upping the ante, so to speak—from 8 weeks to 12 weeks before people could be eligible to collect unemployment insurance. Surely that is a profoundly cruel action when more than one million Canadians are unemployed. It simply adds insult to injury.

Another question of concern raised in the brief was that many now being employed on LIP projects are simply doing work which would have been done in other ways by skilled workers. The federation told us of community projects on which, normally, plumbers or carpenters would be employed. Since the work was done under a LIP grant, either volunteer workers or workers who worked for substantially lower wage rates were hired to do the job. That ought to concern all of us. We support the LIP program. I do not want that misunderstood. But it is important not to be deceived about some of the consequences of these projects. We are simply giving one group of people jobs which otherwise would be performed by men and women earning a much higher salary. We ought to be concerned, since we are merely shifting the locus of unemployment.

Another submission I found moving was that of the representative of the Canadian Union of Public Employees. This was a very moving documentation and a generalization that at a time of high unemployment, women are the last to be hired and the first to be fired. The case that was generally made was at this time with this level of unemployment, women in Canada suffer disproportionately more than men. Again they provided the data to document the case. It was a sad one.

● (1640)

It should concern us that the female sex in Canada, which has historically been unfairly treated, and those of us in the opposite sex in the past few years are gradually becoming conscious of that fact—

Miss Campbell: It is long overdue.

Mr. Broadbent: I agree with the hon. member that it is long overdue. I will add that it is long overdue on my part. All I say is that we should be increasingly aware of this inequality. We should be aware of the discrimination that exists toward the female sex which is particularly felt at times of unemployment.

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but his time has expired. Nevertheless he may continue if there is unanimous consent.

Some hon. Members: Agreed.

Mr. Broadbent: I thank hon. members for their indulgence. A further brief was submitted by the minister of the First United Church in Vancouver. It might interest hon. members to know that that church is located in the east end of Vancouver, not one of the more posh parts of town where doctors, lawyers and well paid university professors reside. It is a poorer part of Vancouver with a disproportionate number of drifters, unemployed, and those who are down and out.

I was told by people on the scene that the minister worked very hard preparing the brief. I commend him for bringing this to our attention. It indicates that the controls in operation, allegedly from province to province, controlling rents have no effect at all for most of the people for whom he was speaking.

The people for whom this minister was concerned in his brief live in small hotels. There is no control on the rates for the rooms in small hotels. In many cases the people pay a weekly or daily rate for a room. They do not rent an apartment nor do they own a condominium. They simply have a small and in many cases barren and cold room. He found that the rent went up, not by 10 or 15 per cent, but in some cases by 80 per cent for those rooms in the east end of Vancouver.

I do not know whether this survey was conducted in his parish. It was certainly an area of Vancouver that he knows well. He found that these people spent between 75 and 80 per cent of their income on rent. On the average, they had $1 a day to spend on food, clothing and anything else they may need.

Amongst these people, and I suspect the majority of them, were the unemployed. Are they the people who the Prime Minister (Mr. Trudeau) refers to when he says we are living beyond our means? I have my doubts. If we are concerned about rent control and applying it effectively, surely that is an area that we should move into quickly to ensure that the small hotels do not exploit in a very unfair and cruel way the poor people who live in that part of Vancouver.

Another brief I was given had been prepared by the Vancouver and District Labour Council. They stressed the important issue of hidden unemployment. They were concerned that the unemployment figures in Canada were really much higher than official statistics suggest. In particular, they stressed that

hidden unemployment was very real, direct and meaningfully felt by young Canadians in their part of Canada, stating that it was they who had given up.

Some cases were cited, not as part of the formal brief but in informal conversation, of young people in the Vancouver area who had been out of school for two years, had been searching incessantly for jobs and had found none.

One has to draw the conclusion that as people get depressed, they lose their incentive as well as their respect for government and authority. It is a perfectly understandable normal reaction by people who grow up in a society which treats them indifferently. They are inclined to react in an indifferent manner. We will get exactly what we deserve from such young people, no better and no less.

A sensible proposal that the labour council made to create jobs was to completely modernize the port of Vancouver. Surely it makes sense to carry further the containerization process on the west coast. If needed capital were put in there, it would provide jobs now, as well as provide an expanded harbour operation for the future. That makes good sense. It is a practical proposal that should be taken up by the national government, and if not, by the government of British Columbia.

Finally with regard to the briefs I will refer to in Vancouver was the one presented by the British Columbia Employers' Council. That is not exactly a hotbed of socialists. In fact, if you look very hard at their membership, it would be hard to find one socialist. I do not say that in any critical sense. They happen to be a group of people who, as a rule, differ in their perspective from that held by my party. They presented a serious brief. In fact, it was presented by the former postmaster general of Canada, Mr. William Hamilton. Mr. Hamilton, on behalf of the Employers' Council of British Columbia, urged an early end to the controls program, something we have been advocating since the controls program was brought in. He made the point that we made at that time, that this controls program has a harmful effect on job creation, that we should put an end to it quickly and introduce measures that will produce more jobs for Canadians.

I want to conclude the report on my three day visit to British Columbia by citing what I think is the most moving testimony of all. It was presented by a 59 year-old mother of two teenage children. She was looking of a job. This woman told the story of a job opening in Abbotsford, a small community. It appears that for a very short time there was an ad in one of the papers by MacDonald's, the hamburger chain. It stated that they were going to open at a new location in Abbotsford and that they wanted to hire a handful of young people, I think in the neighbourhood of 20. Within 24 hours a line up three blocks long appeared. These were young people looking for jobs. They came with haversacks and sleeping bags and stayed overnight in that community looking for that handful of jobs. What does that story tell us? It tells me that among the unemployed in Canada, and I think particularly of unemployed young Canadians, there is not a shiftless attitude. There is not an attitude that they would prefer welfare, the easy life, or hand outs. Quite the contrary. The attitude among the young people of Canada is that they want to work. They want to be able to make their contribution, to look after themselves, probably to marry before long and to raise families. They want to have the same opportunities in their lives as immigrants to this country for the last 100 years, and as the parents of those who have grown up in the past couple of decades always assumed, that this would indeed be a land of promise. That is what the three block line up in Abbotsford meant. But because it was three blocks long and because people came from the surrounding areas so quickly to get the jobs, we see that unemployment is indeed a very serious problem and that there are now thousands out of work. It indicates not only the healthy attitude of Canada's young but the alarming and cruel failure of the government.

[Mr. Broadbent.]

• (1650)

There is no more serious issue today than unemployment. It affects every community in the country. It is running at 30 per cent in Newfoundland, 28 per cent in Cape Breton, 25 per cent in the Gaspé region, 25 per cent in the Powell River area, and 14 per cent in Nanaimo. In Montreal the figure is 20 per cent. It is a national crisis and it is time the government, so long frozen into indifference and inertia, began to act.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, first I must congratulate the mover of that motion who gives us an opportunity to deal with issues which deeply concern us; I congratulate the spokesman for the Progressive Conservative Party but at the same time I am rather surprised when reading his motion to note that while condemning the government he has probably forgotten to make suggestions which his party would have in mind to solve our problems.

Indeed, we read in the motion that the Minister of Finance (Mr. Macdonald) is condemned and urged to be forthright with the people of Canada by revealing in the budget the specific goals he will be seeking to reach with regard to employment, inflation, Canada's trade balance and the rate of economic growth.

As to the representative of the New Democratic Party, he gave us an interesting report of his three day tour in British Columbia. I congratulate him for that, but frankly if I talked about all the cases that go through my office on weekends alone, Mr. Speaker, I think I would have enough for a week. That is why I will spare you that narration. I will just simply talk about a few items in today's motion.

I just read a very interesting book dealing with the funding of Confederation, a book that impressed me because it is a résumé of all the meetings that were held since 1867, including all provincial government and federal government relations. What transpires from those discussions? It was a prime minister at the very outset of Confederation who said: Never forget that Confederation is based on a compromise, and one realizes at the end of every meeting they had that everything was solved on the basis of that compromise. I mention this simply to say that if we really want to come to grips with the problem facing Canada today, that compromise will have to be dis-

cussed because I feel that employment, unemployment, and inflation concern the provinces as much as the federal government. This government is being blamed—one could include all previous governments—only because it took over from its predecessor, and so on.

The problem facing us today is not necessarily a problem of one government, it is a national problem, a problem of generation, and it must looked at from that standpoint. Speaking of employment, of course, everybody realizes today, one does not have to be a prophet or a soothsayer to know that our labour force is for the major part unemployed. When dealing with the issue of employment in the present situation we only look for short term seeming remedies to the unemployment afflicting us today. I say "afflicting us" because the plague of unemployment is a natural consequence of our economic evolution. We must indeed realize that it is simply a natural consequence because you do not try to solve unemployment with full employment. Temporarily, yes. And all means are being used, and previous and present ministers are trying with all means available to bring down unemployment but they will always be temporary means.

● (1700)

We must stop thinking for the immediate future. We should at last initiate a discussion to find long term solutions, although we have had all kinds of new projects in recent years. I still remember winter works, as everybody else does. Those were about the first big projects to be initiated to try and reduce unemployment, like for instance the ARDA projects, regional economic expansion projects and manpower training courses whose purpose was to retrain workers who had been laid off in some sectors. Those workers must be retrained to go back to the labour market, but after such projects we realize that even those workers, whose retraining was supported publicly, do not find jobs either because they simply increase the number of workers in already overcrowed sectors.

Today they say: At least we will train educated unemployed. But that will not give them a job. How many of them are coming to my office nowadays, young people who have completed their up-grading course or vocational training and who say: Now we could work but we have no job. The requirement is two or three years of experience. While these poor young people have just completed their studies, three years of experience are required. I believe it is merely another way for the employer to say: We have no job to give you.

We have also developed programs such as LIP, Opportunities for Youth, and now we have Canada Works and Young Canada Works. All these programs are aimed at temporarily lowering the current unemployment rate. We should first of all seriously wonder what is the best long term solution, not to eliminate unemployment, which is impossible, not to create permanent employment, because we will never achieve permanent full employment now, unless we decide once and for all to reject out of hand all modern techniques, unless we chose to move 50 years backwards.

If we moved 50 years backwards and returned to the era of the small shovel and the pick, unemployment would probably disappear but this is impossible. We cannot take regressive steps and we cannot deny our present economic evolution simply because society could not follow a parallel development. Economics is not at fault. As far as economics is concerned, we are advanced and are not lagging in any way behind any other industrialized nations. I suggest we have completely forgotten to adjust the social sector to the economic sector. Therefore, if a machine or a given discovery, as we see them everyday, is going to remove 200, 300 or 1,000 workers from their jobs, if that machine produces less than those 1,000 workers, let us get rid of it.

But such a technique produces ten times as much as any group of workers, and yields ten times as much revenue for the state. The proof it yields much more revenue is that each year we see the gross national product increase. Therefore, it means that our economic development does not work against the nation, but for the nation. But because of our economic development, are we going to allow those people to starve to whom this technique is prejudicial? No. I think there are some measures to be adopted. If our country's production is ten times greater because of our economic development, we should be able to find some measures to allow those people to get retrained, but in the right sense, without considering that to let them live we still have to keep the old principles, the obligation to work.

We used to say, 50 or 60 years ago: "You do not work? You have no right to live!" That is not so today. Somehow we must find a way for the unemployed, now representing some 20, 24 per cent of the manpower, to live in our rich country. In other words, we have to change principles. We made scientific and economic progress, so Canadians must now share in that progress, because they were responsible for the whole process.

They must not be cast out because they produced too much, rather, they must have a share in this country's production. Such is the proposal we have been putting forward all along. As long as this government does not consider that proposal of a guaranteed minimum income for every Canadian from 18 to 65, or better still 18 to 60 when full pension is provided to Canadians 60 and above, this problem will be with us. We shall go on putting band-aids as we are now doing. I do not blame the government for what they are doing today, it is the most they can do now.

It is always possible however to consider something else. Pending a major operation, the patient is given temporary medication to strengthen and prepare him. All those small projects we now have can be no more than temporary medication to prepare our society for real action, for the long term cure that will ensure a parallel course between economic and social progress, so Canadians can share in this country's fantastic production.

It is therefore imperative in my view that we enter soon into the a very serious discussion that is vitally needed, since things are getting worse all the time. We heard it said that the

government is to be blamed for the rising rate of unemployment. It is not so.

The unemployment level rises because we refuse to evolve socially. We do have the required billions, but only about 20 or 30 billionaires benefit from them. We must absolutely get out of this system and if we reject Social Credit, then let us create a new system of our own so that the population can take advantage of this considerable production in Canada.

I am told that my theory may encourage laziness. Have no fear because unemployment insurance and social assistance can also breed parasites in society, and so can the guaranteed annual income. The difference is that unemployment insurance, social welfare and the guaranteed income supplement require armies of inspectors and it is costing us more for inspections than if we simply handed the money to the needy. The guaranteed annual income would eliminate those thousands of inspectors and all the maintenance offices, and it would be like a family allowance.

The annual guaranteed income does away with all discrimination and God knows how much there is of it. We have to cope with it every day. We are being told that someone was denied unemployment insurance benefits because a lowly official who knows nothing has been giving him a hard time for two or three months. I even know someone who waited a year and half for his insurance benefits. He will be paid soon, they say, but for more than a year his family has suffered because of a lowly twenty four year old official who does not know anything about it. Such a sad thing! However I do not hold it against him because, basically, it is not his fault, it is the system which discriminates. That is why I have been saying and repeating that 80 per cent of our social legislation is discriminatory because of it. We have been discussing unemployment all afternoon. I too would have liked to say a word about inflation since I had prepared some notes on the subject. I hope the minister caught the solutions I am suggesting to him to cope with unemployment.

We often wonder where inflation comes from. I will tell you in a few words. I recall that about ten years ago, when I was sitting on the House committee on finance and we were discussing the famous question of interest charges, that is the control of interest charges, the department decided to remove any ceiling on bank interest charges, therefore extending interest charges everywhere. I then warned the committee that it was the beginning of inflation, the end of which would never be seen. All that started at that time. That is why governments—no more this government than others—are said to be responsible for inflation. When somebody sets a house on fire, he is the one responsible if it burns.

● (1710)

[*English*]

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the hon. member that his allotted time has expired. He may continue, however, with unanimous consent. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

[Mr. Gauthier (Roberval).]

Mr. Paproski: Mr. Speaker, I rise on a point of order. I hope the hon. member will take no more than perhaps five, six or seven minutes because there are a large number of hon. members who want to speak. I know the Minister of Finance (Mr. Macdonald) would like to speak. The House would appreciate it if the hon. member would go along with this suggestion.

The Acting Speaker (Mr. Turner): I am sure the hon. member will co-operate.

[*Translation*]

Mr. Gauthier: Mr. Speaker, I thank the hon. member who just spoke and I can assure him that I will take no more than four minutes of the House's time. I only want to add a few words on the inflation issue. I was saying that interest charges, as you will agree with me, are responsible for inflation. That is the cause of inflation. In 1969 we were paying $9 million a day in interest charges on the national debt, as opposed to $15 million today. At the rate we are going, we will soon be paying $30 million a day to service the national debt.

We are going to be more and more in debt. Recently the minister said that we had goods for those 84 or 90 billion dollars. However we are not paying for goods but for interest. What are we doing today? We are borrowing an amount equal to the national income this year to give temporary credit on year to year production. As long as we are going to borrow every year's production to put that production on the market, we will have what we have today. Recently I was asked what we should do to prevent the national debt from increasing. If we want to do that let us stop producing. As long as you produce within a screwy system, what you have produced becomes a debt the day after because you are required to borrow money to pay for your production. As long as we let the commercial banks administer this country and fail to give the Bank of Canada responsibility for the public sector and chartered banks responsibility for the private sector, if we fail to do that we are going to be in debt, and debts hurt. I hope you realize we are asking Canadians to pay $15 million in interest every day.

We must do something. I do not know what the government thinks about it but the other day they mentioned the seaway debt. They quickly wrote that one off. I was surprised recently when we asked the Minister of Finance to tell us to whom we owed that money, the $15 million a day. He told us he could not answer right now. So we pay $15 million a day in interest and they do not know to whom we have to pay that money. We must draw the line somewhere.

Once again, I hope the minister will think about it and that we will stop looking for the cause of inflation. It is the interest that Canada would not have to pay if it could control its monetary system. We are told that they control the monetary system, they control the money, but we do not control a cent of those credits which today amount to 92 per cent of all the money supply. The whole problem is there. We will have to control the 92 per cent as strictly as the 8 per cent in paper money. I apologize. I do not want to go on because I told my

friend that I would not take more than four minutes. So I thank hon. members and I hope the minister will take notice once of all of my suggestions.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Surrey-White Rock (Mr. Friesen)—Transport—Disparity between subsidies for ferries on east and west coasts; the hon. member for Churchill (Mr. Smith)—Manpower—Canada Works Program—Differentiation between status Indians on and off reservations.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—SUGGESTION THAT BUDGET CONTAIN PROVISIONS TO STIMULATE EMPLOYMENT AND CONTAIN INFLATION

The House resumed consideration of the motion of Mr. Clark:

That this House condemns the government's failure to set or fulfil reasonable economic goals, and urges the Minister of Finance to be forthright with the people of Canada by revealing in the budget the specific goals he will be seeking to reach with regard to employment, inflation, Canada's trade balance, and the rate of economic growth.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I am sure hon. members who have read the motion put down by the leader of the opposition have found it to be rather obscure in several ways, not the least of which is the suggestion that there should be a forthright statement in the budget as to the anticipated or expected levels of growth, job creation, unemployment, inflation, and so on. Budget statements have always included such estimates.

Mr. Dick: Not always. Turner left them out one time.

Mr. Macdonald (Rosedale): The rather interesting thing hon. members will have noticed is the use of the word "goals" by the leader of the opposition. I suppose one could have said that if this had been a motion proposed by the leader of the New Democratic Party the concept of "goals"—which to me at least implies a more precise setting of patterns like the Soviet Gosplan—is something one might expect from a socialist party, but it is strange to me that the leader of the Tory party should use that word. Total control of determinants does not now exist in our economy and has never existed. As the leader of the opposition should know our economy operates on the basis of many thousands of private decisions on the impact of the international economy of our interdependent world and on a range of variables beyond the control of man or any group; for example, determinants in the agricultural area, such as climate.

Mr. Friesen: In other words, don't even try.

Mr. Macdonald (Rosedale): We may make estimates of assumed levels of performance, but any sensible person would recognize that they are only guesstimates, and they are subject to many uncontrollable variables. To me, that is the basic and simple answer to the motion.

Mr. Dick: I am glad you support it.

Mr. Macdonald (Rosedale): I do not support the motion; it is totally irrational. The leader of the opposition dealt very little with the motion. I would like for a moment to deal with some of the remarks of the leader of the opposition. This is an economic debate and I normally would not have gone into this particular point, but the leader of the opposition had quite a bit to say about national unity and about the contribution of the Prime Minister (Mr. Trudeau) to national unity. By raising that question, the leader of the opposition brought himself in as a figure to promote, or otherwise, national unity. The leader of the opposition is not here now, and indeed the pattern of his leadership has been that he has been out of the House and out around the country.

Mr. Paproski: That's not true.

Mr. Macdonald (Rosedale): Indeed, the leader of the opposition himself said that he was not going to be here. He has been out and around the country making himself better known and communicating so that people can see the kind of man he is the kind of leader he is and the kinds of principles he espouses.

Mr. Paproski: He has been promoting national unity.

Mr. Macdonald (Rosedale): The hon. member says he has been promoting national unity. Caesar once said, "I came, I saw, I conquered". The leader of the opposition has gone out, he has been seen, and he has been seen through by the people he has met.

Some hon. Members: Hear, hear!

● (1720)

Mr. Macdonald (Rosedale): I repeat, to adopt the comment that Caesar once made, "I came, I saw, I conquered", the leader of the opposition has gone out there, he has been seen, and he has been seen through by the people he has met.

Some hon. Members: Hear, hear!

Mr. Paproski: I hope you will repeat the same thing in a couple of months.

Mr. Macdonald (Rosedale): The leader of the opposition is concerned about a survey, but it is not the labour force survey of Statistics Canada that has had him on his feet shouting; it is the Gallup poll which has made it clear that Canadians certainly do not see the leader of the opposition as the man for our time to deal with the crisis of national unity.

Mr. Hnatyshyn: What goes up must come down.

Mr. Paproski: We will try harder.

The Acting Speaker (Mr. Turner): The Minister of Finance (Mr. Macdonald) has the floor. I suggest we allow him to speak.

Mr. Paproski: Say something.

Mr. Macdonald (Rosedale): It is a standard pattern. Members on this side of the House have listened to the leader of the opposition without interruption and have given him a careful hearing. Hon. members opposite are now trying to shout me down. That is what we expect from them. I can indicate that perhaps we can judge how well the full thrust of the measure has gone home by the number of decibels being produced on the other side. The leader of the opposition put some emphasis, as well, on the centralizing policy of this government.

An hon. Member: What about Mirabel?

Some hon. Members: Oh, oh!

Mr. Macdonald (Rosedale): There go the decibels again. The big mouth over there is flapping again. The leader of the opposition has spoken about centralizing policies and has presumably espoused the process of decentralization. But at the same time he spoke about the government setting down as a goal a five-year plan for the attainment of an economic performance in this economy. May I point out that that is one of the obvious contradictions that ran throughout his statement. The interesting thing was that he would read the contradictions in his speech without even recognizing them.

Some hon. Members: Hear, hear!

Mr. Macdonald (Rosedale): The leader of the opposition said that Canada cannot live for long on borrowed dollars. The fact of the matter is that in our economy over the period of the last 110 years Canada has been a substantial importer of capital, and our anticipation is that we will continue to borrow capital. One wonders whether the leader of the opposition is proposing, for example, a $5 billion reduction in federal government expenditures. He was saying that if he had responsibility for the economy, he would do just that by moving out of deficit financing. One would have to ask which of the programs he would propose to cut—the transfer programs to individuals, the expenditures on capital works? Which of those programs would he reduce in order to take $5 billion out of present government expenditures?

[Mr. Macdonald (Rosedale).]

Mr. Stevens: My leader did not say that.

Mr. Macdonald (Rosedale): What is interesting is that at one point the leader of the opposition said that the portion of the present government's expenditures which is related to operating services and the capital budget was too high and had to be cut down. Then what do we find? Several minutes later he said the federal government should be engaging in job-creating capital projects. This came from the same man who said several minutes before that the federal government should cut down that part of its budget. That is a part of the melange of confused suggestions. Probably he has a series of speech-writers, everyone contributing a page, and by process of accident he happened to get them all together in one document.

The leader of the opposition says the government should not borrow on foreign markets. The fact is that the government has not borrowed on foreign markets for many years, and the leader of the opposition should not mislead the House by making such a comment. It is the provinces and municipalities which have borrowed on foreign markets, and so have corporations. But there we get back to the centralizing question. Is the leader of the opposition suggesting that the government should restrict the access of other levels of government to foreign markets? It is an interesting suggestion which, I am sure, would fall in a very interesting way on the ears of the ten provincial treasurers who traditionally have sought foreign as well as Canadian sources for their financing.

Mr. Stevens: They were pushed out by you.

Mr. Paproski: When do we take over?

Mr. Macdonald (Rosedale): The leader of the opposition was perhaps less than candid with the House when he said that direct investment in Canada dropped in the year 1976. He knows, and Statistics Canada figures are available, that that particular figure was reduced in 1976 because of substantial repatriations by Canadians of foreign holdings in Canada, for example, the acquisition by Petro-Canada of the foreign holding in the Arco properties which has brought back for Canadians significant parts of our natural resources.

Some hon. Members: Hear, hear!

Mr. Macdonald (Rosedale): The leader of the opposition can oppose that repatriation if he wishes, but he should make his position clear to the House and to Canadians.

Mr. Paproski: The minister hasn't a suggestion of his own. All he does is refer to the leader of the opposition.

Mr. Macdonald (Rosedale): The leader of the opposition spoke about lack of planning in relation to decontrols. One has to wonder where he has been in this country. Indeed, he has asked me questions about the process of consultation and planning with regard to decontrol in which we have been engaged for the past two or three months, about meetings we have had with provincial governments, with the Canadian Labour Congress and with other labour movements, about meetings with leaders of business and with other organizations

in Canada on the question of decontrols. One can only ask if it is not evident to him that we have commenced the process of decontrol by careful consultation with other governments and with other economic decision-makers in the country. If we cannot do it by consent, then he should not rise in the House to complain about this government being arbitrary. He is suggesting the most arbitrary course of all if he is suggesting we should take off the controls by a single federal decision.

Mr. Stevens: How will you get yourselves out of trouble now, tell us?

Mr. Macdonald (Rosedale): The Leader of the Opposition spoke about distortions in investment due to the Anti-Inflation Board. That is not what the Conference Board said. The majority of the 200 corporations which have been canvassed by the Conference Board found that the anti-inflation program has not affected adversely their investment decisions. The hon. member for Don Valley (Mr. Gillies) said we should have an advance discussion in this House of the trends in the economy. One might have expected an informed, accurate, relevant discussion by the Leader of the Opposition of his perception of the economy, but I have quoted some examples of the kind of garbage, if I may say so, that he laid out on the record—and then got up and ran away.

Some hon. Members: Hear, hear!

Mr. Paproski: He wrote you a letter telling you why we had to leave.

Mr. Hnatyshyn: You are the spokesman of a dying government.

The Acting Speaker (Mr. Turner): Order, please. The Minister of Finance has the floor. I ask hon. members to allow him to speak.

Mr. Macdonald (Rosedale): I will say to the whip of the Conservative party that the Leader of the Opposition chose today to move his motion. If he had wanted to hear the debate on the matter, he could have stayed here.

Mr. Paproski: He wanted to hear from you. Make your comments.

Mr. Macdonald (Rosedale): It would be neither realistic nor responsible to pretend that the factors which influenced economic events in Canada are subject to control by the government in a way which lends very great precision to the setting or achievement of the kinds of detailed goals referred to for growth and employment. These are facts of life which do not just apply to Canada; they are common to all the industrial democracies. They reflect the growth of interdependence in the international economy. This is of particular significance to Canada as a major trading nation which is dependent for its livelihood on success in foreign markets and a capability to meet import competition.

The growth of interdependence which has occurred in the international economy has a positive side to it as well. It has been accompanied by a great degree of co-operation and harmonization in the development of economic policy by the nation states. Canada has participated in that process both in the economic summits and through its role in the International Monetary Fund. There are now continuing efforts to develop an effective response to the major problems of inflation and unemployment. The economic summit to be held in London in May will provide a further opportunity for countries to assess the progress made to date on both fronts and to consider the prospects ahead. But the record shows that there are, and will be, elements of uncertainty and unpredicted developments which have to be acknowledged in economic management.

We have had in recent years the enormous economic shock from the quadrupling of oil prices by the OPEC countries. This has meant that the dependent countries have suffered a substantial loss in their real income and purchasing power, affecting consumer prices and industrial costs in a dramatic way. That single external event has had and continues to have major repercussions on growth and employment and the balance of payments.

● (1730)

We have seen the dramatic impact of climatic conditions on food production and supply, leading to large swings in food prices and agricultural incomes. We have at present to consider the possible impact of drought conditions on the western agricultural economy which introduces a further element of uncertainty this year.

Because of our important trading relationships we are much influenced by the policy actions taken by other governments, particularly the United States, Japan and West Germany. The record of growth among the OECD countries in 1976 was less than anticipated, and this has had an effect on our own growth performance. I should make clear that the growth of output in the OECD countries has been less than was forecast by the OECD in the July economic outlook.

Mr. Stevens: Tell us what your forecast is.

Mr. Macdonald (Rosedale): These are some of the realities which limit the precision of economic forecasting. They are part of the parameters of economic policy making, beyond the direct control of any particular government. They are a recognition also of the highly decentralized system of decision-making which is fundamental to the industrial democracies with their emphasis on the role of the marketplace.

While our economic policy is designed to give greater stability to the path of economic growth and expansion, it does so in concert with the major role of the private sector in Canada. We reject the kind of dirigiste, ever present government control which is implied by detailed planning of the economy and in the five-year plan idea set out by the Leader of the Opposition in his speech.

Mr. Stevens: How can the Americans do it, but we cannot?

Mr. Macdonald (Rosedale): As between rigidity and flexibility to meet changing circumstances, it seems to us that the

course of common sense is to remain flexible for dealing with changes in economic circumstances as they occur, rather than locking ourselves into the matrix of a five-year plan.

Mr. Stevens: You say that because you do not know where you are going.

Mr. Macdonald (Rosedale): Throughout 1976, fiscal policy and monetary policy have operated together with the anti-inflation program to reduce inflation and maintain growth of output and employment.

I would recognize that this is a difficult task which requires continuing surveillance and adjustments to be made in light of developments. It is also a task which cannot be accomplished quickly. The government has a responsibility for the future growth and stability cf the economy. I believe the basic policy of a carefully staged recovery which is being followed by Canada, along with the other countries of the industrial world, is in our long run interests.

Mr. Stevens: What carefully staged recovery?

Mr. Macdonald (Rosedale): It is designed to achieve continuing growth without a return to double digit inflation. We cannot adequately protect jobs or ensure the creation of new jobs for our growing labour force if our prices and costs are out of line. The control of inflation is essential to create more certain conditions for business planning and investment in the private sector where the majority of the new jobs must be created.

I believe 1976 has been an important year of consolidation, laying the foundation for non-inflationary expansion to reduce the level of unemployment. We have over the last three years outperformed our trading partners in terms of real output growth.

In 1974 real output grew in Canada 3.2 per cent. In the United States it fell 1.8 per cent. In 1975 real output grew 0.6 per cent in Canada. In the United States it fell 1.6 per cent. In 1976 real output in Canada was 8.6 per cent above the 1973 level, while in the United States it was 2.5 per cent higher. That is not a record of indifference to growth and employment. It is a record of a balanced effort to fight inflation and maintain growth. The government has recognized that the reduction of inflation and unemployment poses great difficulty because of a variety of structural factors which are more and more evident in modern industrial economies.

We have to look to improvement in the structure and operation of the labour market in Canada. Our unemployment problem reflects particular factors in the composition and skills of the labour force; it reflects the deep-seated structural problems of the less advantaged regions; it reflects the impact of income maintenance programs on the operation of the labour market; it reflects the expectations of Canadians for particular kinds of jobs and for rising real incomes; it reflects the problem of frictional unemployment and the continuing requirement for retraining and redeployment of labour.

In each of these areas the government, through the programs of the Departments of Manpower and Immigration and Regional Economic Expansion, continues to improve the prospects for job creation. Our commitment to these programs is beyond doubt. They are as advanced as anywhere in the world. The fact remains however that we have to earn our way in the world. If we want steady growth of employment in all parts of Canada we have to get our costs and prices right. In that sense there are no miracle cures. Let me say that I am confident we are on the right track. A substantial amount of important cost cutting has taken place, both in the public and the private sectors.

The growth of federal expenditure has, for example, been cut back and will be below the growth of GNP this fiscal year. In 1977-78 federal expenditure growth is anticipated to be around 7 per cent. Growth in federal manpower will be less than 1 per cent. In the private sector there has been a significant moderation of wage cost increases. This moderation was reflected in a lower increase in unit wage costs which was around 10 per cent in 1976 compared to about 14.5 per cent in 1975. I continue to be encouraged by the moderation in consumer prices. The rate of increase in non-food prices declined further in February to 8.2 per cent.

Mr. Stevens: How about over-all prices? What happened to them?

Mr. Macdonald (Rosedale): There has been important stimulus to consumer spending already injected through automatic indexing of personal taxation and direct transfers. I recognize that some further adjustments may be required to maintain the level of real growth in the 4 per cent to 5 per cent range and I will be addressing this question in the budget.

The motion refers to the balance of trade. As is the case with inflation and unemployment, this question cannot be treated in isolation. Our trade balance reflects a variety of factors, not the least of which is our competitive position as it interacts with the exchange rate of the Canadian dollar.

We have seen a very substantial turn around in our external trade position, and the trade account moved back into surplus during 1976. It is essential for the Canadian economy that a favourable trade balance be maintained to service our substantial external debt.

Canada as a growing economy continues to need substantial long term inflows of capital to support investment. While 1976 was a somewhat unusual year in terms of the heavy provincial, municipal, and corporate borrowing abroad, the fact remains that foreign lenders continue to express confidence in the Canadian economy and its ability to service that debt. I would note that the cost of servicing our debt in relation to GNP is at about the average level for the post war period.

The combination of reduced borrowing requirements and lower interest rates in Canada will ease the volume of external borrowing, and we are seeing the exchange rate adjustment take place which is consistent with that. The decline in the value of the dollar will in that sense provide further stimulus to

growth by giving us a competitive edge that we will have to guard very carefully.

Mr. Stevens: I suppose the minister thinks that that will lower inflation, as well.

Mr. Macdonald (Rosedale): In conclusion, I would like to reiterate that I do not believe it would be responsible or realistic to presume a greater degree of certainty about the future of the economy than is consistent with our decentralized economy or our position in the international market place.

The government's economic strategy is in place; we are on the right track, given our objectives to achieve steady growth in output without rekindling inflation. I am confident we shall make further progress in 1977 with the co-operation and support of all Canadians.

To the extent that adjustments in policy are required, I will be making a further report to the House on budget night.

● (1740)

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I am not sure what the minister will require Canadian taxpayers to pay for that speech, but I must hasten to say whatever the fee was, I hope he asks to get his money back.

During the course of that speech the Minister of Finance (Mr. Macdonald) said that they were in the midst of a carefully staged recovery. Just before he concluded, he said that the government's economic strategy is in place. I hope he tells each of the one million who are out of work today that there is a carefully staged recovery under way in Canada.

The Minister of Finance indicates there is a carefully staged recovery under way. Surely he has not forgotten that in the fourth quarter of 1976 there was a negative real growth in this country. Does he call that a carefully staged recovery?

We have had a great deal of playing with statistics by the Minister of Finance. However, he cannot avoid the ugly truth that nearly one million people tramp the streets of Canada today without jobs where they can be gainfully employed. It is this government that must accept the prime responsibility for that tragedy.

When we talk in this House and elsewhere about the unrest in Canada today, this government should look first and foremost at itself. Unemployment is up to 10 per cent in Quebec and up to 15 per cent in Newfoundland. Who could expect other than unrest in Canada today? It is due to the faulty economic architecture that has been laid by the Minister of Finance and his predecessor.

A little earlier in this debate the leader of the New Democratic Party returned briefly to the House to make a speech. At that time he deplored the present state of unemployment, as we all do. However, how short his memory is. Surely he does not forget that while he was a member of the New Democratic Party in this country, granted under a different leader, that that party consistently kept the Grits in power between October 1972 and July 1974. During the period of that little love-in, inflation in this country on an annual basis rose from 5.2 per cent annualized in October, 1972, to 11.2 per cent in July, 1974. That is the NDP-Grit alliance in action. Those are the economic results that they produced for Canadians.

The present leader of the NDP cannot deny the facts. When he is talking to the unemployed that he rightfully feels pity for today, let him also explain to them that it was the inflationary trends that he and his party and the Grits set loose that resulted in the unemployment that we have today.

Some hon. Members: Hear, hear!

Mr. Paproski: "Baby Face" Turner and "Big Mac" Macdonald.

Mr. Knowles (Winnipeg North Centre): Were you opposed to the pension increase?

Mr. Stevens: Those are the facts, Mr. Speaker.

An hon. Member: What are your proposals?

Mr. Stevens: A backbench member on the Liberal side, who is so far back that he is just this side of the curtains, says "what are your proposals?" I recommend that that member read my leader's speech of today where he set out very clearly some proposals that I hope the Minister of Finance will take into account when he is drafting his speech for March 31.

The Minister of Finance says that it is difficult to forecast, as we have indicated in our motion, exactly what they see for the next two, three or five years. He said they cannot do that forecasting. That is not true. The fact is they can put the forecast before us. They have it in their internal records. However, they decline to allow the Canadian public to see those forecasts because they realize that in some ways they are so negative the Canadian public would become alarmed.

Some hon. Members: Hear, hear!

Mr. Stevens: Why do they say they cannot give the Canadian public annual forecasts up to five years? The Americans are doing it. The United States Congress now requires that such forecasting be done. For example, I could show the Minister of Finance, in government publications coming out of Washington, where they predict that by 1982 the level of unemployment in that country will be down to 4.1 per cent. I ask the Minister of Finance what do the internal records show as the level of unemployment in Canada as far as their forecast is concerned for 1982?

Mr. Paproski: He does not know.

Mr. Stevens: One of my colleagues says the minister does not know. That may be true. However, I say they can obtain the forecast or projections. They have been made and are available. They have got to be available or the minister could not bring in the March 31 budget that he is contemplating. I simply say, as the motion of my leader states, that that information should be shared with this House and the Canadi-

an public in order to give a better indication of what way the government sees our economy heading in the coming years.

We have forecasts from private sources such as the Applied Economic Research and Information Centre of the University of Toronto. These forecasts are pretty grim. The latest publication of that body says that the pace of economic activity in Canada in 1977 will experience a substantial slowdown. The deterioration in the outlook for 1977 is the result of the impact of increased uncertainties of business capital spending in the domestic economy. They anticipate that economic growth will be a modest 3 per cent in 1977 and that, on average, unemployment will be 7.9 per cent this year. As we all know, in this month we have already attained a 7.9 per cent unemployment level.

That University of Toronto Centre also states that unemployment by the fourth quarter of this year will be 8.3 per cent. Is that the carefully staged recovery which the Minister of Finance says is in place? Is that the government's economic strategy in place, a contemplated 8.3 per cent unemployment by the fourth quarter of this year? If it is, I believe this House should say that it no longer has confidence in the government to run the economic affairs of the nation.

• (1750)

Some hon. Members: Hear, hear!

Mr. Stevens: Let me put it this way: they can put in any players over there they like, but there is not one of them who understands what the needs of this country are as far as the economy is concerned.

Look at the record over the past two years. Why would any Canadian want to vote for a government which, for the six years ending last October, produced 55 per cent inflation? Let the government not continue to deceive the public as to where that inflation came from. Sure, the Prime Minister (Mr. Trudeau) likes to pretend it is because of greedy labour, greedy business, greedy farmers—anybody but the greedy government. He says the main problem is that Canadian people are living beyond their means. But in his heart he knows it is his own government which has created inflation at its current level and that in turn we must suffer an unemployment rate rising to 18.3 per cent. There is no doubt the inflation we are now experiencing was manufactured in Ottawa by the Trudeau government. I have said they gave us 55.3 per cent inflation. Their own spending went up by 127 per cent in that six-year period.

Mr. Paproski: Shame!

Mr. Stevens: With a 127 per cent increase in the spending of this greedy, reckless government, and a monetary increase of 100 per cent, a figure which even the minister had to confirm was correct in committee the other night, how can the government expect the confidence of the electorate? To put it in another way, it took us 103 years since Confederation to reach the level of money supply which this government doubled in six years. With those figures, and a real growth of 31.7 per cent, is it any wonder inflation in this country amounted to 55.3 per cent? The minister may laugh. But will he go out and laugh in the face of the unemployed?

Mr. MacFarlane: Oh, go on!

Mr. Stevens: We are now feeling the effects of the reckless spending spree embarked on by the government, resulting in the doubling of the money supply in six years.

Somebody asked earlier: What happened in the Diefenbaker years? I should like to put on record what happened in those years.

An hon. Member: The highest unemployment ever.

Mr. Stevens: Let us not be too hasty. In the six years between 1958 and 1964, unemployment was less on an average than in the six years to which I have referred. Inflation amounted to 7.6 per cent compared to 55 per cent. Monetary growth was one fifth of the monetary growth under this government, and real growth was exactly the same. In short, those six years to which I have referred experienced a real growth as great as that which occurred in the six years to which the minister has referred today, but inflation was only 7.6 per cent as compared with 55 per cent under this government.

Of course the government likes to pretend that inflation was caused by something other than itself. Sometimes ministers say it is the weather. Sometimes they say it is international conditions. At other times they blame the provincial and municipal governments. How strange, Mr. Speaker! In what way could international conditions cause them to double the money supply in this country?

Mr. Macdonald (Rosedale): The oil price increase.

Mr. Stevens: The minister says it was the oil price increase. He ignores the fact that when the increase occurred in 1973 we were a net exporter of oil, and this helped us financially.

Mr. Macdonald (Rosedale): We were importing nearly half our needs—500,000 barrels a day.

Mr. Stevens: The minister does not even know the facts about one of the years we are reviewing. As an industrialized nation, we have resources on a per capita basis second to none. This being so we should not be expecting in the current year only half the growth the Bank of America expects the industrialized nations it reviews to obtain. That is totally unacceptable. That estimate of real growth on the part of the minister does not take into consideration the resources this country possesses. With our potential and the skill of our people we should be leading the real growth averages, not trailing.

I wish the Minister of Finance had spent more of his time—I understand that he referred to the speech made by my leader more than 40 times—

Mr. Macdonald (Rosedale): I was correcting the falsehood.

Mr. Stevens: Perhaps the number of those references shows he already sees the Leader of the Opposition (Mr. Clark) as the leader of our country.

Some hon. Members: Hear, hear!

Mr. Stevens: I would have preferred it if instead of being obsessed with the speech made by our leader, the hon. gentleman could have assured us that he was charting the course which Canada should take, and is planning a degree of real growth which will ensure that our per capita income will not continue to be No. 8, where the government has driven it, but will be No. 1, the leader in the world. May I call it six o'clock?

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Stevens: Mr. Speaker, in just summarizing my position and the position of our party, I would like to call the members' attention once again to the motion that is before us. We are asking that the government set or fulfill reasonable economic goals, and we urge the Minister of Finance to state specific goals with respect to employment, inflation, Canada's trade balance, and the rate of economic growth that he anticipates in coming years.

My leader indicated in his speech, when he proposed this motion, that five year forecasting would be in order. Mr. Speaker, the reason that we are suggesting this is that we feel it would help give confidence to the Canadian public, to the business community, to those who are being expected to produce the real wealth that is possible in Canada, give them what the game plan is so far as the government is concerned, and hopefully those targets will be reached. The Minister of Finance said it cannot be done. The fact is that it is being done.

Officials in the United States are now required by law to provide five year economic projections with each spending bill introduced to Congress. Under the Congressional Act of 1974 each public expenditure act must be accompanied by a forecast of anticipated future expenditure for the proposed program, as well as the projection of the impact of the program on future budgets.

The five year projections from all spending bills are combined each year at the presentation of the national budget to provide an over view of federal capital needs and expenditure requirements for the next few years. A special feature of the American approach to budgeting is the economic scenarios that are set out or constructed in order—

The Acting Speaker (Mr. Turner): Order. I regret to inform the hon. member that his allotted time has expired. He may continue with unanimous consent. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

Economic Policy

Mr. Stevens: Mr. Speaker, I thank hon. members for their courtesy, and I will be very brief.

As I was saying, a special feature of the American approach to budgeting is the economic scenarios that are set out or constructed in order to give some indication of the impact of federal spending on the economy as a whole. Thus the typical five year projection will include reasonable estimates of the real gross national product growth, the rate of implicit and consumer price increases, anticipated employment levels, expected tax revenue, and other vital indicators covering the period. At least 12 U.S. states have followed the lead of the federal government and have adopted similar budget approaches.

With that type of a guide I believe it would be possible not only to renew the confidence of business and the public generally, but it would be possible to have built into that five year forecasting a mechanism to get the government component of the gross national product down to a more realistic level in Canada.

• (2010)

At the present time government is taking approximately 43 per cent of the total gross national product of those who are producing the wealth in Canada. In the United States the present figure is about 35 per cent. That 8 per cent gap is the dead load of bureaucracy in government which is being borne by the people of Canada, and it contributes to the lack of competitiveness of our Canadian industry, to our higher taxation, and to our higher prices as a result of those two factors. Certainly it is desirable to have efficient governmental services for the people of Canada to the extent that they are required, but is is not desirable to have excessive services which become a burden on those who are producing the wealth in this country. That is another reason why the goals I have indicated would be desirable.

Let us identify what would be a suitable level of the governmental share of our gross national product. When that is identified, then let us ask governments to start working down their take of the public purse to a lower level in order to ensure that we have less of the oppressive government which has become so alarming in Canada.

Let us not forget that 20 years ago government took somewhere around 30 per cent of our gross national product. When this government took power, the figure was about 33 per cent at all levels as far as the governmental share of the GNP was concerned. The fact that we are now at 43 per cent is truly astounding. It is impeding the progress of this nation, it is contributing to the unemployment we all deplore and, strangely enough, the NDP—the leader of which spoke here today—contributes to that atmosphere of having more and more government in our society than perhaps any other group in Canada at the present time.

Some hon. Members: Hear, hear!

Mr. Stevens: That party believes in the misguided concept that government and only government can help the people. I

suggest that that concept is out of date. It has been demonstrated to be totally unworkable in any country which has tried it. For example, in Great Britain—

Mr. Knowles (Winnipeg North Centre): If you were in power we might have to change our minds.

Mr. Stevens: That is the most hopeful thing I have heard yet. According to the deputy leader of the NDP, if they were in power they might change their minds.

Mr. Knowles (Winnipeg North Centre): I said if you were in power we might have to change our minds.

Mr. Stevens: I could hardly believe my ears, because I have felt for a long time that surely in the hearts of members of the New Democratic Party they do not believe in some of the stuff they were trying to con the Canadian public with, with regard to governmental intervention schemes.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, would the hon. member permit a question? In the hon. member's remarks this afternoon he was blaming us for what we did during the coalition period in bringing on things which he says caused inflation. Since the hon. member is doing it again tonight, I would like to ask him if he and his party are opposed to the pension increases and other gains of that kind which we won during the minority government period?

Mr. Woolliams: That is nonsense.

Mr. Friesen: You can do better than that.

Mr. Stevens: If I could simply take the hon. member back to my remarks this afternoon—

Mr. Knowles (Winnipeg North Centre): I was here.

Mr. Stevens: —I said that during that happy little wedlock which existed between the NDP and the Grit government, spending in this nation soared. However, the most regrettable thing was that inflation doubled. In fact, it more than doubled during the wedlock, and unfortunately as a result of that inflationary pressure which built up during that alliance we now have the aftermath or hangover, so to speak, namely, unemployment.

Mr. Knowles (Winnipeg North Centre): So you were against the pension increases.

Mr. Woolliams: Don't be foolish.

Mr. Stevens: We all decry the unemployment we are experiencing today. The hon. member asked me about my attitude with regard to pensions. He knows I was not referring to that when I was talking about increased government spending. I was talking about the growth of the bureaucracy and about the growth of expenditures which were aided and abetted during the alliance between the NDP and Grit forces in this House.

[Mr. Stevens.]

In conclusion, I ask hon. members to support the motion with their words as the debate continues tonight. In short, the government should start levelling with the Canadian public. It should give us an indication of its goals for the future, which we are asking for, and then let the Canadian public judge whether those goals are suitable for Canada and whether this is the government which can help us attain those goals.

Mr. Paul E. McRae (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, there has been a great deal of self-righteousness displayed in this House in the last two or three days, particularly since the latest unemployment figures became known. However, there has not been very much enlightenment. As the *Globe and Mail* said this morning, there has been a good deal of glib sloganeering and some rather facile answers. One month tax cuts have been suggested, although that suggestion did not come from the House. One side says we should not put all our eggs into government spending, and the other side says we should spend a good deal more. We have heard about the self-fulfilling prophecy that if you point in a given direction you will get there just by saying so. A conference has been suggested, and tax cuts in the business sector and tax cuts for individuals have also been suggested. These answers are all too simple. They might have sufficed in the sixties when the pressures were not as great, when problems were not so interrelated, and when one could adopt a monetary policy or a fiscal policy, or a combination of both, which would solve the problem. The economic problems we have today are very complex, and they will not be solved easily.

In the first part of my speech I would like to take a macro view of this matter to put into perspective some of the problems which have been mentioned by hon. members opposite. I do not condemn them for what they have said because we can identify the problems. The difficulty is identifying solutions. In the second part of my speech I would like to deal with unemployment and to look at it a little more intently.

Mr. Friesen: I wish you would deal with it.

Mr. McRae: At the international level there are limitations on what the government of Canada can do. There are some things it can do in concert with other governments, but there are definite limitations.

The United States senate finance committee carried out a study in 1973 regarding global corporations. I am told that global corporations have about twice the liquidity of all the national governments under which they function. There is a limit to what any government can do also because the liquidity of global corporations is much more fluid. These corporations are better able to move assets faster than national governments, even though there are such organizations as the IMF.

● (2020)

There is a degree of Canadian dependence that is also of great concern, and I feel this concern. The size of our foreign debt, the $5 billion a year required to service it, the manufacturing deficit which is partially made up by the sale of raw

materials, the problem we have in terms of being competitive internationally—these are some of the difficulties we have to face.

Mr. Stevens: You had nine years.

Mr. McRae: I am giving an over-view of the situation. There is a series of international problems.

Then we go into national problems which I think are endemic in this country, such as the relationship of the provinces to the federal government, the ability of the federal government to decentralize its operations without losing control of the economy, and the problems relating to regional differentiations.

There is another massive problem which I am very much concerned about, and that is the forthcoming energy shortage. I think we really have not learned that energy is no longer a cheap commodity and that we will have great shortages which will create a number of difficulties. One of them is both an international and a national problem, that is, there will be a shortage of available capital. We are told that if we are to do all the things required to maintain an energy growth rate of 3.5 per cent to 4 per cent, we will have to spend $181 billion in the next 15 years. This amounts to about $30,000 per family unit in today's dollars, almost the amount that a family would expect to pay for a home.

All kinds of distortions can be expected, and these distortions can already be seen in our economy. For instance, in Quebec we see this in the fact that the James Bay project is using up a very high proportion of the capital dollars available. Therefore these capital dollars are not moving into some of the areas where they should be moving. I believe the pulp and paper industry in that province is grossly under-capitalized, while a massive amount of capital is going in one direction. The figure I have is that the James Bay project is likely to use up 40 to 50 cents in every dollar in that province. I see these as forthcoming problems.

The hon. member for York-Simcoe (Mr. Stevens) has mentioned the growth of public spending. There is certainly no doubt that government spending presents a major problem, but it is easy to say, "Cut it back". If we see 30 per cent of our spending as being the amount required to operate the government of Canada, to run the post office, the defence establishment and all the other departments, and the other 70 per cent as transfer payments in various forms, then it becomes evident that it is not so easy to cut back, as the hon. member suggests. A good portion of these transfer payments, to my mind, are not net losses, as the hon. member has indicated, but they may well be the kinds of things that create demand in the sense that they take money from one pocket and put it into another pocket, and the money in that other pocket may create more effective demand than the money in the first pocket. I do not see these as a net loss. Certainly there are many subsidies to all segments of our economy that are pretty important, and these all come in these transfer payments.

Then we have the whole area of inflation. Again I feel we are dealing with it simplistically. The kind of inflation we have had since the early 1970's is rather unique. In the first place it is world-wide. It has been massive in the sense that it has affected most countries of the world, and it has been of long duration. It has not been the 1 per cent or 2 per cent that we could expect over a period of the last 100 years. It has been much more serious than that. As a nation we have a great deal of difficulty with this because we are so dependent on foreign trade, foreign pricing and so on. This is a very difficult problem. I agree that inflation has changed over the years, but there are many reasons why it is a problem.

Mr. Stevens: It is a problem with your government.

Mr. McRae: The inflation rate in this country—

An hon. Member: Quit the deception.

Mr. Stevens: It is the Trudeau government that has caused the inflation.

The Acting Speaker (Mr. Turner): Order, please. The parliamentary secretary (Mr. McRae) has the floor. The hon. member for York-Simcoe (Mr. Stevens) has had time to speak.

Mr. McRae: If the hon. member is correct and if this government is to blame for inflation, why are we doing the fourth best of all OECD countries in terms of inflation? There are 12 or 15 countries that are doing a poorer job of fighting inflation. To assume that this is a self-induced problem is a gross over-simplication.

In the few minutes I have left I should like to deal in much greater detail with unemployment because I think we have to look at it in a more careful and a more structured way, to look at structural unemployment to see where the real problems are. There is no doubt that the situation is serious, and anyone who would say otherwise is grossly underestimating the attitude of Canadians to this. We now have an unadjusted rate of unemployment of 9.1 per cent, regardless of the argument which we get back and forth as to whether or not—

Mr. Stevens: This is an international problem too.

Mr. McRae: I spoke about the international aspect; now I am dealing with the national problem. The rate of 9.1 per cent means that taking just the figure that was given of 932,000, close to 10 per cent of the population of this country is unemployed at this time, perhaps more or less depending on how we use the figures. It is an extremely serious problem. But there are some reasons for this problem, and we have to look at some of these reasons.

Since the 1960's at least Canada has created more jobs in both the private and the public sectors than any of the OECD countries. For every four jobs in Canada in 1972, by 1975 there were five jobs, or a 20 per cent increase. The only other country from among the OECD countries that can show anything close to this is the United States, and their figure is 8.5 per cent. So we have done a commendable job in this area,

and it should be considered as having been done by both the government and the private sector working in concert.

Where has unemployment come from? Back in the mid-1950's we were dealing with about 60,000 young people a year leaving school and coming on the labour market. In the last couple of years this figure has grown to about 200,000. This is a factor of slightly over three. During the same period of time, the population of Canada has only grown by about 35 per cent. Therefore we have a massive influx of young people coming on the labour market. That is the first factor. Of course this has been very expensive because we had to built a large number of new schools, which were quickly filled, but now we are finding some of those schools are occupied below capacity. We have had to build a large number of new houses, which eventually will no longer be necessary.

● (2030)

We have massive labour problems in this country. It might be helpful to examine some demographic figures. For example, at present those between the ages of 18 and 24 comprise about 13 per cent of the population, as compared with 12 per cent five years ago. In ten years that group will comprise slightly over 12 per cent of the population, and at the turn of the century less than 10 per cent. These figures suggest that in future there will be labour shortages. As the present population grows older, fewer young people in the labour market will be asked to support much larger numbers of retired people.

It is important to point out that women have increasingly entered the labour market for jobs, and increased the labour force.

Mr. Peters: Women work because they are forced to help with the support of their families.

Mr. McRae: In 1953 women made up 20 per cent of the total labour force. By 1975 that figure had risen to 33 per cent. Let me break these figures down into age groups. It is significant that in 1953, 23 per cent of women between the ages of 25 and 44 were in the labour force. By 1974, according to figures I have seen, 47 per cent of that age group were in the labour force. What are the figures for the older age group? Seventeen per cent of women between 45 and 65 were in the labour force in 1963, as opposed to 37 per cent, according to the latest figures.

We use an index known as the participation rate, and understanding that index may help us to understand our dilemma. The participation rate is the figure arrived at through dividing the number of people in the labour force actually working by the number of people in th population over the age of 15. That gives us an idea of the percentage of Canadians who are in the labour force actually working. That figure has grown dramatically. In 1963 the participation rate was about 53.8 per cent, which means that 53.8 per cent of people 15 years and older were actually employed in the labour force. The figure for today is 59.7 per cent, unadjusted and, adjusted, as of February it was 61.3 per cent. Actually the participation rate went up in the last month by 0.3 per cent.

We must bear these figures in mind when considering unemployment.

Clearly there has been a massive movement of young people into the labour force. The rate for that group has tripled in the last 15 years. There has been a sizeable increase—a doubling in the number of women entering the labour force, and we now have a high participation rate. When you consider all this, and consider that per capita the influx of people into the labour force has been greater in this country than probably in any country in the western world, it becomes clear that we, as Canadians, have done well. I am not saying that we should not do more, but we have done well. All the same, it is clear that the answer to our problems is not simple to find.

Compare what has happened in this country with what has happened in the United States in recent years. I am referring to OECD figures which have been compiled in such a way as to give uniform results, since various countries approach these matters somewhat differently. According to OECD figures, in 1975 unemployment in the United States stood at an average of 8.4 per cent, whereas it stood at 7.0 per cent in Canada. In 1976 the United States unemployment rate came down to about 7.6 per cent, as opposed to our rate of 7 per cent. Today the figures of both countries are roughly similar; I have not seen the latest figures, but I understand that our rates are comparable. Therefore we cannot say that our government's programs have been a complete "bust." True, there has been a massive problem; we have gone some way toward solving it, and there is still much to do.

Let us break down some of the unemployment statistics to see where the significant unemployment exists. If we consider the breakdown by sex and age we shall find—

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member to inform him that his allotted time has expired. He may continue with the unanimous consent of the House. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

Mr. McRae: Mr. Speaker, I thank hon. members. I will not take long.

It is apparent that there are two major groups of unemployed. First, there is a major unemployment in the group 15 to 24 years of age. As well, there is very high unemployment in some of our regions. But there is not unemployment in all regions. For instance the unemployment rate in Alberta today is 4.6 per cent, but in Newfoundland it is 17.4 per cent. Clearly we have two structural, major problems. We know that many between certain ages are unemployed, and we know that people in some of our regions are unemployed. I suggest that the problem of the regions is by far the more difficult to solve. I wish I had time to deal with this question. We have tried our best to deal with this question by introducing standard solutions, at some of which we ought to look. I do not think I will have time to develop my ideas fully.

An hon. Member: Go ahead.

Mr. McRae: It is clear that we cannot solve the problem of unemployment simply by pouring more money into the economy, lowering income taxes, and so on. I say this because the unemployment rate for males over 24 in Alberta is less than 3 per cent, adjusted, which is about as low as you can get. Compare that with those under 25 in Newfoundland—28 per cent. Therefore, as I say, we face a massive structural problem, the problem we must keep in mind if we are to solve some of the difficulties of the regions. I suggest that it may be necessary to institute some kinds of regional monetary policies if we are to solve some of these difficulties.

I was going to suggest many things we could do; unfortunately, time does not allow me to do so. I hope that we will not leave this debate with the idea in mind that we can take some simple steps to solve this problem, with the idea that we can do what we have traditionally done in the past. If we are to solve unemployment we shall need to look analytically at the problem both in a micro and a macro way. If we are to act positively, we shall need to understand also not only the large workings of our own economy, but the workings of the world economy. Only then will be able to act in a positive manner.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to take this opportunity to make a few comments on the motion which I consider very timely in view of the current situation. Statistics Canada advised us of the situation which to my mind, and not only mine, is alarming if not catastrophic. The number of unemployed in greater Montreal is becoming alarming, as a newspaper reported yesterday.

This motion, which I find pertinent, gives us the opportunity of urging the government to take new initiatives. It also gives us a chance to find out what steps the government has already taken, though its efforts have clearly been inadequate for almost ten years. Not so long ago, I deplored the increase in unemployment which, in 1968, when the government came to power with its present Prime Minister, reached 168,000; we are approaching the million mark.

The former speaker said that was not necessarily a failure. I don't know what he considers a failure, and whether he feels that he can say unashamedly in the House that going from 168,000 to a million unemployed if not a failure. But I feel, Mr. Speaker, that it is a complete failure, and one that is costing a high price, and inflicting considerable hardship upon Canadians.

I should like to make a few remarks, Mr. Speaker. All the Quebecers who sit in this House know that the population has increased in the province of Quebec. Of course it is concerned about the future of Quebec, about the situation in Canada. And why, Mr. Speaker? Many reasons will be found to explain away our failures. But the fact remains that we have had and will have again discussion on unemployment. There will surely be many opportunities to discuss all the topics of concern to the Canadian people and especially those of Quebec.

I come from that province. I know what difficulties it has with regard to unemployment. There is considerable unemployment elsewhere as well. People wonder why the situation is what it is in Quebec.

● (2040)

We wonder why Quebecers appear reluctant to trust the government and to have unlimited confidence in them at the present time. Once again, Mr. Speaker, we will find countless reasons for this but not the real ones. Some will even go as far as blaming the CBC for our economic failure. However I do not think that the CBC contributed to the unemployment situation in particular. But here again we will find scapegoats to justify the position of the present government.

Mr. Speaker, there are also unemployment problems in Quebec, and I could begin by depicting the situation in my riding where the unemployment level is close to 10 per cent. In other areas it is as high as 20 to 22 per cent. Recently I had the opportunity to visit the constituency of Témiscamingue which seems very concerned about the absence of policy in an area called northern Quebec which, as any other area in Quebec, deserves economic input which would enable the people there to enjoy a decent living.

Once again in my region we have learned through the local paper that a textile plant might close its doors, perhaps the last one in my riding. It did employ 700 family heads a few years ago. There are about 125 left now. A year ago the owners of that plant saw fit to sell it to a good Quebecer—from Joliette to boot—who spent not only his energy but his capital as well in the operation of that plant. Our local paper reports today that this plant is likely to close in the near future because the government did not take in time the necessary action in the textile sector. So chances are another hundred family heads will be laid off in a few days and I think that kind of situation is spreading out through the province.

Mr. Speaker, government members will tell me that the Minister of Industry, Trade and Commerce (Mr. Chrétien) has taken a rather drastic decision lately by bringing back the 1975 quotas on imports.

And to think, Mr. Speaker, that for ten years, so important an industry for Canada, and particularly for Quebec, considering the large number of workers in that sector, has been allowed to deteriorate.

I received this afternoon a press release to the effect that the Minister of Industry, Trade and Commerce had the firm intention of reviewing the import levels in the footwear industry. Eventually, we will get a report, in a few months probably, telling us that the import levels interferes with the Canadian industry. That is what we will probably be told in a month. For the last five or six years, the opposition has been calling for drastic and equitable measures on behalf of the Canadian industry. At the same time, government members will also claim that the Department of Regional Economic Expansion has injected fantastic amounts of money to create new jobs.

As I said before, the serious mistake made by this government was to neglect this Canadian industry which deserved, I think, the protection of this government in the interests of the

Canadian people in order to protect jobs, while at the same time creating new jobs. And that was not done, but I was shocked this afternoon, Mr. Speaker, when I heard the Minister of Finance (Mr. Macdonald) who had the gall to say: I think we are heading in the right direction. In spite of all our problems we have to face, we do seem to be on the right track. And the Minister of Finance in the last few years had all the time required to review carefully the measures he could have introduced, and he had the gall to claim he was on the right track, with nearly one million unemployed.

Hon. members will agree that today offers a good opportunity to deal with that problem and that we cannot help urging the government to find a new approach. Mr. Speaker, this afternoon I asked a question of the Prime Minister, a very objective question in which I stated that the government leadership has been woefully inadequate. Besides that considering the rising unemployment rate, the most dramatic plague that we have in Canada, I was referring to the announcement made by the Minister of Finance who is to introduce his budget and I wondered if it would not be appropriate to call a meeting of all sectors of the economy to help the government. I feel it was a realistic suggestion.

Of course members on both sides of the House want to find some solutions and I believe that the government has demonstrated in recent years that it had none. We should gather around the same table all sectors of the economy which might help the government. That is all we are asking, Mr. Speaker, that all those who could be invited, starting with the Economic Council of Canada—I think there are a number of important qualified economists—that the unions, the provinces be invited to a round table, but before the budget is tabled, to help the Minister of Finance define options for the future and allow him to see to it that his funds are spent efficiently in the short and the long run. I think that a meeting is needed on an urgent basis when we consider that the government has nothing else to answer but that there are countries which are worse off than ours.

We cannot be satisfied with answers like that from the government, and I deeply regret that the Prime Minister turned down that immediate, urgent meeting of those parties interested in improving the situation who would, I am sure, cooperate with the government in the interest of those living in Canada, and we would applaud such a conference if that made it possible to correct the current situation.

Mr. Speaker, while deploring the fact that the Prime Minister refused to call such a conference, I would also like to say here that while the government may try to justify its position, nevertheless it was warned, and I think that it is important that the members of this House and Canadians be made well aware. This afternoon the leader of our party gave serious figures, pointed to the alarming situation and called for urgent action from the government. I think that Canadians are behind him in that respect, there is something to be done, something must be done.

What is inconceivable and unforgivable is that this government was warned. Indeed I would like to pay tribute to the hon. member for Halifax (Mr. Stanfield), the former leader of this party, who for the past five or six years warned the government repeatedly about the situation that would exist if this government continued to administer the country as it was doing and as it is still doing. No, no, they preferred, of course, to politicize the arguments or the suggestions put forward by the hon. member for Halifax.

They certainly succeeded in ridiculing him during the 1974 campaign about one of his proposals that the government did not hesitate to use. They succeeded in making most Canadians believe that the hon. member for Halifax (Mr. Stanfield) was wrong, but today all Canadians recognize that his predictions were right. Unfortunately they did not listen to the hon. member for Halifax and we are now in an almost catastrophic situation. However, when we condemn this government, we are accused of lacking objectivity.

I think that Canadians are only waiting for the opportunity to treat the government as it deserves and to remind it that it failed to meet its basic objectives, its commitments and its appeals to the people. We recognize, Mr. Speaker, that the most important economic levers to deal with that situation are in the hands of the federal government, and the provinces admit it too.

Last week the premier of Quebec admitted in the provincial legislature that according to recent statistics, the economic levers were in the hands of the federal government and that the laissez-faire of this government was an important factor in the present situation. But on the other side of this House they like to ridicule—I deplore it and we all do—the statements from the provinces. I think we should understand and recognize the importance of provincial participation before such serious difficulties and problems.

It is also very obvious that the present government did not find and does not seem to be able to offer solutions to deal with that situation. I think the provinces are interested in participating in national decisions of that scope on a problem as crucial as the present situation.

In the last ten years this government, as was stated this afternoon and it will never be repeated enough, has shown an attitude of confrontation towards the provinces and an attitude of unilateral decisions. Today we ask ourselves why so many Canadians—and I am not saying so many Quebecers—wonder seriously about the future of federalism, not about the formula of a normal federalism, but about the federalism formula applied by this gouvernement. It is not federalism as such which is at fault, it is in its present implementation that federalism is basically at fault.

Mr. Speaker, we can talk about national unity, but it will never be possible to have a united country in unfavourable economic circumstances. Therefore, the economic factor is of vital importance. But in view of the problems that we are now facing, the economic situation is not very encouraging. Yet, some would like to make Candians throughout the country believe that national unity depends on the decisions of a single man, the right hon. Prime Minister of Canada. For my part, I have serious reservations when one man suggests that he owns

Canada virtually by himself. I believe that there are members of this House who make up Parliament and they are entitled to discussions and must also call on all of those who can help find solutions. Coming back particularly to the province of Quebec, I believe that there is a tendency to criticize present decisions, aspirations or recommandations of the province of Quebec.

It is no secret, Mr. Speaker. Of course, we like to show a little partisan spirit once in a while. My party has never even considered negotiating the separation of Quebec. It would be false to imply that. We believe that there would be greater acceptance by the provinces within a constitutional framework much more flexible then the one structured by this government, a framework in which it would be possible to meet the aspirations of the provinces.

This is my party's rationale. I believe there is ample room between the two extremes facing us—on the one hand Premier Lévesque's option and on the other the status quo or rigidness of the government—to present a flexible program enabling the provinces to find the true dialogue they have requested for so long and a true participation at the negotiation level, a framework in which we would feel free to take decisions of national importance after having consulted the provinces. This is the type of federalism I believe we want and which would go with a new Canada. This is the main problem for the the time being and I believe that the government should try immediately to prove . . .

● (2050)

[*English*]

The Acting Speaker (Mr. Turner): Order. I regret to interrupt the hon. member but the time allotted to him has expired. He may, however, continue by unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

[*Translation*]

Mr. La Salle: Thank you, Mr. Speaker. I believe it is our responsibility to cooperate as fully as possible with the province in which we live and I think that the 60 members of the House, first of all the government members, then my colleagues and the members of the Social Credit Party agree with me that it is urgent that we prove to Quebecers that it is possible to achieve or bring back a certain progress which would be profitable for Quebec within the present framework, provided we give it added flexibility.

It would be dangerous indeed, Mr. Speaker, to simply disregard the Quebec administration or try to embarrass it, just for the fun of it. What we must do, and I repeat it for my colleages of the House, is to show Quebecers before the referendum that it is possible to improve the economic situation of their province, to prove to all these Quebecers that we did not achieve this progress outside Confederation but within it, and so show them it is not necessary to divide our country to guarantee Quebecers even a minimum of their rightful aspirations, whether cultural or economic.

And I think that no Canadian would or will be reluctant to endorse any measure allowing Quebecers to meet their expectations the same way we from Quebec wish all people from all provinces to achieve that minimum of most legitimate expectations, for different reasons maybe, because of a different mentality.

I should also like, Mr. Speaker, to get this government to consider in the budget those funds that will be allocated to agriculture. We know that the province of Ontario also went through difficult times last year as a result of dairy policies. I know milk producers are waiting anxiously for the announcement of the dairy policy for 1977.

● (2100)

We know that in Quebec particularly from 5,000 to 6,000 milk producers are now out of business. Those who are still in business have probably been lucky or privileged, but they are quite concerned about the future of their operation. I hope that the Minister of Finance, in his budget speech, will provide some very special subsidies and will urge his government to absorb a good part of the powdered milk exports and ease by the same token the hardships suffered by the milk producers, which are the two main problems in that industry.

Mr. Speaker, I would not want to take undue advantage of my allotted time. We all realize, I am sure, the importance of this debate, and we all appreciate the situation in which Canada now finds itself because of the fantastic number of unemployed. We urge the government to show leadership. It can be sure of getting the co-operation of this party so long as it will bring forward positive or corrective measures that will contribute to the betterment of the community. Certainly we cannot congratulate the government, so long as it has no policy.

As parliament members, we must criticize the government from time to time and require it to show more leadership than it has until now to alleviate the situation. A continuing lack of policy to remedy the situation will show not only to Parliament members but to the majority of Canadians that the government has actually lost the confidence of the people and that we need an alternative. We hope to be able to do our duty as opposition members, to be very demanding and to support any positive measures so long as they meet the aspirations and interests of all Canadians.

Mr. Arthur Portelance (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, I know that hon. members would rather hear the Minister of Manpower and Immigration (Mr. Cullen) responsible for unemployment policy and the creation of jobs. He is not here this evening because he is appearing before the Standing Committee on Labour, Manpower and Immigration precisely to give detailed explanations about the various policies in his department.

With your permission, in my capacity as Parliamentary Secretary, I should like however to inform you about what is being done by the government and the Department of Manpower and Immigration. My hon. colleagues are aware no

doubt of the fact that the seasonally adjusted unemployment rate of 7.9 per cent announced yesterday by Statistics Canada for February is one of the highest monthly rates in many years. High unemployment surely is a source of concern, but must not give rise to a general panic. I am convinced that hon. members opposite do not plan on using those figures for such a purpose. It is essential that we all understand the reasons for such high unemployment and the steps which the government is taking to reduce it and to prevent it from rising again.

I wish to point out in the first place that the rise in the seasonally adjusted unemployment for the January-February period can be ascribed to a single factor; the considerable increase of people looking for employment. There is a fact which has remained unnoticed all through the discussions about the problem, that is the substantial increase last month in the number of Canadians who are effectively working; that number has increased by 25,000 or 0.3 per cent, seasonally adjusted, between January and February.

● (2110)

Without trying to make any forecasts, I want to emphasize that if employment keeps growing at the same rate during the next 12 months, the number of jobs by the end of next February will have increased by 300,000. In spite of the severe winter we just had which proved disastrous for a number of industries, particularly those employing mostly males and in spite of the increasing unemployment rate in the United States, we have seen very substantial improvements in the employment picture in February. The seasonally adjusted figures show that employment remained at the same level or went up in six out of the ten Canadian provinces. These improvements showed up mostly in the socio-cultural, commercial and personnel services and in the business sector.

We would, of course, welcome a stronger trend in employment growth, but, clearly, the unprecedented unemployment in February is far from being as catastrophic as prophets of doom would have us believe. The increase in the seasonally adjusted unemployment rate is due to a sharp increase in the number of new arrivals in the labour force which went up by 74,000 between January and February. This is an extremely sharp increase from one month to another. It would not be an exaggeration to say that no economy in the world could absorb such a sharp increase in its labour force.

I should also make it clear that we had a similar increase in the labour force in January. As a result, the net increase in the number of job seekers amounted to 161,000 between December and January. On the basis of those figures, it can thus be said that the seasonally adjusted increase in the new labour farce participants will reach 966,000 after one year, which is a tremendous increase. New participants can certainly not keep on entering the labour force at such a rapid rate. One must not be fooled by the unemployment rate recorded in February and I would be less than honest towards the House if I said that I or the government are totally satisfied, with the employment trends of the past year.

[Mr. Portelance.]

We are all aware of the fact that Canada, like the United States and our European trading partners has experienced a somewhat slow industrial growth. The strengthening of the Canadian economy has been real, but not sufficient to absorb the very substantial and constant increase in the labour force. Even though the growth outlook in the private sector for the forthcoming fiscal year continues to be promising, however, it will be very difficult to bring the rate of our economic growth above that of our growing labour force.

It is with this in mind, as well as the problems with which we might be confronted in the forthcoming year, that the Minister of Manpower and Immigration (Mr. Cullen) last October announced the implementation of the first stage of our employment strategy, to alleviate unemployment over the next few years. Under this strategy, some $350 million will be spent, in addition to the enormous amounts allocated to the training, employment and mobility programs by the Department of Manpower and Immigration. It will be a lot more than a band-aid approach as some hon. members have termed this strategy.

I wish to mention for instance the increasingly needed job incentive programs, such as the Canada Works Program, with $200 million, the Young Canada Works Program, with $30 million, the Summer Job Corps Program, with $10 million, and other direct employment programs for students during the Summer. The strategy also provides for a number of other longer term measures which will greatly help Canadians to find jobs not only this year, but also in the forthcoming years.

One of the most important of those measures is the additional $19 million which has been provided for the Occupational Training Program, for which $10 to about $70 million have been earmarked for the next fiscal year. The strategy also includes our new Job Experience Training Program, through which business will be able to hire (during winter and summer) young people who cannot find a job on the labour market and to provide them with relevant practical training and experience. This innovative program, which will be implemented jointly with Chambers of Commerce across the country, might very well turn out to be one of the most effective means available to us to fill the gap between school and the labour market. I expect that this year, some 7,000 young people will take advantage of the Occupational Training and Experience Program.

However, our immediate job will be to provide meaningful and productive employment for the great number of people entering the labour market. This is why, in addition to an employment strategy for 1977-78 with a $350 million funding, the Minister of Manpower and Immigration announced last fall supplementary estimates in the amount of $100 million for LIP projects this winter, which would bring the program's funding to $200 million and provide, as I said, for the creation of jobs lasting until June for tens of thousands of Canadians. LIP projects are a definite contribution to community infrastructures, they create thousands of extra jobs and help the people involved to acquire and maintain good work habits. Although the major part of the program's impact on employ-

ment is still to come LIP is one of the key factors in the significant job increase experienced in February.

Mr. Speaker, under the measures already announced, we will provide in 1977-78: 126,000 man-months of work under the LIP program for this winter; 288,000 man-months of work under the Canada Works program with a $200 million funding; 60,000 man-months of work under the Young Canada Works and the Company of Summer Workers; 19,000 man-months of work under the Local Employment Assistance Program (LEAP).

Overall, the employment strategy will help 135,000 participants, in addition to those who were already working on LIP projects this winter. I would like to stress that those initiatives are over and above our major manpower programs, such as: the manpower training program under which some 300,000 full-time participants will be trained at a cost of some $600,000; the manpower mobility program which will enable 15,000 unemployed workers and their families to move to a community where they will be able to find full-time employment, at a cost of some $14 million.

The programs under our five-year strategy are not rigid. Quite the opposite, they are very flexible and the minister is ready to bring in due time any changes and amendments that will prove necessary to meet the immediate and long-term needs of our labour force.

However, I do want to stress above all that the bill before us offers a new solution to the challenge which, day after day, work and unemployment constitute in a modern industrial industry society. Through certain amendments, we will replace welfare benefits with productive and satisfying employment which Canadians so dearly want.

The bill enables us to dispense training instead of distributing unemployment benefits. Indeed, it gives the unemployed the possibility of taking courses while receiving unemployment insurance, and using that money as the chief source of income during their training period.

This new system will enable us to make funds available and to admit as well a larger number of unemployed to much needed vocational training. This means that instead of searching, sometimes in vain, for a job difficult to find, thousands of Canadians will be able to use their time and skills to improve their "employability" and their long-term income, but it also means that we will be able to use present expenditures to give people the opportunity to get a more attractive and promising position on the labour market.

At the same time, the bill will enable us to develop pilot projects to determine whether it is possible to establish worthwhile links between unemployment insurance support payments and job creation projects. I do not expect this initiative to be one of the main factors which will contribute to reduce unemployment this year, but it could become very important next year if experiments prove to be successful.

Under this legislation, we will also be able to experiment the works sharing plan, which is already widely applied in Europe to reduce unemployment and maintain contact with the working environment. This system, whereby the plant can maintain all its employees at work during 75 per cent of the time rather than laying off 25 per cent of them, does offer certain benefits. For instance, it enables businesses to keep their workers and therefore avoid having to train new ones when production starts again. Employees are not losing their skills nor their working habits and they stay on the job. The net cost for unemployment insurance amounts to almost nothing. This system can therefore benefit all parties. The minister hopes to be able to initiate a number of worksharing pilot projects next fall and if they prove as successful as I expect, to expand them substantially in the future in the best interest of all Canadians. All these new ways of using unemployment insurance will help curb or reduce unemployment.

They will give workers opportunities which they do not have now and no one will have to participate. Their philosophy is largely based on recommendations made by the OECD in its recent review on a general employment policy. It seems to me that the programs which the government has implemented and is still implementing to fight short and long-term unemployment, have been dictated by our economic and by our international situation. These statistics must be considered in the aggregate and not just for any given month. The present government has probably found more positive ways to fight unemployment than most of our economic partners.

We have developed an employment strategy which has already produced positive results. In the coming months, our situation will improve further. We intend to combine the unemployment insurance support payments with our manpower programs. If things work well, these programs will allow us to expand our training and job creation programs and to develop a work sharing system.

The finance minister declared that he was going to bring down a budget providing for the best possible management of our economy and the necessary action to reduce unemployment without creating a new inflationary trend. If the unemployment rate for February should not create panic in the public, as some have claimed it will, I must admit that it is far from being satisfactory. We cannot ignore the human problems which are being created by our present unemployment rate and we cannot be indifferent to it. We are taking the very strong action which the present situation calls for so that as many Canadians as possible may find the productive and satisfactory job they seek. This question remains one of the major concerns for our government.

● (2120)

[*English*]

Mr. Bob Brisco (Kootenay West): Mr. Speaker, there are a couple of things I want to set straight on the record tonight, and among them are the subjects of LIP, DREE, Canada Works, Young Canada Works, and FBDB.

It is very strange to me that in this fiscal year 1976-77 under LIP the minister is trying to create at least temporary jobs. LIP is the program that employs a few people for a few months so that they can then go on unemployment insurance

and subsequently go on welfare, and subsequently apply for the next round of LIP, and I think that is the best and kindest description of that program I can give.

I must say there have been examples, certainly there are some in my riding, where this program has been of benefit, so I must give the department credit on that score. It is significant that when funding was announced for the fiscal year 1976-77 the allotment for the Kootenay West area was for $279,000 and we had an increased level of unemployment. I find it strange in view of the fact that in the previous year the funding was for $608,000. Then overnight, catching manpower officials with their collective estimates down, the minister made a crash decision to throw more dollars into the breach. He injected into Kootenay West overnight another $329,000, and he expected the applications to be processed in two, three or four days. I wonder who put the pressure on the minister to make an assinine judgment like that? Even the job opportunities were greater at that time. I question whether all that LIP money was really needed. I wonder how many frivolous applications were subsequently sent in and funded as a result of that additional over night injection of funds. I would like to know what went on in the department that brought about that over night decision which left manpower officials in British Columbia astounded. They could not understand this kind of decision made by the minister.

After mentioning this reaction I would like to make a few comments in another area with reference to a couple of farces that have been worked on this House today, farces which give an example of the farcical nature of this government. The first one is the statement of the Minister of Finance (Mr. Macdonald) who said that today, after making his speech in the House, the opposition leader left the House. The minister devoted ten minutes of his speech to the absence of the Leader of the Opposition (Mr. Clark), in spite of the fact that the latter had given the minister prior notice of his absence in the form of an apology explaining that he had a prior and long-standing engagement. In spite of his high stature, the minister demonstrated his mental smallness and his churlish nature. He certainly abused the courtesy extended to him by the Leader of the Opposition who provided the minister with a letter of explanation. If the minister had been a gentleman, he would never have wasted the time of the House on the scurrilous comments he made.

Some hon. Members: Hear, hear!

An hon. Member: Where is the minister now?

Mr. Paproski: He has not been here all evening.

Mr. Brisco: I would remind the minister in his absence—perhaps he will read it in *Hansard* tomorrow—

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Turner): Order, please. The hon. member for Kootenay West (Mr. Brisco) has the floor.

[Mr. Brisco.]

Mr. Brisco: —that the circumstances of unemployment overcame the events of today. There has been in the past, and doubtless there will be in the future, occasions when the Leader of the Opposition has spoken and will speak in the absence of the Prime Minister (Mr. Trudeau). This arrogance, which is so endemic in this government, was clearly demonstrated the other day when the Minister of Justice (Mr. Basford) read a major policy speech for the minister responsible for Langair, hot air, and Canadair.

The other farce that was worked upon this House today was the disclosure by the Conservative member for Brome-Missisquoi (Mr. Grafftey) that the Liberal member for Laurier (Mr. Leblanc) used his office and his official stationery to solicit funds for the Liberal party. What was the Liberal reaction to this shocking disclosure?

Mr. Clermont: Shocking, my—

Mr. Brisco: My what? I would like to hear from the hon. member on the Liberal side.

The Acting Speaker (Mr. Turner): Order, please. Will the hon. member please address the Chair?

Mr. Portelance: On a point of order, I am surprised to hear the hon. member refer to the hon. member for Laurier (Mr. Leblanc) who is not present in the House. The hon. member gave an example of a certain minister speaking about his leader not being here. He should practise what he preaches.

The Acting Speaker (Mr. Turner): Order, please. That was not a point of order. I suggest we are getting into a debate.

Mr. Brisco: Thank you, Mr. Speaker. I will not dwell on this point much longer, but I would like to see it stated on the record that the reaction of the government to this shocking disclosure was not silence, was not shame, was not embarrassment. It was none of these, Mr. Speaker. They laughed, they hooted uproariously, they treated it as a funny joke. That laughter will haunt them in the future, like Mackenzie King's ghost, and so it should.

I should like to turn now to the band-aid patchwork solutions of the Minister of Manpower and Immigration (Mr. Cullen) and his Canada Works program and the Young Canada Works program. Even the names of the programs are a farce. They are building false hopes by advertising a Canada Works program and a Young Canada Works program across Canada. I should like to know how much the government has spent promoting those two programs. I warrant it has spent more on advertising than on funding in Kootenay West.

● (2130)

Mr. Nystrom: With Liberal ad agencies.

Mr. Brisco: Mr. Speaker, I was enthusiastic. I thought the government would provide jobs for people in my riding, for unemployed fellow-Canadians.

Mr. Friesen: Don't hold your breath.

Mr. Brisco: The hon. member for Surrey-White Rock (Mr. Friesen) tells me not to hold my breath. How right he is. How deluded I was by this government and its economic policy!

The Minister of Manpower and Immigration sought the co-operation of members of parliament. He received mine. I spoke to groups in my riding and encouraged organizations to apply for funds. I told people about the program. Unfortunately I wasted my time, which could have been spent better in this House or elsewhere. I sought the co-operation of the people. They were enthusiastic. Even manpower officials were enthusiastic, as were students. After all, in my riding there is Selkirk College, a post-secondary institution with a large student enrolment, and Notre Dame University, also with a substantial student enrolment. Why should the students not have been pleased?

There were 38 applications for $1,609,983, but the allocation under the Canada Works program for Kootenay West was $153,000. There were 39 applications under the Young Canada Works program; the amount applied for was $483,-529. But the allocation for Kootenay West was the lowest in British Columbia, at $66,000. Mr. Speaker, if that is not a classic example of Liberal pork barrelling, I do not know what it is.

Mr. Friesen: Yes. Basford got half a million.

Mr. Brisco: You bet he did. And so did all the other Liberals.

The Acting Speaker (Mr. Turner): Order, please. Would the hon. member please refer to the minister by his title?

Mr. Brisco: I am sorry, Mr. Speaker. I was referring to that hon. gentleman from Vancouver. Can you imagine what a crushing disappointment this meagre funding was, what an insult it was? I appealed personally to the Minister of Manpower and Immigration, and told him his own officials in Kootenay West disputed his figures and disagreed with him. I approached him twice, personally, on this issue. What was the minister's response? What did he say? He said no. He shook his head. He did not care and does not care now. Mr. Speaker, he said no to the 2,000 unemployed in the Trail area, which has a population of 12,000; he said no to the 2,000 unemployed in the Nelson area, which has a population of 12,000. He gave us some $66,000. If I could, I would hand the money back to the minister. He probably needs it more than we do.

Mr. Abbott: But you have it.

Mr. Brisco: Mr. Speaker, this government has weasled on the unemployed, on the young people in Kootenay West and across Canada.

Unemployment among those between the ages of 14 and 24 has been rising steadily since December, 1973. This process did not begin last year, or the year before. It began in December, 1973. The government has had ample notice. How much more notice do you want than four years? Can you not read your own figures? Are you blind? Are you deaf? Or do you not care?

Mr. Paproski: They do not care. They are heartless.

Mr. Brisco: Today young people between 14 and 24 make up 47 per cent of our unemployed.

Some hon. Members: Shame!

Mr. Nystrom: They will never vote Liberal again.

Mr. Brisco: Those young people are proud to be Canadians, are proud of their country; they want to work in their country and for their country. And what is the government doing for them? It has given my riding $66,000. That is supposed to show the 2,000-plus students of my riding how willing the government is to help. Mr. Speaker, I would rather the government took a rest for four or five years. Let us stop these programs. Let us stop funding projects of this kind until we can introduce some permanent solutions. I would rather they stopped the LIP programs, the Canada Works and Young Canada Works programs, if only they could come up with long-term, permanent solutions.

Let me make some suggestions. I make them because, God knows, we often hear the government say that we criticize but we do not suggest alternatives. I see no reason why we cannot, even without provincial co-operation, undertake programs of training in trade schools and vocational schools, and upgrade some of the trade skills required by the labour market. That is my first point.

Second, I suggest that, as a nation, we should follow the example of Quebec. Let us provide funding for existing industry and new industry; let us provide a kind of accelerated DREE program which could be instrumental in taking the unemployed off the unemployed lists. Although in the past I have been unhappy at the amount of DREE funding going to Quebec, I must concede that the program in that province has succeeded well. The people of Quebec knew how to make it work, and they generated significant numbers of jobs. That option is open to the government, among countless others. I know that you will hear the NDP complain about money being given to private enterprise, to those capitalist rip-off artists. But they forget how much money is returned in taxes from the end product, in taxes from the employee and taxes from the employer. Those grants are returned a thousand-fold, but that never crosses the minds of those on my left.

Earlier today the Leader of the NDP (Mr. Broadbent) waxed eloquent about unemployment in Canada, and singled out that bastion of free enterprise, British Columbia, that province which has finally shaken off the mantle of socialism. He said unemployment in British Columbia is just terrible. Obviously he did not bother to look at the Statistics Canada figures, for they show that as of February 19, 1977, unemployment in British Columbia is down, by some 7,000 jobs, and that the province has the highest employment rate in Canada. I wonder what the NDP's answer to that is.

I recall a little mill in Jenpeg, Manitoba, which made Jenpeg logs. God knows, the people of the north need those Jenpeg logs to build their log houses. Then we saw government become involved with private enterprise. It was decided that the government of the province would operate the Jenpeg mill, and operate it better than private enterprise had done. So, the government of the province put one of its political appointees in charge. He hired 14 more people to do the work of five, and the whole operation was a disaster. It has gone down the drain. Taxation levels in Manitoba are the highest in Canada. Mr. Speaker, provincial taxes in Manitoba are higher than anywhere else in Canada.

● (2140)

That is why, for example, Saskatchewan is having some difficulties. They do not even audit their own books. The various departments were supposed to be audited. The premier of Saskatchewan stood up before the recent by-elections and said that the books had been audited. They were not audited at all. All of a sudden the premier of Saskatchewan comes up with egg all over his face, a not unusual circumstance for NDP'ers. He discovered that he had not audited his own books.

Let us go to the job opportunities created in British Columbia.

Mr. Symes: Tell us about Ocean Falls.

Mr. Brisco: I will get to that in a minute. Ocean Falls is an old pulp and paper mill on the west coast of British Columbia. The private enterpriser who owned that mill was not making a dime. In fact he was losing money. It would have cost a lot of money to make it work properly. The Barrett government took over and made it work. More power to them! I am quite prepared to hand out accolades where they are deserved. However, what is the comparison between one little pulp and paper mill on the west coast of British Columbia and the disaster wreaked upon British Columbia in the mining community? Thousands were thrown out of work as a result of the stupid policies of the NDP minister of mining, Leo Nimsick. He shut down the entire mining industry in British Columbia.

My constituency of Kootenay West is rich in mineral potential. Where is the development? It is gone. Where did the development in the east Kootenay's go? Where did the miners go? They went to Cape Breton, Newfoundland, Prince Edward Island, all over the maritimes. That is where the mining companies went looking for ore. They went to the Territories and the Yukon. They knew darn well there was no point trying to find ore in British Columbia under the regressive taxation policies of the NDP government.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member, but his allotted time has expired. The hon. member may continue with unanimous consent.

Some hon. Members: Agreed.

An hon. Member: No.

[Mr. Brisco.]

Mr. Brisco: Thank you, Mr. Speaker.

The Acting Speaker (Mr. Turner): Order, please. I distinctly heard a no. The hon. member for Sault Ste. Marie (Mr. Symes).

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, in this debate on the state of the economy I would like, in the few minutes remaining, to focus on the problem of unemployment. As most Canadians know, under the present Liberal government we now have the worst unemployment since the great depression of the thirties, with over one million Canadians unemployed and only about 37,800 job vacancies. We know that about 13 per cent of the labour force is without jobs. These figures do not include the ones that go unreported by Statistics Canada.

What are the characteristics of unemployment today? I would like to zero in on that. Unemployment among women is higher than among men. We find today that women account for about 40 per cent of the total labour force in Canada, or about four million jobs. Women make up about 40 per cent of the unemployed today.

We find also that unemployment is disproportionately concentrated among young people, with 46 per cent of the unemployed in Canada under 25 years of age.

Unemployment is much higher in certain regions in Canada, especially in Atlantic Canada, Quebec, northern Ontario, and areas in northern British Columbia.

On past occasions I dealt with the problem of unemployment, its causes and solutions. Today I would like to zero in on the problem of unemployment among women and young people. It is sad to relate that women are the lowest paid and usually the first laid off in times of economic difficulty. They face discrimination in job availability. They often get less pay for the same job than a man would get.

Job opportunities are limited for women, especially in my area of the country, northern Ontario, where they find work mostly in the service industries in jobs such as waitresses, clerks, secretaries or nurses.

Many women today do not want to have a role solely as a homemaker. They want to branch out toward a fulfilling career. Times have changes as have attitudes and, of course, the educational qualifications of women.

We find as well that women with their skills are carrying out jobs that help keep the economy functioning, jobs which provide important services to people.

I would like to put to rest the myth which is perpetuated by some, including the Minister of Manpower and Immigration (Mr. Cullen), that women in the work force are a luxury rather than a necessity, that somehow high unemployment among women can be tolerated because they are not really the breadwinner of the family and that the family can get along quite nicely without their income.

The fact is that about 43 per cent of women who work do not do so primarily because they want to pursue careers. They

work because it is an economic necessity. The female spouses have to go to work today to make ends meet. With the high cost of living, they have to work to help pay for the cost of food, shelter, clothing and fuel. Young women must work to help pay for their education, job training, or to support themselves as they come to the age of majority.

There is another myth that women are taking jobs away from men. The fact is that most women are still limited to service industry jobs such as maids or waitresses, or jobs with particular skills that men do not have, such as nurses, secretaries, or those who work in the garment industry. Very few women are in the executive, professional or industrial work force.

The rate of unemployment among women over 25 years of age is about 60 per cent higher than for men over 25 years of age. According to figures published by Statistics Canada, most of the unemployed working women who are spouses come from low income families. In 1973, the last year for which we have statistics, 21 per cent of unemployed wives came from families with incomes between $4,000 and $7,000 a year. In other words their income was crucial for the total family income.

This government, because of its economic policies, particularly its anti-inflation program which has taken over $300 million in wages out of the hands of workers through wage rollbacks, and has reduced consumer demand and caused business to lay off workers, is still not doing anything meaningful in terms of getting people back to work, especially unemployed women and unemployed young people. The figures of high unemployment among women indicate that the government in its job creation program has not addressed itself to the acute problem of jobless females. The same could be said about its lack of attention to the plight of the unemployed young.

● (2150)

The young Canadian who wants to work is becoming increasingly desperate and cynical about society and its failure to provide jobs. It has become a demoralizing process for those with education or job training to go out into the world of work only to find there is no employment available. Consider, for example, the experience of a young welder who had completed his course at the top of his class. He told me, when he came to see me in my office, that the first question prospective employers asked him was whether he had any previous job experience. When he replied that he had no previous experience, the door was closed in his face. In addition, employers told him there was a waiting list of 20 welders at the local Manpower office who could not find work.

Many of these young workers are classified as underemployed. In 1975, for example, 54,000 young people held part time jobs, not because they wanted such jobs but because they were the only ones they could find. Today large numbers of university and community college graduates are working at jobs far below their qualifications. The example of a Ph.D. driving a taxi is no longer a joke.

Summer job prospects for high school and university students were dismal last year—2,519 young people were seeking jobs in my constituency through the local Manpower centre. However, by the end of the summer the centre had only managed to find jobs for 982 of these students. This coming summer things will be far worse. The government has put forward a Young Canada Works program, offering this as a solution. But we all know the program is not adequate. The allotment in the Sault is $120,000, based on an unemployment formula and the limited funds available. To date applications submitted to me total $270,000. There is just not enough money to fund all the worth-while projects which are being submitted.

Just as there are myths about women in the work force, so there are myths attached to the unemployment of young people. It is assumed by many that the young today are over-educated. The fact is that of those in the 15-19 year bracket who are out of school and in the labour market, 60 per cent have no more than grade ten education, and that in the 20-24 year old group 40 per cent have no more than grade ten education. Their job prospects are dismal. We also hear that unemployment among youth is of short duration. The record shows that in 1975, 27 per cent of all those out of work had been unemployed for 14 weeks or more. The corresponding figure for young people was only slightly lower at 23 per cent.

There is also a myth that unemployment among the young really amounts to paid leisure thanks to unemployment insurance benefits. The reality is that most of these young people are first time job seekers who have not worked for long enough to qualify for extended unemployment insurance benefits. Many do not qualify at all because they cannot fulfil the minimum eight week work requirement. The government is now introducing legislation which will increase the qualifying period from eight weeks to 12 weeks, a measure which will come down hard on young people trying to find summer jobs or short term jobs, and which will disqualify completely another 330,000 Canadians from receiving unemployment insurance benefits, throwing them on to the municipal welfare rolls.

There is a further myth that the youth unemployment problem will disappear as the population ages. In reality the result will be that their poor job experience early in life will be transmitted to the future, helping to create a generation of working poor.

The New Democratic Party has proposed a full employment plan, and my hon. friends and I have elaborated on this subject on other occasions. Surely, though, part of any national employment strategy must be directed to increasing employment opportunities among women and young people. I have some suggestions to put forward at this time specifically to meet the needs of these two groups. For example, I suggest that the government introduce effective laws prohibiting discrimination because of sex or marital status in recruitment, classification, promotion and advertising of jobs. There should also be a mandatory program of affirmative action to achieve sexual equality in all public service departments and agencies.

We need tough laws, strictly enforced, to provide equal pay for work of equal value, and incentives to achieve this goal. We need expanded opportunities for maternity leave with pay and the right of women to return to their positions without penalty as to salary or seniority. We need changes in the labour laws to provide collective bargaining rights and fringe benefits for domestic and part-time workers.

For youth, I believe we need closer integration between the world of education and the world of work. There should be an increased number of work study programs during the school year, and more vocational counselling services both in schools and in a family context. We need special government funded projects, for example, environmental clean-up, emergency capital works projects for municipalities which involve the hiring of students and young people, and the subsidization of farm salaries, thereby enabling Canadian farmers to hire more employees. These are emergency measures.

What we need in the long run is planning and goals designed to promote economic growth and bring down present unemployment levels which are costing the economy billions of dollars in lost production and lost consumer spending, not to speak of hundreds of millions of dollars in lost tax revenues and extra contributions to the Unemployment Insurance Commission. I submit that expenditures now will reap huge returns in the long run through full employment. The human and economic misery faced by one million unemployed Canadians, especially by women and young people, demands action now, and the government should be doing some meaningful work to get these people employed.

The Acting Speaker (Mr. Turner): Order. It being 10 p.m. it is my duty to inform the House that, pursuant to Standing Order 58(11), proceedings on the motion have expired.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

TRANSPORT—DISPARITY BETWEEN SUBSIDIES FOR FERRIES ON EAST AND WEST COASTS—GOVERNMENT POSITION

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, on November 3 last the Minister of Transport (Mr. Lang) announced his handy-dandy made-in-Ottawa transport policy for northern coastal communities of British Columbia, which he called "improved shipping service". He said, and I quote in part from the announcement:

> The three B.C. coastal M.P.s, the Honourable Iona Campagnolo, Jack Pearsall and Hugh Anderson had assisted in producing the new plan and also will be watching developments and keeping in close touch with constituents to iron out any early problems which may arise.

[Mr. Symes.]

He went on to say:

> Rivtow, whose service will be non-subsidized, has agreed to hold the tariff rate while experience is gained in the operation and does not foresee any major increases.

On November 29 the hon. member for Comox-Alberni (Mr. Anderson) was quoted in one of his own papers, the *Campbell-River Upper Islander, as saying:*

> The rationale behind the abandoning of the Northland subsidy was that it was distorting, not helping, Northern Navigational services. Competition could be improved if the federal government were not assisting only one company.

● (2200)

I would like to hear what the coastal communities have to say about that.

On November 30 it was discovered that the cost of some of the services within that one month's period had risen by as much as 150 per cent.

On December 3 the New Westminster *Columbian* reported statements of Mr. Bill New, president of Coast Ferries Ltd., and I quote:

> He said he feels that the friendship among RivTow President Cecil Cosulich, Roger Marsham, a federal ministry of transport administrator, and Goen Chestnut, an adviser to B.C. Transport Minister Jack Davis, acted as a detriment to his company's interests.
>
> "They, Chestnut and Marsham are acting in the interests of themselves . . . not necessarily to the benefit of the people who are being serviced by the companies that have received these funds subsidies," he said.
>
> "Currently, you could say it is to the benefit of RivTow Straits."

The article goes on to say:

> RivTow picked up much of the cargo business abandoned by Northland when Northland's subsidy ran out Oct. 31.

On December 6 the Minister of Transport finally got to Prince Rupert to listen to what the people had to say. He conceded he had waited far too long and that perhaps he had made a mistake in making the decisions he had. That was also when he said that he had to make the changes because the government was "hostage to Northland".

Also on December 6 the Vancouver *Province* ran another article in which it said that the Minister of State (Fitness and Amateur Sport) Mrs. Campagnolo had said to a staff reporter:

> . . . that unless she gets some quick action from Transport Minister Otto Lang that will soothe the unrest among her constituents, she'll quit the cabinet post.
>
> "I want some action," she said. "If there's no action, I have other recourses."

On December 8, according to the *Globe and Mail*, "Mrs. Campagnolo said Mr. Lang promised last weekend"—that would have been the first week of December—"to improve service within six weeks."

On December 21 the Premier of British Columbia sent a telegram to the Prime Minister saying:

> On a per capita basis and using your east coast subsidies as a basis for establishing subsidies, the west coast should be getting more than $100 million a year. Instead, your Ministry of Transport is in the process of cutting us off entirely.

Two days ago I visited with a resident of Ocean Falls and she told me she had to wait two days to get a plane to get out of Ocean Falls because they were always socked in. Since

Christmas the *Lumba Lumba*, the boat that was supposed to provide such great service to Ocean Falls, has been there four times, twice in the middle of the night when the residents of Ocean Falls did not even know that it had come there.

On March 4, just two weeks ago, I put a question to the Minister of Transport. I asked him, regarding his recent visit to Victoria, whether the government would now present a 50 per cent subsidy to help the ferry system in British Columbia. The minister again gave a very inadequate answer, so I put a supplementary question to him:

> Since the new improved shipping arrangement for the west coast is now four months old, and it is a makeshift proposition, are we to assume that this will now be a permanent arrangement, or will there be an announcement concerning a new arrangement?

I take up the Vancouver *Province*, and today I understand there is another statement which I would like to read into the record:

> Transport Minister Otto Lang promised an inquiry in December, and earlier this week four regional districts sent a telegram to Lang saying the inquiry was long overdue and should be called immediately. Although she didn't have any special knowledge, Campagnolo said: "As far I am concerned it will still be heard but if there is a transfer of jurisdiction from federal to provincial then it's hard to say what will happen."

The latest word which I have just heard from the hon. member for Capilano (Mr. Huntington) is that RivTow is to have a subsidy. This is the system which was not to require any subsidy. All that the communities along the coast of British Columbia have received from the Minister of Transport is promises and delays. According to the announcement in the Vancouver *Province* what we have is another delay.

There is supposed to be an inquiry. We know that that is the surest way of getting another stall. It is a gimmick. I feel sorry for the hon. member for Coast Chilcotin (Mr. Pearsall) because he has been working hard for those communities, and the Minister of Transport, and the Minister of State (Fitness and Amateur Sport) have given him the shaft. It is time that the coastal communities got an answer—

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the hon. member that his allotted time has expired.

Mr. Marcel Roy (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am always impressed by the presentations made by the hon. member during the late show, and I am also impressed by the representations made by the Minister of State (Fitness and Amateur Sport) (Mrs. Campagnolo) on this matter.

The hon. member for Surrey-White Rock (Mr. Friesen) alleges that there are disparities between subsidies paid to ferry services on the east and west coasts. This view appears to be based on a straight comparison of numerical totals and does not take into consideration the basic purpose of a subsidy program, which is to iron out unfair disparities and not to establish some sort of mathematical balance. Subsidies of the type administered by the Department of Transport are not handed out on a percentage basis but are calculated on the basis of evaluated need. In such circumstances it is possible that 100 per cent of all subsidies could be paid in one area and there would still be no question of disparity.

In drawing comparisons between the east and west coasts, the extent to which transportation assistance in any form may be required is clearly a function of geography and climate. In the east the main ferry services provide linkage between the Atlantic provinces. This should be contrasted with the situation in British Columbia where the coastal shipping services, including the ferries, are an integral part of the provincial communications network, and to a considerable extent play the role of intra-provincial highways.

The scale of subsidization on the east coast is, of course, primarily dependent on the constitutional commitments which were made by Canada at the time of entry of Prince Edward Island and Newfoundland into Confederation. Although the current levels of expenditure may be much higher than were originally envisaged, the constitutional obligations cannot be avoided. The nature of the geographical area and the dispersed population inevitably lead to heavy expenditures which, even without a constitutional amendment, could not easily be supported by what is relatively one of the poorer areas of Canada.

The situation in British Columbia is very different. This prosperous province enjoys the benefits of a mature transportation system in which subsidization has in fact been a disruptive element rather than a support. Indeed transportation services in British Columbia waters can to a large extent be effectively provided through normal market processes.

There is no constitutional commitment to British Columbia contained in the terms of Confederation since the province did not see marine transportation services as being as high on its scale of priorities as did the island provinces in the east.

With due allowance made for Canada's constitutional obligations, the government has been striving to establish a water transportation assistance policy—

The Acting Speaker (Mr. Turner): Order, please. I regret to inform the parliamentary secretary that his allotted time has expired.

MANPOWER—CANADA WORKS PROGRAM—DIFFERENTIATION BETWEEN STATUS INDIANS ON AND OFF RESERVATIONS

Mr. Cecil Smith (Churchill): Mr. Speaker, my rising tonight in the adjournment debate stems from a question I asked of the Minister of Manpower and Immigration (Mr. Cullen) which is reported at page 2777 of *Hansard*, and also from a question the hon. member for Lambton-Kent (Mr. Holmes) asked which is reported at page 3521 of *Hansard*. My question also follows upon a speech I made with regard to employment and immigration which is found at page 3505 of *Hansard*.

I want to zero in tonight on the Canada Works program and explain exactly what took place over a very short period of time. The first letter I received informing me of the Canada Works program was dated December 20. I received no more communications in this regard until I received a letter on

January 20. That letter said that the Churchill constituency was in a category of 20 per cent unemployment? I will accept the figure of 20 per cent as representing the unemployment in the area. However, the next communication that I received from the minister's office stated that allocations had been made for each particular constituency, and that in the Churchill constituency the allocations were made in the following way: Indians, $843,000; regulars, $100,000. What this indicated to me was that the Indian population, who are the responsibility of the federal government—that was referred to by the Minister of Manpower and Immigration—were allocated a certain amount of money, but the figure on their unemployment was inaccurate. Unemployment among the Indians runs closer to 75 per cent.

● (2210)

The minister has asked each member of parliament to appoint a ministerial advisory board to look at the projects that have been submitted from the communities. Those boards are made up of people from the constituency and they are the ones who advise on which projects should be funded. I sometimes think that the person who designed the Canada Works program has never been out of Ottawa because he could not have known what he was doing in allocating separate funds to Indian people living on the reserve, and separate funds to regulars, which means anyone not living on the reserve, eliminated about 2,700 status Indians living in the constituency. What this did was to drive a wedge down the middle of the communities in the north.

Many of our communities are composed of status Indians, non-status Indians, and Metis people. There is a line dividing the reserve people from the others. These communities have been working in harmony over the years. They are trying their best to work together as one community. What this program is doing is to drive the wedge much deeper. I hope that when the next allocations are made on August 26 we will not run into the same problem.

The people who have been named to the ministerial advisory board are responsible constituents in the Churchill riding. One is the vice-president of the Manitoba Indian Association and another is the vice-president of the Metis Federation. They know how money should be allocated in that area, unlike the official here who decides how to allocate this money before it gets to the ministerial advisory board. I refuse to accept his criteria.

The other criticism I have of this program is that it gives little chance to people to participate in it. Perhaps that was the design of the program in the hope that application forms would not reach some of the remote areas. I have here a note from a community which reads:

Dear Sir:

Please excuse the lateness of this application. Mail is slow in this isolated community and the forms were received only three days ago.

This was dated on the day of the deadline. We fought hard to get the deadline on February 4 extended so that communities which were really in need of work would have the opportunity to get in their applications. I have received other letters indicating that some communities have never received application forms. We do not receive daily newspapers in our area, nor do we have radio and television to carry the news of the existence of projects such as this one.

In the speech I made the other day I made reference to the other programs in existence at present. First we had LIP with $2,400,000. Next we had FLIP with $1,088,000. Then we had LEAP. We also have the Canada Works program, and the Canada Manitoba Northlands program. These were dumped, so to speak, on those communities within a period of about six months. The leaders of those communities were not even given the opportunity to sit down, assess those programs, and take the best advantage of them. The result was that many applications were made hurriedly in the hope they would be approved. I suggest that there will be ramifications and problems, because the communities were pressured into making those applications.

[*Translation*]

Mr. Arthur Portelance (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, we paid a special allocation to Indians living on reservations and on Crown lands for two reasons. First, it should be made clear that they are not included in the labour force survey carried out by Statistics Canada, and they are unlikely to be receiving unemployment insurance benefits. So we make them a separate group to be sure that they are included in the basic allocation. Second, the federal government must naturally give special attention to status Indians. On the other hand, we do not give a special allocation to Metis and status Indians living off reservations because they are included in the labour force survey on the same basis as all Canadians, with the exception of Indians living on reservations.

However, departmental advisory committees are urged when they decide the amount to be paid to non-status Indians to continue to examine carefully the projects submitted by Metis and status Indians living off reservations. In addition, should an insufficient number of acceptable applications be received from Indians living on reservations and Crown lands the unused funds would then be added to the regular fund and Metis just like Indians would be the first to be able to benefit from it.

To be more specific, Mr. Speaker, as far as the riding of Churchill is concerned, the rate of surplus manpower in this case is 6.17 per cent, excluding status Indians living on reservations or Crown lands, which would normally entitle them to an allocation of $100,000. But because of the size of the population and the high rate of unemployment registered among status Indians living on reservations or Crown lands in that riding the special allocation in their case was $843,000.

Those arrangements, Mr. Speaker, allow me to suggest that status Indians living in remote areas receive a fair share of the funds allotted under the Canada Works Program.

The Acting Speaker (Mr. Turner): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at eleven o'clock a.m.

Motion agreed to and the House adjourned at 10.21 p.m.

HOUSE OF COMMONS

Friday March, 18, 1977

The House met at 11 a.m.

ROUTINE PROCEEDINGS

[*English*]

THE CANADIAN ECONOMY

LACK OF JOB CREATION PROGRAMS—MOTION UNDER S.O. 43

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, I rise on a matter of urgent and pressing necessity with regard to the over one million unemployed persons of this country. Figures released by Statistics Canada indicate a 21 per cent decline in the job vacancy rate from November 1976 to February 1977, a 21 per cent decline in the chances of finding work for over one million Canadians. I move, therefore, seconded by the hon. member for Hamilton West (Mr. Alexander):

That the House strongly condemn this government's lack of effective job creation programs to correct the human tragedy of those thousands of Canadians currently seeking employment for whom no job is available.

Mr. Speaker: The presentation of such a motion for debate pursuant to the Standing Order must be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

TRANSPORT

SUGGESTED CHANGE IN LICENSING LEGISLATION TO PREVENT USE OF OLD AND INADEQUATE SHIPS—MOTION UNDER S.O. 43

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to move a motion of urgent and pressing necessity under Standing Order 43. In view of the impending lay-off of up to 1,000 workers at the Collingwood shipyards, and in view of the catastrophic economic effect this will have on the workers and their families and the entire town of Collingwood, and in view of the fact that the major reasons for the impending wholesale lay-off relates to inadequate federal government policy, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House urge the government to bring in legislation which would prevent licensing old and inadequate ships, originally sold for scrap, to be used in Canadian waters, which would encourage the construction of new vessels, avoid lay-offs and stimulate employment for Canadian shipyards.

Mr. Speaker: The presentation of such a motion pursuant to the Standing Order can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

NATIONAL DEFENCE

REQUEST THAT AIRBORNE REGIMENT BE ALLOWED TO REMAIN IN EDMONTON—MOTION UNDER S.O. 43

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I wish to move under Standing Order 43 a motion on a matter of urgent and pressing necessity, a motion which has to do with national unity. Men and women in high places, military men, provincial and civic leaders and the general public in Alberta have been trying to make their voices heard for about a year to justify the massive expenditures involved in moving and re-establishing the Canadian airborne regiment. I would move, seconded by the hon. member for Edmonton East (Mr. Skoreyko):

That this House demands at a time when national unity is being strained, this regiment, made up of easterners and westerners, French and English-speaking Canadians, all living together, working together, raising their families together in a location which might be considered neutral ground, a fine example of the varied cultures co-existing and collectively serving Canada without bias or prejudice, be allowed to remain in Edmonton.

I would hope that the Prime Minister (Mr. Trudeau) would not say no to this motion.

Mr. Speaker: The presentation of such a motion cannot be done without the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

ANTI-INFLATION PROGRAM

ALLEGED VIOLATION OF GUIDELINES BY BELL CANADA IN GRANTING SALARY INCREASES TO EXECUTIVES—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the motion which I wish to make under Standing Order 43 is one which the Minister of Finance (Mr. Macdonald) may wish to second. In any case, I hope it will have the support of

the government. I therefore move, seconded by either the Minister of Finance or the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House, noting that the salaries of 29 top officers of Bell Canada in 1977 will average $102,000 a year, an average increase over 1976 of $13,000, calls on the government to take the necessary steps to block this flagrant violation of its own anti-inflation guidelines which limit an annual salary increase to $2,400, it also being the view of this House that Bell Canada has no right to seek telephone rate increases to enable it to pay such high salaries at the top.

Mr. Speaker: Order, please. The presentation of such a motion for debate pursuant to the Standing Order can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1110)

CENTRAL MORTGAGE AND HOUSING CORPORATION

PROPOSED INVESTIGATION OF LOAN MADE TO QUAI D'ORSAY HOTEL—MOTION UNDER S.O. 43

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In view of the fact that serious questions have been raised about the legality of CMHC insuring a mortgage loan between 210 Somerset Corporation and National Trust for the building of the Hotel Quai d'Orsay, which was subsequently foreclosed by National Trust, and in view of the fact that one of the former principals of 210 Somerset Corporation is presently associated with the building of a $30 million apartment complex in Laval, Quebec, with financing again provided by National Trust and insured by CMHC, I move, seconded by the hon. member for St. John's East (Mr. McGrath):

That the minister cause a complete investigation to be made into the circumstances involved in the guaranteeing by CMHC of loans in connection with the above mentioned projects and report to the House as soon as possible.

Mr. Speaker: Presentation of such a motion under the terms of Standing Order 43 requires unanimous consent. Is there unanimous consent?

Some hon. Members: No!

[Mr. Knowles (Winnipeg North Centre).]

ORAL QUESTION PERIOD

[*English*]

MANPOWER

ALLEGED FAILURE OF JOB CREATION PROGRAM—GOVERNMENT ACTION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Minister of Manpower and Immigration regarding the latest job vacancy figures which only add to the evidence of the government's mismanagement of the economy and its incompetence in the field of job creation. Noting that there is a 21 per cent drop in the job vacancy rate from the three-month average ending in November and a 17 per cent drop compared to the same period of last year—in fact, the job vacancy rate has dropped in all provinces except Newfoundland—I would ask the minister in all sincerity whether he will now concede that the government's job creation program is a complete disaster calling for immediate action.

Hon. Bud Cullen (Minister of Manpower and Immigration): Needless to say, Mr. Speaker, I disagree with most of the premise to the hon. member's question except the part where he says he is sincere when he asks it. I would again commend to him a careful reading of the statement made by my associate deputy minister, Mr. Jack Mannion, before the committee on labour, manpower and immigration. He said then that the statistic put out by Statistics Canada showing the job vacancy rate is misleading, and explained that last year between five million and seven million Canadians actually changed jobs—ours is an extremely dynamic economy in that respect. To use this statistic in the way the hon. member has used it is most misleading.

Mr. Alexander: I do not think the one million who are out of work and the 291,000 who have dropped out of the work force because there are no jobs available to them will find that answer very acceptable. Let us show more sensitivity to those who are experiencing human suffering. What additional measures are to be introduced to help those seeking employment for whom no jobs are available? Must they wait until around September when the effects of the budget are noticed?

An hon. Member: If there are any.

Mr. Cullen: Fortunately, the government announced back in October, 1976 that we were aware there would be high unemployment this winter. We set aside $358 million, and there are $1,300,000 worth of sensitivity in my department which goes to direct job creation.

REQUEST FOR BUDGETARY PROVISIONS GEARED TO JOB CREATION

Mr. Lincoln M. Alexander (Hamilton West): Statistics Canada figures show that in the last six months 291,000 people who were seeking employment have given up looking for work and are no longer in the labour force, believing no

jobs are available. Will the minister now tell the House whether budgetary measures will be geared to immediate job creation, as he revealed last night, and will he give a firm commitment in this regard?

Hon. Bud Cullen (Minister of Manpower and Immigration): Here again there is a misuse of the statistic of 291,000. These are not people who are out of work and who have stopped looking for work. In that category there are some 10,000 people who have returned to school; there is another group in that category which is back at work. So it is misleading to say that. As I said last night and as I have said in this House on many occasions, we have a whole series of programs in place; some of them are operating now—the Canada Works program, and the Young Canada Works program as well as others. These are things which, at the government level, we are doing.

Mr. Alexander: I am amazed at the minister's callous disregard of the plight of thousands of Canadians who are seeking jobs. I want the minister to give me a firm commitment that the budget will be geared, among other things, to the immediate creation of jobs in order to assist those who are suffering because of the incompetence of the government in this area.

Mr. Cullen: Mr. Speaker, this is a question which should probably be more properly directed to my colleague, the Minister of Finance. I did not, last night, indicate what was going to be in the budget. I did say, however, that I had made my modest contribution by expressing the sort of thing I thought should be in it.

* * *

ENERGY

OIL—SUGGESTED MANDATORY REPORTING OF AMOUNT OF REVENUE COMPANIES PUT INTO EXPLORATION AND DEVELOPMENT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct my question to the Minister of Energy, Mines and Resources. The reports which he tabled yesterday indicate that Canada's reserves of crude oil are steadily declining despite the fact that the price of oil has trebled in the past four years, with correspondingly vast increases in revenues for the oil industry. In view of the minister's assertion and that of the Minister of Finance repeatedly to this House that these price increases were required in order to find new supplies of oil , does the minister not think that the time has come for the government to bring down legislation providing for mandatory reporting by the oil companies as to the amount of this increased revenue that they are receiving which is going into exploration and development?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member's question is prefaced by some error. He referred to the fact that our reserves of crude oil had been declining. If he were to read the report carefully he would see that the reserves picture for crude oil is the same this year as it was last year; there has been no significant change. The report addresses itself to the question of probabilities with respect to the unknown areas of oil. It indicates that probabilities in certain areas are up but that as far as the frontier areas are concerned for crude oil they are down. The hon. member would also want to look at it from the point of view of natural gas, which has to be seen in the same context because the moneys going to the producer are being spent for drilling purposes—the producer does not know whether he will find crude oil or natural gas. I think he would find a more favourable picture for natural gas.

As for the question of mandatory reporting, he knows perfectly well that I have given an undertaking in the last couple of weeks that we will be introducing legislation having to do with mandatory reporting in a few weeks' time.

MACKENZIE VALLEY PIPELINE—SUGGESTED POSTPONEMENT OF CONSTRUCTION PENDING STUDY OF ALTERNATIVE ROUTES AND SETTLEMENT OF LAND CLAIMS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. The same report indicates that the reserves of natural gas in the sedimentary basins, have improved considerably, though that report deals only with the period up to December 31, 1975, and that an additional five trillion cubic feet have been found in western Canada during 1976, bringing our reserves which are readily available to 65 trillion cubic feet. Does this not indicate that this gives the government plenty of time to reassess the best route for bringing gas from the frontier areas, and that the Mackenzie Valley pipeline could well be postponed until a thorough examination has been made of the Alcan route and the polar gas route, which would be much more beneficial to the people of Canada and much less costly?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, this House knows that the hon. member and his party have already judged this issue. They have not waited for the NEB report, they have not waited for Judge Berger's report; they have already said that they do not want any pipeline down the Mackenzie. We believe that the National Energy Board has an important role to perform in assessing Canada's reserves and the environmental and social questions which will be raised by Judge Berger. We have not made up our minds as the hon. member has. We want the facts first.

I do not think, dealing with the last part of his question, that you can try to fine tune a project as massive as the kind of project we are talking about by one or two more years' delay just because there is a small change in the reserves probabilities picture. I mention "probabilities" because they are no more than probabilities.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct my final supplementary question to the right hon. Prime Minister? My question arises out of the fact that the Minister of Indian Affairs and Northern Development has

stated publicly that the Mackenzie Valley pipeline would not be proceeded with until native land claims were settled. A few weeks ago the Minister of Energy, Mines and Resources said in Toronto that the Mackenzie Valley Pipeline would be proceeded with if approved by the National Energy Board, whether or not the native land claims were settled. I want to ask the Prime Minister what is the government's policy. Does the government intend to proceed with the Mackenzie Valley pipeline construction if recommended by the NEB, irrespective of whether or not the land claims have been settled?

● (1120)

Right Hon. P. E. Trudeau (Prime Minister): The government's position has been that we would not want to make a decision on this matter either as between one pipeline or the other or no pipeline until we have the report from NEB and from the Berger commission. We expect both these to come in within the first half of the year, and that would permit the government to make a decision at that point. I hope that the land claims, to the extent that they might be affected by the decision, will have been settled, but the undertaking is not to make a decision until the reports are made.

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[*Translation*]

UNEMPLOYMENT INSURANCE

REQUEST FOR INQUIRY INTO ALLEGED INJUSTICE SUFFERED BY BENEFICIARY

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I would like to put a question to the Minister of Manpower and Immigration.

It is about a beneficiary from whom the Unemployment Insurance Commission claimed back excess benefit payments. He could not reimburse them because he was out of work, so UIC officials had him arrested and he actually spent one month and a half in jail. Could the minister launch an inquiry into a case like that and could he tell us if the UIC office has the right again to seek payment by holding back the benefits they owe him today?

[*English*]

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I would be surprised if it was the result of not being able to pay. It may be in that particular case there had been some fraud. In any event, without prejudging the case I will look into the question that was raised if the hon. member will give me the name of the individual.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF GENERAL JAMES DEXTRAZE AND VICE-ADMIRAL ROBERT FALLS

Mr. Speaker: Order, please. Before recognizing another hon. member, I know all hon. members would want to join me in signalling the presence in our gallery of two very distinguished visitors, first in the person of our present chief of defence staff, and second, his successor as of this coming September. I refer to General James Dextraze, Canadian Chief of Defence Staff, and his successor, the first naval officer to achieve such a position, Vice-Admiral Robert Falls.

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THE CANADIAN ECONOMY

UNEMPLOYMENT IN QUEBEC—GOVERNMENT ACTION TO STIMULATE ECONOMY OF THE PROVINCE

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Prime Minister. As the former chairman of the Economic Council of Canada, Mr. Raynaud, a Liberal MNA in Quebec, has predicted that the economic situation in Quebec will deteriorate even further in 1977, that the unemployment rate may exceed 12 per cent, and inflation will rebound to more than 8 per cent, would the Prime Minister, bearing in mind that the federal government is charged with the responsibility of maintaining a stable economy throughout the whole country, tell the House what specific steps he will take to arrest this continuing deterioration in the economy of Quebec, particularly when noting that the economy there has been faltering under his government for many years and unemployment has risen from 6.6 per cent just before he took office in 1968 to the present 9.8 per cent?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we will continue to apply our economic policies with impartiality in all parts of the country. In those parts where unemployment is higher we will seek to have special measures, and the budget may be the occasion to mention some more.

Mr. Stevens: Mr. Speaker, bearing in mind that the Minister of Finance stated yesterday that his policies of carefully staged recovery had put the Canadian economy on the right track, would the Prime Minister tell the House whether he considers nearly one million unemployed to be a sign that the economy is on the right track, whether he considers negative economic growth in the last quarter of 1976 to be a sign that the economy is on the right track or whether he considers a record trade deficit in the last quarter and accelerating inflation to be signs that the economy is on the right track, and if so, would he indicate what he would regard as the wrong track?

Mr. Trudeau: Mr. Speaker, I do not happen to have in front of me the rule in Beauchesne which talks about argumentative questions, but I am sure that this is one of those questions.

Some hon. Members: Oh, oh!

LOSS OF INTERNATIONAL CONFIDENCE IN CANADIAN ECONOMY—GOVERNMENT ACTION

Mr. Sinclair Stevens (York-Simcoe): Noting that the widely read international publication *Business Week* has stated that the Canadian economy is in serious difficulty and

that the collapse in the value of our dollar is "only the most visible symptom of the profound troubles in the Canadian economy" at the present time, is the Prime Minister aware of the decline of such international confidence in the future of the Canadian economy, and does he plan to take any concrete steps to restore international confidence in Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if the hon. member reads that article very carefully, he will see that it makes the same argument I made in the House a couple of days ago about Canadians living beyond their means, which brought such loud guffaws from hon. members in the Tory Party.

Some hon. Members: Hear, hear!

* * *

MANPOWER

GOVERNMENT ACTION TO AVOID LAY-OFFS AT COLLINGWOOD SHIPYARD

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, in the absence of the Minister of Industry, Trade and Commerce and the Minister of Labour, both of whom should answer this question, I will turn to the Minister of Manpower and Immigration and see if I can get somewhere with him.

Mr. Paproski: I doubt it.

Mr. Hees: In view of the impending lay-off of most if not all of the 1,000 man work force at the Collingwood shipyard because of lack of orders, which is symbolic of the condition this government has allowed the economy to get into, has the government been in touch with this important operation, and if so, what plans does the government have for averting this very serious lay-off.

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, when we get co-operation from employers, the Department of Manpower and Immigration moves its officials in to proffer what advice and help they can. In addition, in the event that we are advised that it is inevitable that there will be a lay-off, we invariably set up a team in conjunction with the employer to see if these people can find other jobs, get more training or be moved, through our mobility grants, to other regions of the country.

Mr. Hees: Mr. Speaker, as the company has been in touch with the government on this very important matter and as there have been no results, is the proposal to train people in the plant for other jobs the best the government can do? Other jobs simply do no exist because of the serious unemployment situation. Has the government no plans at all for trying to revive the normal operation of this shipbuilding plant?

Mr. Cullen: Mr. Speaker, it is the prime objective and the prime purpose—

Mr. Hees: Why don't you do something about it?

Mr. Cullen: —to do what can be done about the problem faced by a particular corporation. From time to time we have to face reality, but if a problem can be solved, we do what we can. We try to work in concert with the companies because it is in their interest, our interest and, most assuredly, in the interest of the employees to do everything we can to keep the company in operation.

Mr. Hees: Is that not government gobbledygook for saying "We don't care and we are going to do absolutely nothing"?

Mr. Speaker: Order, please. The hon. member for Ottawa West.

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PUBLIC SERVICE

INQUIRY INTO APPOINTMENT AND EMPLOYMENT PRACTICES—DATE OF COMMENCEMENT OF OPERATIONS AND COMPOSITION

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, my question is for the President of the Privy Council. Further to the minister's statement of February 4 to this House, can he now state when the committee of inquiry into the operation of the Public Service Employment Act will start its work, and who will be its members?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, the committee of inquiry to which the hon. member refers has begun its work. The hon. member may recall that in my statement on the subject I indicated that this study or review is to be a two-phased operation. The first phase is to consist of an examination by each side of the problems raised in the terms of reference, and when that first phase is completed there is to be a coming together of the two sides under a chairman. We have appointed the representative of the government side, Mr. Bruce Brittain, the Deputy Minister of Veterans Affairs, and on the staff side the representative is Mr. Des Davidge, President of the International Brotherhood of Electrical Workers. The work of the first phase has commenced, and when it is completed, or even before that, a chairman will be named to conclude the study.

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MANPOWER

COMMUNITY EMPLOYMENT STRATEGY—MEASURES TO IMPROVE PROGRAM

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a question for the Minister of Manpower and Immigration, who stated in reply to a question by me on March 11 that he would look into the efficiency and effectiveness of the CES program in his department and make it better. In view of the increasingly urgent need to use every means available to solve extremely heavy unemployment, can the minister now say what steps have been instituted to expedite this program and

clear away bureaucratic impediments which may be hindering its effectiveness?

● (1130)

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I had that particular situation looked into. There was one technical problem arising out of the agreement which was causing some delay in one region. I understand that has now been corrected, or is in the process of being corrected. I think that one of our better operations is our community employment strategy. I welcome the support of the hon. member for that particular type of operation.

Mr. MacKay: A supplementary question, Mr. Speaker. The minister knows that unemployment has reached unprecedented levels in the country, in some areas. Over one million Canadians have no means to live beyond, as the Prime Minister gratuitously stated. Could the minister be specific and make sure that more of the CES funds are used for direct job creation, and less for administrative costs, for running the program. Also, Mr. Speaker, will the minister encourage the efforts of organizations and local boards, so that this program can live up to expectations of the minister's predecessor?

Mr. Cullen: Mr. Speaker, we have a good program, but are always prepared to make it better. I have noted the hon. member's representations.

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EXTERNAL AFFAIRS

UGANDA—PROPOSED CONDEMNATION OF ATROCITIES AND LOSS OF CIVIL LIBERTIES

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, in the absence of the Secretary of State for External Affairs may I direct my question to the Prime Minister? In view of the continuing reports from Uganda and the mounting concern of Canadians, will the Prime Minister advise the House when the government will officially condemn the atrocities and loss of civil liberties in that country?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we have already indicated that concern and disapproval. I had occasion yesterday to indicate that the whole matter could be discussed at the Commonwealth conference, if the Secretary General is willing to put it on the agenda. My argument is that the Singapore declaration, which concerns itself with human rights and is a charter of the beliefs and values established by members of the Commonwealth, could easily give us the occasion to look into that matter seriously.

[Mr. MacKay.]

NATIONAL DEFENCE

SUGGESTION NEW CHIEF OF STAFF VISIT NEWFOUNDLAND

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is for the Minister of National Defence. Since the new chief of defence staff is to be a naval officer and Newfoundland is by tradition and history naval oriented, may I ask if one of the first tasks of the new chief of defence staff will be to visit Newfoundland, to make him realize the importance of Newfoundland in our over-all defence posture and the importance of expanding our air-sea rescue and surveillance capabilities? That expansion would be appropriate for the defence of Canada, would increase our ability to conduct air and surveillance operations, and would create employment for native Newfoundlanders who will be able to provide that service.

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, I am sure that when the new chief of defence staff assumes his position he will be interested and objective about all services and certainly would want to visit Newfoundland at the first opportunity.

Mr. Paproski: What does he think of the new naval cadet uniforms?

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ADMINISTRATION OF JUSTICE

REQUEST FOR SEPARATE BILL DEALING WITH REMISSIONS AND DANGEROUS OFFENDERS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question is for the Minister of Justice. Since violent crime and murder are on the increase, and since the Solicitor General, in reply to my question of March 16 said, as reported on page 4034 of *Hansard*, that:

> . . . the whole question of statutory remission and of dangerous offenders will be brought before parliament I hope in the near future in the successor to Bill C-83, which dealt with a number of these concerns.

I ask, is the minister to bring in a new bill dealing with dangerous offenders, etc., and will he undertake that, rather than using this particularly serious problem as a means for forcing through parliament unpalatable legislation, he will have this matter dealt with in a separate bill, separate and apart from one dealing with gun control, since such a bill could pass all stages in this House and committee expeditiously?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, all the matters to which the hon. member referred are immensely important and urgent. I hope that parliament will soon deal with all of them. They were examined exhaustively in committee in the last session. It therefore seems to me that it would be within parliament's capability to deal with all of them expeditiously.

Mr. Hnatyshyn: It's a "Basford" of a bill.

Mr. Woolliams: A supplementary question, Mr. Speaker. The government itself moved some 33 amendments to the previous bill, some of which the committee did not approve. Mr. Speaker, the Minister of Justice did not answer my question. I am asking him if he will bring in a bill dealing with dangerous offenders and statutory remission. This matter affects violent crime, even murder on the streets of the urban centres of our country. Will he bring such a bill in separately, so that it can be dealt with expeditiously? Will he answer that question, instead of waffling as he has done this morning?

Mr. Basford: Mr. Speaker, if the hon. member and his colleagues had not opposed the bill in the last session, we would now have among the laws of this country measures relating to statutory remission, dangerous offenders and other matters which would assure the Canadian public of a degree of protection which they do not have right now.

To reply to the hon. member's question, I hope to introduce legislation dealing with statutory remission, that is, prohibiting statutory remission, dealing with dangerous offenders, and increasing the ability of the police to protect society against maniacs using guns.

Mr. Woolliams: A final supplementary question, Mr. Speaker. Amendments which the present government passed in 1970 have created some of our present problems. They changed the Bail Act. Since members on my side of the House made concrete, positive suggestions in committee, does the minister not think he ought to accept them if we are to pass legislation which is workable and acceptable to the people of Canada?

Mr. Basford: Mr. Speaker, I agree that many of those suggestions were valuable, and I and the Solicitor General accepted many of them on behalf of the government. For that reason I feel that the whole subject has been thoroughly canvassed in a committee of this House and I anticipate that such legislation can be dealt with expeditiously.

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THE CANADIAN ECONOMY

SUGGESTION OF MRS. MENZIES THAT FOOD POLICY BE ADOPTED—GOVERNMENT POSITION

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is for the Minister of Finance. It has been reported that June Menzies, vice chairman of the Anti-Inflation Board, in a speech in Winnipeg yesterday said that Canada "must lose no time in working out a deliberate and co-ordinated national food policy". I ask the minister, in view of his responsibility for the operation of the Anti-Inflation Board, will the cabinet be responding to this further considered view that we do not have a national food policy and that one is needed, and proceed now to take decisions on it and announce such a policy? I also ask this question because Mrs. Menzies, as an appointee of the present cabinet presumably would have the confidence of the entire cabinet, including the Minister of Agriculture, the Minister of Consumer and Corporate Affairs and of the Minister of Finance himself.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, there has been continuing discussion of the question of a national food policy in an attempt to arrive at a position which would take into account the interests of consumers of Canada and, at the same time, assure the viability of agriculture in this country. Obviously, this is a matter of fundamental importance, which has been given a great deal of time and attention.

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TRANSPORT

SUGGESTED CHANGE IN LICENSING PROVISIONS TO PROHIBIT USE OF OLD SHIPS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in the absence of the Minister of Industry, Trade and Commerce, may I direct my question to the Prime Minister? My question related to the impending lay-off of 1,000 workers at the Collingwood Shipyards. According to the director of the Steelworkers Union, which represents those employees, one reason for the shipyard's being on the verge of wholesale lay-offs is that the federal government allows ships sold for scrap in the United States to be licensed for use in Canadian waters. He said that 25-year-old ships which cannot be licensed in the United States can be purchased and used on the Great Lakes. I ask the Prime Minister if the government is considering changing the legislation, or the regulations, in order to prohibit the use of old ships in that way in Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not aware of the allegations, but if the hon. member will be patient, I will refer the matter to the Minister of Transport and the Minister of Industry, Trade and Commerce.

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INDUSTRY

COLLINGWOOD SHIPYARDS—POSSIBILITY OF BUILDING NEW SHIPS REQUIRED FOR PATROLLING 200 MILE FISHING ZONE

Mr. David Orlikow (Winnipeg North): A supplementary question, Mr. Speaker. Will the Prime Minister discuss with the Minister of Industry, Trade and Commerce and the Minister of the Environment what new ship capacity will be required to meet our needs if we are to enforce the 200 mile limit for fishing purposes? Such enforcement should require more ships which, possibly, could be built at the Collingwood Shipyards.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will take notice of the question.

Oral Questions

AIRPORTS

PRINCE ALBERT—INQUIRY AS TO APPROVAL OF EXPENDITURES FOR IMPROVEMENTS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the President of the Treasury Board. About ten days ago, I think, I asked him a question concerning the undertaking apparently entered into by the Minister of Transport, and widely advertised in the press in Prince Albert during the by-election, which led to the general belief that between $3 million and $6 million would be spent on the Prince Albert airport. Has anything of this kind been brought to his attention and is it now before the Treasury Board?

● (1140)

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, there have been discussions. A definitive answer to that would be best presented by the Minister of Transport when he is available.

Mr. Diefenbaker: Mr. Speaker, the Minister of Transport is not the President of the Treasury Board. I am asking the President of the Treasury Board whether there has been any formal application. I would suggest this to him, and I hope he will take it in the best of good humour, that unless this expenditure takes place, the Minister of Transport will not be able during the next election to jet himself into Prince Albert.

Mr. Andras: From my knowledge of the proposals, I would think that the Minister of Transport is totally responsible in his recommendations.

Mr. Basford: Mr. Speaker, I rise on a question of privilege.

Mr. Speaker: Order, please. I will see the minister at 12 o'clock.

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NATIONAL DEFENCE

REQUEST FOR RETENTION OF AIRBORNE REGIMENT IN EDMONTON

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my question is for the Prime Minister. I know the Prime Minister believes in participatory democracy. In view of the almost unanimous support to retain in the city of Edmonton the bilingual commando unit, will the Prime Minister now, in the interest of promoting the spirit of national unity in western Canada, reverse the decision to remove this unit to central Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not think the hon. member is seriously suggesting that I reverse a decision made by the Minister of National Defence on the recommendation of defence staff and of senior military advisers. I see that the Chief of Defence staff has now left the gallery. I am sure if he were here he would think the question rather preposterous.

Some hon. Members: Oh, oh!

Mr. Paproski: As long as this country is not at war and the morale of the troups in peacetime is très important—

Some hon. Members: Hear, hear!

Mr. Paproski: —which should be the prime concern, will the Prime Minister reconsider this very expensive and foolhardy move?

Mr. Trudeau: Mr. Speaker, this has been dealt with many times by the Minister of National Defence, but certainly I will agree with the assertion that this country is not at war. Mr. Speaker, you see in your gallery we have Romeo and Juliet, two Canadians from Hamilton.

Some hon. Members: Hear, hear!

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MANPOWER

CANADA WORKS PROGRAM—REQUEST THAT HIRING AUTHORITY BE GIVEN TO MAYORS AS WELL AS MANPOWER OFFICES

Mr. Cecil Smith (Churchill): Mr. Speaker, my question is for the Minister of Manpower and Immigration. I first want to assure him and the Prime Minister that no one in the Churchill constituency is living beyond their means. The unemployment rate in the Churchill constituency is in excess of 20 per cent. In order to qualify for the make-work programs, the unemployed must be hired through CMC offices. In many cases these centres are located hundreds of miles from communities. Will the minister give authority to the chiefs and councils, mayors and councils and community leaders who are better qualified to provide the placement of unemployed in their respective communities? Will he give them that authority to hire at the local level?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I think the CMC is more or less the co-ordinating unit. I will look into the situation to see whether we can do an even better job than we have done in the past.

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ENERGY

PRICING AND TAXATION POLICIES FOR PRESENT AND FUTURE COMPANIES OPERATING IN THE TAR SANDS

Mr. James Gillies (Don Valley): Mr. Speaker, my question is to the Minister of Energy, Mines and Resources. It arises out of the report on the oil sands and heavy oils. I think it is absolutely disgraceful that it was not tabled in the House of Commons so that we could ask appropriate questions. Is it government policy to allow the same pricing for oil and the

same tax regime for all organizations that operate or intend to operate within the tar sands?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I do not know what the hon. member is talking about when he says it was not tabled in the House of Commons. Both documents were tabled in the House yesterday afternoon. I think the hon. member was present.

Mr. Gillies: Mr. Speaker, there was no statement on motions, no opportunity to question this important document which I gather the minister does not think is significant or he would have been prepared to come here and talk about it in the House of Commons. Is the government going to allow the same price policy and same tax regime for all organizations that are now operating or propose to operate in the tar sands?

Mr. Gillespie: Mr. Speaker, this is under discussion at the present time with the government of Alberta.

TAR SANDS—GOVERNMENT INTENTIONS WITH REGARD TO CAPITAL EXPENDITURES

Mr. James Gillies (Don Valley): Mr. Speaker, is the government of Canada going to put any money into the development of new technologies for extracting oil from the tar sands? I notice in the report that they are getting technical advice. Is the government prepared to put any money into this operation? If so, is that money now in the estimates?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, it has already put about $300 million into Syncrude.

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MANPOWER

REQUEST FOR CLARIFICATION OF MINISTER'S STATEMENT CONCERNING APPLICABILITY OF DREE TO NATIVE UNEMPLOYED

Mr. Erik Nielsen (Yukon): Mr. Speaker, yesterday I tried to catch your eye to ask a supplementary question of the Minister of Manpower and Immigration. At page 4060 he was questioned by the hon. member for Lambton-Kent with respect to the exceptionally high unemployment rate in the Indian, Inuit and Metis communities which averaged between 45 and 60 per cent and at times as high as 95 per cent. His answer to the hon. member at the time was to refer to such programs as DREE operating across the country and, in cooperation with the Department of Indian Affairs, he was attempting to do what he could to assist at the government level.

In view of the fact that none of these people are living beyond their means as described by the Prime Minister, and the fact that virtually all of the Inuit people live above the sixtieth parallel, some 50,000 native people, virtually all of whom are unemployed, can the minister explain how DREE is going to help these people and whether he has discussed the application of DREE, which is supposed to be a national program, above the sixtieth parallel with his colleague, the Minister of Regional Economic Expansion?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I indicated that these two programs and departments work in concert to do what they can about high unemployment in this particular area. The initiative and responsibility for them comes under the aegis of my colleague, the Minister of Indian Affairs. It would be more appropriate to put the question to him.

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REGIONAL ECONOMIC EXPANSION

POSSIBILITY PROGRAM WILL BE MADE APPLICABLE TO NORTHERN TERRITORIES

Mr. Erik Nielsen (Yukon): Mr. Speaker, may I direct my supplementary question to the Minister of Regional Economic Expansion, and remind him of a statement by his colleague, the Minister of Indian Affairs and Northern Development, made recently in Yellowknife, that DREE was going to be turned into a truly national program and made applicable in the two northern territories, thus raising the hopes of northerners to a considerable degree. Can the minister now say emphatically that DREE is going to be applied to the two northern territories, finally making this a truly national program and perhaps alleviating some of the unemployment in those parts of Canada?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Yes, Mr. Speaker. Indeed, I have been authorized by cabinet to begin the exercise of extending the DREE program to the northern part of our country. Negotiations have been going on for some time as to how we can achieve that. I hope within a few months, if not weeks, we can conclude the negotiations and extend the DREE program to the northern part of our country.

Mr. Nielsen: It's about time.

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ENERGY

DISCUSSIONS WITH ALBERTA ON DEVELOPMENT OF HEAVY OIL—REQUEST FOR REPORT

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I wish to direct my question to the Minister of Energy, Mines and Resources. It arises out of the report tabled yesterday and deals particularly with the report on heavy oil. Can the minister bring the House up to date on the status of discussions with the province of Alberta, discussions which are aimed at accelerating the development of heavy oil reserves, particularly in the Lloydminster area? Can the minister say specifically what federal government initiatives are being advanced in order to enhance the economic viability of this very impor-

tant resource? Also, can the minister say what is being done to develop improved recovery techniques in terms of initiatives by the federal government?

● (1150)

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): The broad lines of the discussion concern both the province and the federal government moving back in terms of their revenue take from the development and processing of the tar sands. I cannot say more at this point but so far these discussions have been positive and I hope there will be a result very soon. Perhaps the hon. member would repeat the second part of his question.

Mr. Mazankowski: I should like to know what specific new initiatives the federal government is taking given the fact that a huge amount of capital and expertise will be required from both the public and private sectors. Are any new incentives or initiatives being advanced to increase the participation of the private sector?

Mr. Gillespie: Initiatives are being taken on both sides of the Saskatchewan-Alberta border. A short while ago we were able to reach agreement with Saskatchewan with regard to the use of a substantial amount of funds for the purpose of developing new recovery techniques in the Lloydminster area. I hope that shortly we can announce a joint agreement by the federal government and the Alberta government with regard to the use of research funds—funds which were set aside for the use of the government of Alberta as a result of the 1974 agreement. I believe the main estimates show that there are some $10 million available for research this coming year.

HEAVY OIL—POSSIBILITY OF PARTICIPATION BY PETRO-CAN IN ESTABLISHMENT OF REFINERY

Mr. Don Mazankowski (Vegreville): Inasmuch as Petro-Can has expressed interest in the development of this resource, could the minister tell the House whether his department is actively supporting and promoting the establishment of refining facilities by Petro-Can in that area? When might a definite decision be made in this connection?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): We are actively promoting development in that area. Petro-Can might well wish to be a part of a group of companies interested in such a project. There have already been talks between potential private participants and Petro-Can as well as between that group and the Saskatchewan government. There is a great deal of interest at the present time, all of which I fully support.

[Mr. Mazankowski.]

FINANCE

POLICY ON BORROWING ABROAD—GOVERNMENT POSITION

Hon. Robert L. Stanfield (Halifax): Mr. Speaker, a question for the Minister of Finance. In view of the concern expressed by the Prime Minister about the country living beyond its means and in view of the fact that one way in which a country can live beyond its means is by borrowing abroad, can the minister tell us whether he has indicated any policy in this area to the provinces, the municipalities, or even private corporations? I ask this in the light of the hon. gentleman's answer to my hon. friend yesterday in which he said he really did not have much of an idea as to how much would be borrowed abroad this year.

Hon. Donald S. Macdonald (Minister of Finance): As I pointed out yesterday, borrowings abroad in the coming year will be a function, broadly, of the spread in interest rates as between this country and the United States, a difference which is difficult to predict very long in advance. I would make this comment: we have not, as has been the case in the past, sought to restrain the provinces from borrowing on foreign markets. We have not done that in the past year or so. I think the critical point which the Prime Minister would make—it is critical from the standpoint of our balance of payments and borrowings—is that with respect to the competitive position of Canadian industry, and particularly with respect to the decline in the value of the Canadian dollar, making it more competitive, we have to make certain that the inflationary impact not be passed on in such a way as to overcome the advantage we have gained by the drop in value.

Mr. Stanfield: Then I take it the minister is not concerned about the volume of Canadian borrowing abroad?

Mr. Macdonald (Rosedale): I have said a number of times that a volume of borrowing comparable to that of 1976 would definitely not be sustainable by the Canadian economy.

Mr. Stevens: That was $8 billion.

Mr. Macdonald (Rosedale): However, I would point out that in the first quarter of 1977, that volume has not been maintained.

* * *

HUMAN RIGHTS

SUGGESTED STATEMENT CANADA WILL CO-OPERATE IN DEFENCE OF HUMAN RIGHTS

Mr. Andrew Brewin (Greenwood): Mr. Speaker, may I direct my question to the Acting Secretary of State for External Affairs? No doubt, he will have heard of President Carter's statement before the United Nations General Assembly yesterday that no nation can complain that the mistreatment of its citizens is solely its own business. The President also referred to the pledges of the signatories to the UN human rights charter to observe and respect human rights. Will the

hon. gentleman make it clear to the President and to the leaders of other nations who share his views, that Canada will co-operate fully in the defence of human rights?

Hon. Allan J. MacEachen (Acting Secretary of State for External Affairs): Yes, Mr. Speaker. There is certainly enthusiasm on our part over the position which the President of the United States took at the United Nations yesterday. We regard the text of the human rights charter as a fundamental one.

Mr. Diefenbaker: And done nothing about it!

Mr. MacEachen: Just recently, at the UN Commission on Human Rights, we attempted to get a resolution debated calling for an independent international inquiry into the systematic killing in Uganda. That was turned down, or put aside, because of the unfortunate double standard in this field which exists throughout the world. We have also undertaken obligations under the Helsinki Final Act under which we have agreed to monitor each other on the performance with respect to the commitment made under that act. So the message of the President is quite in accordance with our policy and will be supported by us in the future as in the past.

Some hon. Members: Hear, hear!

PROPOSAL TO CANCEL ASSISTANCE TO COUNTRIES VIOLATING HUMAN RIGHTS

Mr. Andrew Brewin (Greenwood): I thank the minister for his statement, but will he carry it a stage further? Will Canada undertake to co-ordinate with other countries the termination of assistance, whether direct or indirect, through national or international organizations, to countries which have been found consistently to breach basic human rights?

Hon. Allan J. MacEachen (Acting Secretary of State for External Affairs): That is a very large question indeed. I suppose every one of us could find that the cessation of food aid, for example, to impoverished countries is quite repugnant. Then there is the question of economic assistance; this was discussed recently by the Secretary of State for External Affairs when he posed the crucial question whether the installation of an irrigation system or a cement plant in a developing country helps the unemployed or the poor most, or whether it helps most a regime which might be unresponsive to the case for human rights. This is a very difficult question to answer but I believe the present circumstances of urgency attached to human rights leads us to examine our perception of this question, and that is what the Secretary of State for External Affairs undertook to do.

POST OFFICE

SUGGESTION PROCEEDS FROM INTERNATIONAL SALES OF NEW TWELVE-CENT STAMP BE ALLOCATED TO PROTECTION OF EASTERN COUGAR

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I have a question for the Postmaster General. It concerns the beautiful new 12-cent stamp which depicts the eastern cougar—official name, *felis concolor*—only 100 of which are known to survive in North America outside Florida. Since the common practice of paying models for posing is not followed by the Post Office, has any consideration been given by the government to allocating the proceeds of the international sales of this stamp to the protection of this animal before it becomes extinct?

Some hon. Members: Hear, hear!

Hon. J.-J. Blais (Postmaster General): I thank the hon. gentleman for calling the attention of Canadians to the fact that the Post Office has put out a new stamp depicting a member of this endangered species. His question affords me the opportunity of doing a little salesmanship with regard to that stamp. Having said that, Mr. Speaker, may I also thank him for offering me the opportunity of doing a bit of salesmanship with reference to that particular stamp. As well, I should like to indicate to him that I will take his particular suggestion into very serious consideration, and hopefully enough money will be generated from the sale of this stamp to give his suggestion some consequence.

* * *

● (1200)

WILDLIFE

POSSIBILITY OF FURTHER RESTRICTIONS ON LICENSING OF PERSONS KEEPING MIGRATORY WATERFOWL

Mr. Bruce Halliday (Oxford): Mr. Speaker, in the absence of the Minister of Fisheries and the Environment may I direct my question to his parliamentary secretary. Does the parliamentary secretary know whether or not the minister is aware, or is he himself aware, that the Canadian Wildlife Service has decided, or is about to decide, to restrict further the licensing of persons who may keep migratory wild waterfowl in captivity?

Mr. Jim Fleming (Parliamentary Secretary to Minister of Fisheries and the Environment): Mr. Speaker, I do not believe there are further restrictions planned in the future, though there have been some recently which might have prompted the hon. member's question. I do not know that under the Act there is a requirement for a licence to be held by someone who is going to have in his or her possession a bird that falls within the regulations under the Migratory Birds Convention Act. I do not know of any immediate plans for further restrictions but I will check and report to the hon. member.

Mr. Halliday: A supplementary question, Mr. Speaker. Given the parliamentary secretary's comments, does he know

whether or not the minister will require the Canadian Wildlife Service to consult interested groups such as the Canadian Ornamental Pheasant and Game Bird Association before recommending any changes; and can he assure the House, if there are any changes, that they will be in keeping with, and not more stringent than, policies adopted by other signatories to the migratory birds convention?

Mr. Fleming: Mr. Speaker, as parliamentary secretary I do not, of course, decide policy, but I will certainly take the hon. member's representation to the minister. The only caution I would present, if I may, is that there may be occasions when Canada would be pleased to be a leader in protecting endangered species, and therefore to say that we would never do anything more than another country would not be the traditional policy of the Canadian Wildlife Service, which has an excellent reputation.

* * *

PRIVILEGE

MR. GILLIES—STATEMENTS OF MINISTERS MADE OUTSIDE HOUSE

Mr. James Gillies (Don Valley): Mr. Speaker, I rise on a question of privilege. I want to raise a question of privilege which has been raised many times before and I hope Your Honour will take it most seriously, as I am sure you will. It relates to the fact that yesterday the Minister of Energy, Mines and Resources (Mr. Gillespie) at a press conference put forth a document which in many respects is supplementary to the paper "An Energy Strategy for Canada" which was released two years ago. It was a most important document which was followed by statements, many of which can be challenged, many of which are incorrect, statements which should be questioned in the House. There should be an opportunity for the people of Canada to know what the Department of Energy, Mines and Resources has in mind in terms of energy for this country, but there was no statement made on motions.

With all due respect, Mr. Speaker, I think all of us know that parliament is in grave difficulty in this country. People are concerned about parliament and whether it is relevant to the governing of this nation. The role of parliamentarians is declining. Actions such as this, where parliamentarians are not given the privilege of examining, as they ought to examine, major policy statements of the government, do nothing but very seriously hurt parliament.

I urge, with all respect to Your Honour, that this government should go back to the practice which has been followed over the years, that when important statements are made, they are made in this House on motions so there can be appropriate examination of such statements. The privileges of all members of this parliament and of the people of Canada are really hurt by the procedure that is now being followed by the government, with the Minister of Energy, Mines and Resources bringing forward a document which very substantially amends a major policy statement made just a couple of years ago.

Therefore, I wish to propose a motion in the following terms:

That the matter of the government's unwillingness to have statements by ministers on important documents be referred to the Standing Committee on Privileges and Elections so that this matter can be examined in the context of what it is doing to erode the privileges of members of parliament and the people of Canada.

Some hon. Members: Hear, hear!

Mr. Speaker: The Minister of Energy, Mines and Resources (Mr. Gillespie) on the same question of privilege.

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I should like to speak to this motion since I suggest it is based on a number of misconceptions. The hon. member said that this was an important document. I agree with him that it is an important document. But to go on to describe it as a major policy statement is, I think—

Mr. Gillies: It is an amendment to policy.

Mr. Gillespie: —overstating the point completely. It is a factual document. There are two documents dealing with an update of the oil and natural gas resources of Canada and with the oil sands and heavy oil prospects. It does not deal with any policy statement in the sense of recommended courses of action; it is strictly an informational document.

The second point I want to make is that the standing committee on national resources has a reference at the present time before it, "An Energy Strategy for Canada", and it is because the committee has that reference and is dealing with important energy questions that we thought it important to place this matter before the public so that it could be part of the committee's considerations.

I do not see how the hon. member can argue that these two documents, comprising hundreds of pages having to do with a great deal of technical and detailed information, are the sort of thing that one would want to respond to after perhaps half an hour's reading or even an hour's reading in some sort of debate on a statement on motions. Surely, if he wants to re-examine the important information contained in these documents, the best way is for the committee which is charged with the question of an energy strategy for Canada to receive it. I would also point out to the hon. member that I did not in any way meet with the press before I tabled those documents in the House. My officials gave a briefing to press officers, which is a great tradition of this House, but I did not meet with the press. I placed the documents before the House before I met with the press.

It seems to me there is one other point which we should not completely overlook. Yesterday was an opposition day, and I remember that in the past opposition members have been very unhappy at the government making a statement on motions which usurps—to use their term—a large piece of parliamentary time. I would think that it would not have been the sort of move which opposition members would have complimented us on had we taken that course. For all those reasons, Mr.

Speaker, I suggest that the hon. member's question of privilege is based on a misreading of the facts, a misunderstanding of the situation, and I do not think it is relevant to the question before us.

Mr. Speaker: The hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) on the same question of privilege.

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, on the same question of privilege, the statute that governs this matter is the National Energy Board Act. That act makes very clear that the National Energy Board is responsible for advising the government as well as performing a regulatory function. Here we have a report brought in by the minister, through civil servants in his department, which ignores the existing legislation which gives this responsibility to the National Energy Board. I think the question of whether the government is ignoring the National Energy Board Act by bringing in a report, not through the National Energy Board, the agency set up by parliament to do so, but through some section in the minister's own department, is an important matter affecting the privileges of this House.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I do not want to deal directly with the specific instance raised by the hon. member for Don Valley (Mr. Gillies); I believe that has been dealt with effectively by the Minister of Energy, Mines and Resources (Mr. Gillespie). However, I do want to react positively to the general concern that he has expressed in his statement about the situation in parliament, and particularly about the image which parliament frequently has at the present time of not dealing with relevant events.

● (1210)

The right hon. gentleman from Prince Albert (Mr. Diefenbaker) on more than one occasion has outlined the necessity of having a debate, for example, on the subject of external affairs. It would have been useful in recent weeks if it had been possible in the House of Commons to deal with the question of human rights which is attracting the concern of certain people in many countries of the world. There are other issues that can be debated in the House, including energy issues, and questions of national unity, which will become more important as time goes on, and thus the House and its debates would appear much more relevant to us and to the people at large.

There is no question, at the present time, that our debates are becoming not only irrelevant to the people of Canada but irrelevant to the members of the House of Commons. I have observed the situation in the chamber since I came back to this job last fall. As I observed the situation, there is a malaise, a sense of boredom and a sense of drift among members of parliament with respect to the debates that take place in this chamber.

When the hon. member for Don Valley makes the general plea that we ought to do something to make our operations more relevant and more meaningful, I support him very much. His plea was sincere and made from the heart. I hope that before this session is over all hon. members will understand what we are doing to this institution in the way we conduct our business.

An hon. Member: I think it is time for an election.

Mr. Ray Hnatyshyn (Saskatoon-Biggar): Mr. Speaker, I think the remarks of the government House leader and some of the implications of what he said should not remain unanswered. It seems to me that all of us in this House and, I know, members of our party in the tradition of the right hon. gentleman from Prince Albert (Mr. Diefenbaker) have very high regard for the institution of parliament. It seems to me that any suggestion that there is a panacea which is available, aside from the organization of affairs on the part of the government with respect to its legislative program, is doing a disservice to this institution—

An hon. Member: Hear, hear!

Mr. Hnatyshyn: —and is suggesting that there is a magic wand that may be waved. I simply make the point with respect to this issue that if the House leader of the government is in fact interested in bringing some relevance to the House of Commons, he should listen with sympathy to the suggestion made by my colleague, the hon. member for Don Valley (Mr. Gillies), and encourage ministers, including the Minister of Transport (Mr. Lang), to be present in the House of Commons to make major statements with respect to changes of policy in this chamber, and not before the television cameras.

Some hon. Members: Hear, hear!

Mr. Hnatyshyn: Mr. Speaker, I think my colleague in fact has moved a specific and constructive motion to have this whole matter directed to the Standing Committee on Privileges and Elections. It would be an ideal opportunity for members of that committee, in the spirit of mutual respect that we have for parliament, to look at the over-all question of statements made by ministers, major amendments and the utilization of the rules in this respect. I think the suggestion made by my colleague is eminently sensible, and the government House leader, by his remarks, clearly indicates support of the motion.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The question of privilege raised by the hon. member for Don Valley (Mr. Gillies) is, of course, not a new one. It was raised recently in connection with statements made outside the House by the Minister of Transport (Mr. Lang) respecting changes in transportation policy. This happens whenever a statement is made or a press conference is held by a minister in respect of matters of that sort.

The intervention of the Minister of Energy, Mines and Resources (Mr. Gillespie) gave an indication of the difficulty of attempting to frame any kind of rule which would have an intelligent application to these circumstances. It is evident, in this situation, that there is disagreement as to whether it was a

statement changing policy in some way. Therefore, it gives an indication of the difficulty in attempting to change a regulation which might be enforceable in a reasonably consistent way, because who is going to have the responsibility of defining what is or what is not a major policy statement by a minister, what is simply the tabling of the document and what ought or ought not to be accompanied by a statement?

In any case, that only represents some of the difficulties which give rise to the existence of the precedent and the clear practices of the House that the failure, the option of the minister to make a statement either in the House or outside it, may be the subject of comment and is, as was the comment made today, but is not the subject of a question of privilege for those reasons.

I think I ought to add that privilege is a classification of a motion which, if accepted by the Chair, is coming within the classic definition of privilege and takes precedence over other motions that would be before the House in the ordinary course of business. The fact that it does not qualify within the confines of privilege does not mean that it has no importance. There are some standard motions that can be put before the House on the same subject in other ways. The question that the Chair always has to decide when a question of privilege is raised is upon the practices and precedents of the House. Does this question come within the classic definition of privilege so as to surpersede other business? On the precedents and their very clear application at numerous times in the past I have to find that that is not the case at the present time.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I rise on a point of order. I prefaced my question this morning by saying that crude oil reserves in Canada have been declining in recent years. The minister said that if I had read the report which he tabled yesterday I would know that these reserves are the same. I know the minister would not want to mislead the House. I therefore refer to the document which he tabled, and at page 14 it reads:

> Current remaining reserves of conventional crude are down some 17 per cent from the peak year of 1970.

I was not referring to frontier oil of which only half a billion barrels have been found; I was referring to conventional crude oil. It is perfectly apparent from the document the minister tabled that there has been a decline. None of us is happy about it. I do not think the minister would want to leave the impression that there has been no decline in our reserves of conventional crude oil.

Mr. Gillespie: I rise on a point of order, Mr. Speaker. I am pleased that the hon. member has clarified the preamble to his question, and as a clarification, of course, I accept his position. It was not the way I understood it when he put it to me. The impression he created for me, and I think for some others, was that there had in fact been a change from the previous year with respect to conventional crude oil reserves. That, of course, is not the fact: the document makes that clear.

[Mr. Speaker.]

BUSINESS OF THE HOUSE

Mr. Hnatyshyn: Mr. Speaker, I wonder if the government House leader is in a position today to designate an allotted day next week, in view of discussions that have taken place since yesterday.

Mr. MacEachen: Yes, Mr. Speaker, I would like to designate Tuesday of next week as an allotted day.

Mr. Peters: Mr. Speaker, I rise on a question of privilege. An interesting situation took place this morning over a motion moved by my colleague, the hon. member for Winnipeg North Centre in relation to Bell Telephone. I raise it because of some interesting studies that have been done in Bell Telephone which have come to my attention. The question was raised in relation to the high salaries and the fact that this had relation to the subscribers. In our discussion of a Standing Order 43 motion Your Honour heard a "yes" and "no" vocal declaration. There is a certain amount of anonymity which I presume is protection by no designation. I would question whether Your Honour is in a position to know whether there is a conflict of interest in this regard. It has been brought to my attention that a number of members of the House are closely connected with Bell Telephone Company.

• (1220)

Mr. Woolliams: We are all connected!

Mr. Peters: I am not talking about subscribers of Bell Telephone. They are the ones paying the high salaries of the people concerned. But there are other members of the House who are much more closely connected with Bell Telephone Company.

An hon. Member: Name them.

Mr. Peters: I would be happy to name them. They are much more closely connected because of the control of companies which own Bell Telephone. If they had been the ones to say no, or if the whip of the party had said no, that would be one thing; but if it had been any other member there would have been a conflict of interest. My point is that by using the method whereby no one has to say they are in favour of, or opposed to the motion, they may be involved in a conflict of interest and this would not be readily apparent to Your Honour.

Therefore, I suggest that for the protection of members who do not want to be involved in conflict of interest—because I assume that any member who has an indirect control of Bell Telephone Company has said no—it would be much better if we adopted a procedure whereby those who objected to a motion would have to say no, so there would be no doubt about the matter.

Mr. Speaker: The hon. member for Timiskaming has raised a point which has been raised before and to which the Chair has given attention in the past. It may be a suggestion for changes in the procedures in the House which can be made in

a positive way. Clearly, it does not constitute a question of privilege. The question of unanimous consent, in the circumstances, is clearly described in Standing Order 43. If it were the will of the House that refusal under Standing Order 43 was to be carried out in a way similar to the manner in which a recorded vote is carried out or the way in which objections are made to the extension of hours pursuant to the Standing Order, that within the last hour of debate in the day a member may put forward a motion for an extension of the hours unless a certain number of members rise in their place to object to it—if the language were to be used in that way it would, presumably, accomplish the purpose of the hon. member and those who have raised the point before.

However, that is not the wording of the Standing Order. Accordingly, unanimous consent means exactly what it says, that if any one member indicates to the Chair by the traditional method of saying "No" that his or her consent is withheld, then the Chair cannot proceed on the basis of unanimous consent. That consent may be withheld not in relation to the merits of the motion but on procedural grounds. It may be an unwillingness to set aside the business of the day, even an unwillingness to debate a matter or to let a matter go without debate. There can be all kinds of motivations. Whatever it is, the Chair is compelled now to simply determine whether or not unanimous consent exists.

The Chair must not proceed if it is the desire of the House to examine any possibility for doing it in a different way on the basis of the suggestion of the hon. member. That suggestion should be forwarded to the Standing Committee on Procedure and Organization. It does not constitute a question of privilege.

Mr. MacKay: Mr. Speaker, I rise on a brief point of order. A few moments ago a memorandum was delivered to me intended for my friend, the government House leader. It is marked "Memorandum" and "Confidential". I wonder whether this is an innovation on behalf of the government, a more reasonable attitude toward freedom of information, or whether it is just an indication of lack of government organization.

Mr. Paproski: I rise on a point of order, Mr. Speaker. I was surprised by the interjection of the Prime Minister when he recognized Thespius, from "Romeo and Juliet", during my serious and important question. However, in view of the answers the Prime Minister gave me during the question period, I hope he will go and take a jump in "Swan Lake".

ROUTINE PROCEEDINGS

[*English*]

FINANCE, TRADE AND ECONOMIC AFFAIRS

Fifth report of Standing Committee on Finance, Trade and Economic Affairs—Mr. Cafik.

[*Editor's Note: For text of above report, see today's Votes and Proceedings*]

QUESTIONS ON THE ORDER PAPER

[*Translation*]

(Questions answered orally are indicated by an asterisk.)

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the following questions will be answered today: 1,613, 1,614, 1,615, 1,616, and 1,826.

[*Text*]

INDIAN RIGHTS AND TREATY RESEARCH PROGRAM

Question No. 1,613—**Mr. Holmes:**

For the fiscal year (a) 1972-73 (b) 1973-74 (c) 1974-75 (d) 1975-76, what projects were rejected under the Indian Rights and Treaty Research Programme and, in each case, for what reason?

Mr. B. Keith Penner (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): There were no projects which were rejected by the Department of Indian Affairs and Northern Development under the four year, $7.5 million Indian Rights and Treaty Research Program. The research program being carried out by the Indian associations was not project oriented, rather, it was geared to enable the Indian associations to set their own research priorities within the limits of available funds and to begin work on the identification and substantiation of Indian rights as well as to commence basic research into the resolution of grievances and/or claims relating to the administration of land and other Indian assets under the Indian Act, and to the fulfilment or interpretation of Indian treaties.

INDIAN RIGHTS AND TREATY RESEARCH PROGRAM

Question No. 1,614—**Mr. Holmes:**

1. Are the recommendations of the National Indian Brotherhood as set out in their December 1976 evaluation report of the Indian Rights and Treaty Research Programme being followed and, if so, to what extent?

2. What levels of research funding is the government prepared to allocate for each of the 17 major Indian research teams for the fiscal year 1977-78?

Order Paper Questions

3. What levels of research funding has been approved in principle for the next five years, taking into consideration the achievements of the research programme based upon the past funding arrangements?

Mr. B. Keith Penner (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. The 12 recommendations as set out in the National Indian Brotherhood funding program evaluation report are being given serious consideration by the Department of Indian Affairs and Northern Development and will be used in the development of future funding programs. Specifically, the department agrees with the NIB that the resolution of Indian claims will be a lengthy and complex process, and that financial support will be required for a considerable time. In line with the NIB recommendations, the department will be supporting regular Research Directors meetings, and will be involving the NIB in the decisions involving distribution of available program funds.

2 and 3. Decisions on the total level of funding and allocations to provincial Indian associations cannot be made until a program budget has been approved by Treasury Board.

FUNDING OF RESEARCH DEVELOPMENT AND NEGOTIATION OF SPECIFIC CLAIMS

Question No. 1,615—**Mr. Holmes:**

For the 1976-77 Interim Programme for the funding of research development and negotiation of specific claims, what projects were approved and, in each case (a) what is a brief description (b) what amount of funds was allocated?

Mr. B. Keith Penner (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): In 1976-77 the provincial Indian associations conducted research into specific claims which are defined as claims relating to the administration of land and other Indian assets under the Indian Act and to the fulfilment or interpretation of Indian treaties. (a) From this broad base, the associations researched and developed possible claims as their respective finances and priorities dictated. It would appear that most activity was involved in researching land surrenders. Sample research projects as being conducted by the Indian Association of Alberta, and the Union of New Brunswick Indians are as follows:

Indian Association of Alberta	
Research Requests	
Project	Band
Land entitlement	Alexis
Land surrender	Saddle Lake
Land entitlement	O'Chiese
Loss of trapping, livelihood claims	Cold Lake
Land entitlement and surrender	Goodfish Lake
Land surrender and entitlement	Horse Lake
Land entitlement	Cree/Chip
Claims Development Requests	
Project	Band
Land surrender	Louis Bull
Land surrender and entitlement	Horse Lakes
Union of New Brunswick Indians	
Project	Band
Claim for land at Meductic	Woodstock
Claim for land illegally occupied by Miramichi Timber Resources	Eel Ground
Claim for land illegally occupied by squatters at Big Hole Tract	Eel Ground
Land claim	Tobique
Settlement of land flooded by Tobique Dam	Tobique
Provincial roads never compensated for	Burnt Church

(b) 1976-77 Interim Funding Program for the Research and Development of Specific Claims

Funding Requests and Accountable Contributions Provided Association/Band	Funding Request	Total Received
Maritimes		
Union of Nova Scotia Indians	$ 75,300	$ 65,000
Union of New Brunswick Indians	99,704	65,000
	175,004	130,000
Quebec		
Indians of Quebec Association	387,183	86,000
Attikamek Montagnais	152,020	49,000
Caughnawaga Band	52,700	—
	591,903	135,000
Ontario		
Union of Ontario Indians	222,663	110,000
Grand Council Treaty No. 3	147,075	55,000
Grand Council Treaty No. 9	418,988	107,714
Assoc. Iroquois and Allied Indians	79,500	52,500
Ontario Reserves Association	88,000	32,500
St. Regis Band	23,500	—
Gibson Band	18,340	—
Walpole Island Band	26,379	—
	1,024,445	357,714
Manitoba		
Manitoba Northern Flood Committee	5,000	5,000
Manitoba Indian Brotherhood	1,276,100	215,000
	1,281,100	220,000
Saskatchewan		
Federation of Saskatchewan Indians	466,663	220,000
	466,663	220,000
Alberta		
Indian Association of Alberta	177,286	177,286
Peigan Band	21,220	10,000
Kehewin Band	30,000	10,000
Blood Band	10,000	10,000
Blackfoot Band	38,600	—
Samson Band	30,000	—
Goodfish Lake Band	5,000	—
	312,106	207,286
Yukon		
Yukon Native Brotherhood	65,160	—
	65,160	—
National		
National Indian Brotherhood	30,000	30,000
	30,000	30,000
Total	$3,946,381	$1,300,000

INDIAN RIGHTS AND TREATY RESEARCH PROGRAM

Question No. 1,616—**Mr. Holmes:**

1. For the fiscal year (a) 1972-73 (b) 1973-74 (c) 1974-75 (d) 1975-76, what projects were approved under the Indian Rights and Treaty Research Programme?

2. What is a brief description of each such project and the amount of funds allocated in each case?

3. Did the allocations respond to the needs as expressed by the Indian associations and, if not, for what reason?

4. Which projects have been completed?

5. Which projects have not been completed and, in each case (a) what is their present status (b) for what reason?

6. Does the funding meet the research needs of the bands and associations and, if not, what criteria are used by the Department of Indian Affairs and Northern Development to determine which research projects will be funded?

Mr. B. Keith Penner (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. See reply to question 1,613 tabled this day. There were no "projects" approved by the Department of Indian Affairs and Northern Development under the four-year Indian Rights and Treaty Research Program. The Memoranda of Agreements enabled the Indian associations to "conduct research into Indian rights and treaties on behalf of their member bands".

2. See 1 above.

3. The program was approved by the government in 1972 at the level of $7.5 million. Total requests for funding approximated $14 million.

4. The National Indian Brotherhood, in its evaluation report of December, 1976, indicated that approximately 50 per cent of the "Indian Rights" research has now been completed and that claims research and development completion was estimated at between two years in Nova Scotia to in excess of ten years in Ontario.

5. (a) As in 4 above, the research and claims development process will be lengthy and complicated. (b) Because of confidentiality clauses in each research funding agreement, many Indian associations will not disclose details of claims now completed, nor those underway. In most cases the submissions of completed claims have been delayed pending government-NIB agreement on an acceptable claims resolution process.

6. Funding provided by the department under the terms of the Indian Rights and Treaty Research Program was considered adequate at that time to enable the Indian people to commence work on the identification and substantiation of Indian rights and to begin claims research within the limits of the funds available.

TASK FORCE STUDY OF ARSENIC IN YELLOWKNIFE

Question No. 1,826—**Mr. Smith (Churchill):**

What is the total expected cost of the task force study into the question of arsenic poisoning in Yellowknife to which the Department of National Health and Welfare is contributing $100,000?

Hon. Marc Lalonde (Minister of National Health and Welfare): At the present time, it is not possible to state the exact cost of the task force studying the effects of arsenic in Yellowknife. A total of $100,000 has tentatively been set aside for this purpose for the fiscal years 1976-77 and 1977-78. The final cost will depend upon the recommendations of the task force at the end of Phase 1 of the study which will constitute a review of all currently available information.

[*Translation*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, if question No. 1,243 could be made an order for return, that return would be tabled immediately.

[*Text*]

STERILIZATIONS PERFORMED IN NORTHWEST TERRITORIES

Question No. 1,243—**Mr. Firth:**

What are the number of tubal ligations performed on (a) Inuits (b) Indians (c) others in each community of the Northwest Territories for each year since 1970?

Return tabled.

[*Translation*]

Mr. Speaker: Shall the remaining questions be allowed to stand.

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

PENSION ACT

MEASURE TO ESTABLISH REVIEW BOARD

Hon. Daniel J. MacDonald (Minister of Veterans Affairs) moved that Bill C-11, to amend the Pension Act, be read the second time and referred to the Standing Committee on Veterans Affairs.

He said: Mr. Speaker, it is my pleasure to move that Bill C-11 be read a second time and referred to the Standing Committee on Veterans Affairs. This bill is to amend the Pension Act for the purposes of changing the constitution of the Pension Review Board in order to improve its capabilities. The Pension Review Board was created by parliament in 1971 following the recommendation of the Woods committee established by Treasury Board to survey the work and organization of the Canadian Pension Commission. The procedure for appeal was one of the most important aspects of the inquiry. The committee was mindful that on two previous occasions in the 1920s and 1930s experiments with appellate tribunals under the Pension Act had not been successful.

This history of unsatisfactory experiences with former appeal bodies under the Pension Act led one of the members of the committee to write a dissenting recommendation and gave rise to concern by veterans' organizations, members of parliament and others who had knowledge of these matters. However, the committee, by majority decision, felt that another attempt to set up a strong and independent appellate body was

essential. It was agreed that another try should be made on the basis of a five-year term office but with provision for a reassessment of the board's ability to cope with any difficulties that might arise.

The board will have been in operation for five years by next March. I am pleased to say it has responded well to expectations and now serves fully the purpose for which it was created. These amendments will give it more flexibility and continuity. The Pension Review Board has five members including the chairman. Under the terms of the Pension Act they are appointed for a term of five years. This bill provides for a ten-year term.

The Pension Review Board is often referred to as the high court of disability pension law. It has two functions. It is responsible for hearing entitlement and quantum appeals arising from decisions of the Canadian Pension Commission. Second, it is responsible for interpretation of the Pension Act. Extensive authority is vested in the Pension Review Board by the Pension Act. Decisions concerning questions of law or fact are final and binding for all purposes of the Pension Act.

● (1230)

A short term of office of five years threatens the efficiency of the board. It takes a full year for a new appointee to acquire the necessary expertise to perform his full share of the work, and the assistance he requires during that time creates additional demands on the chairman and other members. The temporary nature of a five-year term is not conducive to career orientation and independence of mind. It is significant that the term of appointment to similar appeal tribunals is for life and that a ten-year term is the minimum for all administrative boards.

There is presently no provision in the Pension Act for the appointment of a deputy chairman. The chairman is chief executive officer of the board and must preside at all sittings of the board. With the anticipated increases in volume, extra sessions will be required if a backlog of hearings is to be prevented. The appointment of a deputy chairman would permit a more equitable division of the workload and allow the board to conduct more hearings. A review of similar boards reveals that all have a deputy chairman who acts in the absence of the chairman and who has the powers of the chairman when presiding at sittings of the board. It is essential to the efficiency of the Pension Review Board that there be continuity of leadearship provided by the chairman through his deputy.

The appointment of a deputy chairman does not increase the number of permanent members of the Pension Review Board, which remains at five. The bill provides that there shall be a Pension Review Board consisting of a chairman, a deputy chairman and three other members appointed by governor in council to hold office during pleasure for a term of ten years. This bill further provides for the governor in council to appoint ad hoc members if and as required for a term not in excess of one year.

[Mr. MacDonald (Cardigan).]

In the last three years the number of appeals to the board has increased at an annual rate of 200. It is anticipated that the number of applications this year will exceed 600. Any further increase will severely tax the ability of the board to cope with the demands. The number of appeals to the Pension Review Board is directly related to the number of entitlement board hearings held by the Canadian Pension Commission. In 1973-74 these hearings increased in number by 60 per cent over the previous year and by 23 per cent in 1974-75. A minimum increase of 20 per cent is anticipated in 1975-76.

The use of temporary members to assist regular members when warranted by special circumstances is not new. The provision is found in the constitution of all similar boards with few, if any, exceptions. The practice has stood the test of time and will fill the need created by any further increases in the volume of applications while creating a buffer to overcome the problems periodically encountered due to illness and vacation of board members. There is one other amendment. It is to the termination of office section. It does not change the meaning or sense of the section. The purpose of the amendment is simply to improve the wording and clarify its meaning.

In conclusion, it was parliament's intention, in setting up this board, to provide veterans and their dependants with an expeditious avenue of appeal, and the Pension Review Board has provided just that. These amendments to its constitution will enable it to continue to do so. They will provide the element of flexibility required to meet changing demands, while still maintaining a level of quality performance.

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I do not think my party has any quarrel with the bill and, hopefully, with the agreement of the other opposition parties spokesmen we will be able to get the bill to committee and passed quickly. I am sure the minister is aware of the co-operation from all sides of the House on veterans affairs bills. This bill provides for the appointment of a deputy chairman and, as the minister indicated, it increases the tenure of the board from five to ten years and allows for other normal appropriations of public revenue. As I have said, my party has no quarrel with the terms and conditions of the bill. As a matter of fact, we wonder at the delay in providing additional members. This will tend to bring about a more adequate service for veterans, particularly in adjudicating applications for pensions, and appeals.

The minister indicated in his remarks that over the last three years the number of appeals to the board has increased at an annual rate of 200. It is anticipated that the number of applications this year will exceed 600. This certainly indicates that the workload of the Pension Review Board, the Canadian Pension Commission and the Bureau of Pensions Advocates is increasing, and hopefully this bill will clean up the very serious backlog of 3,000 which now exists.

What the minister did not point out is that in addition to the fact that the number of applications will exceed 600 this year, in the "Veterans Canada" report it indicates that of the 1,011 disability decisions 653 were unfavourable and only 128 were favourable. There were 212 which were partly favourable. This

indicates to me that the minister should reconsider some of the restrictions in the act which deny many veterans the appeal or satisfactory adjudication that they deserve. I refer to the "benefit of the doubt" clause. Much delay is caused by the fact that evidence has to be sought. In many cases widows are applying for their dead husband's pensions and it is impossible to find evidence. In many cases First World War veterans cannot substantiate that they are now suffering from conditions resulting from First World War wounds. Here, again, there are untold delays, to the embarrassment of everyone, because evidence cannot be found. We should look at the benefit of the doubt clause.

On March 7 I proposed a motion which dealt with 17 different anomalies which should be reviewed. I mentioned that it should be embarrassing that 58 years after the First World War we are still trying to clean up an act which has been in existence for so long. With all the expertise the minister has in his department, we should be at the point where the Pension Act is almost perfect. Last night I was reading a book entitled "Veneration for Valour". One sentence on pensions reads:

In Canada, since the time of the Fenian raids in 1866, the pension has been accepted as the basic reparation for injury or death in war.

It has been over the last 100 years that we have been dealing with pensions. I can only hope that we will get on with this backlog of applications and that every effort will be made to clean it up. As I have said, those applications still number 3,000.

We should consider the relationship between the Pensions Review Board, the Canadian Pension Commission and the Bureau of Pensions Advocates, because they are all related. One way the backlog could be cleaned up would be to follow the advice of a learned, interested veteran who indicates the following:

The Canadian Pension Commission admits there is a serious backlog in handling pension applications. A great part of this backlog is believed to be at the Entitlement Board stage, which requires a hearing in a city near the place of residence of the applicant.

Normally these hearings require three members of the commission. Section 72, subsection (2)(a) of the Pension Act provides, however, that the commission may designate one commissioner as an examiner to go to various localities in Canada to take evidence and hear argument respecting an applicant's case.

This can be done only where the applicant informs the commission that the place or time fixed by the commission for a regular Entitlement Board is not convenient.

It seems obvious that the use of examiners would speed up the Entitlement Board process and it is noted that the Woods committee recommended this procedure, where the commission ran into a serious backlog of cases.

● (1240)

The representation continues:

My understanding is that the Bureau of Pensions Advocates, which represents a large percentage of pension applicants, has not made use of the examiner procedure and I would like to ask the minister whether he would discuss this matter with the chief pensions advocate to determine:

(a) Whether the chief pensions advocate considers that this procedure would provide an equitable means of handling pension claims; and

(b) Why the chief pensions advocate has not encouraged pension applicants whose cases have been delayed to request a hearing before an examiner.

I also raised the question of the Pension Commission which is closely related. The "Veterans Canada" report says that as a result of changes in the act in 1971, anomalies were removed to ensure complete equality of status of male and female members in respect of rights and obligations under the act. I ask the minister and the House, what about the equality of widows about whom I and the hon. member for Winnipeg North Centre (Mr. Knowles) have been harping? I am referring to widows whose husbands were receiving a pension of less than 48 per cent. Mr. Speaker, I suggest that there is not equality in this area. For some reason, those concerned about the status of women do not know these facts.

I appeal to the minister to raise this matter in cabinet, to convince the cabinet that the question involves equality. At present there is lack of equality. The law at present is an anomaly and is discriminatory. We should correct this. We learned yesterday what it would cost to put right some of these matters. Back in 1917 we promised our veterans that they would never have to worry about being repaid for their sacrifices. I suggest that the people of Canada would be willing to accept an expenditure in this regard of between $35 million and $40 million.

We ought to consider that veterans in the category I have mentioned are greatly worried about what will happen to their wives and dependants after they die. That humane consideration alone dictates that there must be no more delays in introducing an amendment to the Pension Act which would include those widows. The recommendation of the Standing Committee on Veterans Affairs indicates the pro rata basis on which this can be done.

I now turn to the war compensation legislation, a subject which the hon. member for Edmonton Centre (Mr. Paproski) brought to our attention in commmittee yesterday. We should have insisted including in that legislation veterans of the First World War, who are excluded. We neglected to include them, and for that omission I take some of the blame. I am sure the hon. member for Winnipeg North Centre will agree with what I say. When the war compensation legislation was introduced and accepted we should have insisted on the inclusion of First World War veterans. I suppose I can use the excuse that the matter was not included in the terms of reference. We learned yesterday that there are only 200 veterans who would be affected and the cost of including them would be only $200,000 per year. Certainly, the ranks of World War I veterans 83 years old and older will be thinning out. Their numbers are declining each year. The Pension Act was introduced in 1866, I think. I am sure that anything we can do to help out those veterans and apply humane considerations would be most popular and would meet the approval of people all across this country.

As I said previously, we have no quarrel with the bill. If I can be somewhat political, let me point out that in our policy paper of 1974 my party dealt with the question of pensions. Some people say that my party has no policy. I want the minister to know that a Progressive Conservative government would take immediate steps to provide additional administra-

tive and support assistance to the Canadian Pension Commission, the Pension Review Board and the Bureau of Pensions Advocates.

Mr. Paproski: The government took that idea right out of our book.

Mr. Marshall: Let me tell hon. members that our party would immediately introduce widows' pensions for widows whose husbands had received pensions of less than 48 per cent. Hopefully, we shall now be able to increase the Pension Review Board with an additional two ad hoc members and appoint a deputy chairman who will be able to preside over hearings, cut down the backlog of cases and help our veterans. At present, many veterans die without the opportunity to have their pension applications or appeals dealt with. I hope now that they will realize, before they die, that Canada really cares for them and has tried to repay for their sacrifices.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on behalf of my party I wish to make it clear that we readily support Bill C-11. As has already been made clear, its purpose is to strengthen the Pension Review Board by increasing the length of the term of the members thereof, and also by creating a deputy chairman so that at least two meetings of the board can take place at the same time. The bill has the further purpose of providing for the appointment of two ad hoc members. This, also, will enable the board to cope with the rising number of cases.

From my point of view, the best proof of the efficacy of this board is the record of the cases with which it has dealt. While I do not have the figures before me, I think that even as late as yesterday the rate of reversals was over 30 per cent. That means that more than 30 per cent of the cases referred to the Pension Review Board are reversed. In other words, the Pension Review Board gives a decision in favour of the veteran, whereas the Canadian Pension Commission, through its various workings, has ruled against the veteran. That is not to be taken as a criticism of the Canadian Pension Commission. It follows the law and tries to give the veteran the best break possible. We were also told in committee that the Canadian Pension Commission takes note of the decisions of the Pension Review Board and tries not to make the same mistakes.

It is also noteworthy that whereas previous attempts to set up an appellant body failed, this one, established following the Woods commission study in 1971, has been so successful that on all sides we are prepared not only to continue it but to strengthen it so that it can do its job.

I pay tribute to the chairman of the Pension Review Board, who was a member of this House when I came here some years ago. I refer to René Jutras. I pay tribute to him, and to all members of the board, for the good work the board has done.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I think the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) has done a good service today in relating the work of the Pension Review Board to the work of the Canadian Pension Commission and the work of the Bureau of Pensions Advocates. I hope the plea he made will be considered, that the Bureau of Pensions Advocates will explore all ways for helping veterans to get their cases heard successfully. I hope that, as well, further efforts will be made by the Canadian Pension Commission to reduce the backlog of the cases before it.

It seems awfully hard on veterans who are making applications years after the war to find that their cases could take a full year or even longer. I appreciate that the backlog has been reduced a bit and that the delay will not be as great as it was a few years ago. But every veteran is concerned; every veteran feels he has the right to have his case dealt with quickly. I therefore hope that the department and the government will give whatever assistance is needed to the Canadian Pension Commission and the Bureau of Pensions Advocates to allow these cases to proceed as rapidly as possible.

There was an understanding among us that, since this bill does just a few things and we are all in agreement with it, we will not extend the debate. Actually, I hope we can very soon pass the bill on second reading. I think it is in order for members such as the hon. member for Humber-St. George's-St. Barbe and myself to take this opportunity to press again for the consideration of items of unfinished business in veterans affairs which we feel strongly should be given attention.

● (1250)

I am happy to say that the number of items not attended to has been reduced. The job done by the Woods commission, the job done by the Hermann commission, and before that by Dr. Richardson on Hong Kong veterans, the non-partisan way in which the Standing Committee on Veterans Affairs works, and the help of the minister—who I feel does a good job trying to fight for veterans inside the cabinet he has to live with—have resulted in many improvements. The picture is better today than it was a number of years ago.

Even so, the points that my friend from Newfoundland just referred to must not be allowed to go on. I underline the case of World War I veterans who were prisoners of war. When we finally got around to compensating prisoners of war, why did the government leave them out? We got the word yesterday, and I repeat it, that there are only about 200 of them still living. It would only cost about $200,000 a year to give them that compensation. That is $200,000 this year; it will decline year by year. In a few years there will be not any of them left. I hope the minister will in this session bring in legislation to extend prisoner of war compensation to those who were POWs in World War I.

At the same time, I urge that the case that escapers and evaders have been making is a valid one and that they, too, ought to be covered as prisoners of war. I hope that this suggestion will receive earnest consideration from the minister. There is no doubt in my mind as to where his heart is in these things. It is those fellows in Treasury Board, Finance, and so on, with whom he has to fight. However, he has demonstrated

throughout his life that he is a real fighter, and I hope that he will stay with it.

I also want to underline the matter that we have raised several times lately in questions, motions under Standing Order 43, late shows and in the debate on March 7 on the motion of my hon. friend. That is, what has happened to the rate of the 100 per cent disability pension? We set it in 1972 in relation to the average wage of five groups of federal civil servants. Although the committee which recommended it asked that the relationship hold, the government chose, instead, to fall back on the cost of living index. The result is that the rate for a 100 per cent disability pensioner today is $500 a year behind the composite rate of those groups of public servants that we accepted in 1971 or 1972. I insist that the tripartite committee which recommended that set-up was on the right track and it should have been accepted then. Since it was not accepted then, I call on the minister to do it now.

I am doing my best to abbreviate my remarks. I will end on the same point with which my friend concluded his remarks; that is, the case of the widows of veterans where the veteran's pension was below 48 per cent. I say, again, that we feel very strongly about it. We are not alone. Mr. Justice Mervyn Woods recommended this. Dr. J. D. Hermann recommended it in his report. The Standing Committee on Veterans Affairs voted that way two, three or four times. It is something that has been discussed over the years, pro rata pensions for all widows of disabled veterans.

We now have the support of the modern idea—it ought not to be modern, but it is—the idea of equal rights. Apart from the fact there is the question of women having equal rights with men, women should at least have equal rights with women. The fact that one widow gets a full pension and the next widow gets none at all because the veteran's pension was just on the margin above or below 48 per cent is quite unfair. There is a little more money involved in this than in the case of prisoners of war of World War I, but justice and fair play demand its consideration just as strongly and just as seriously.

I welcome this opportunity to indicate our support of the work of the Pension Review Board, which means that we shall be voting for this bill with pleasure. I also welcome this opportunity to remind the minister of the items of unfinished business to which I have referred. I hope he will act in such a way that in a few months from now we will not have to continue to make these requests on behalf of the veterans of Canada and on behalf of their survivors, but so long as it is necessary he knows that we shall do so.

Mr. Leonard C. Jones (Moncton): Mr. Speaker, we are all concerned about veterans. I commend the Minister of Veterans Affairs (Mr. MacDonald). It is the typical type of legislation one would expect from a minister who comes from the Maritime provinces. I echo the remarks of previous speakers, including the minister. I have no hesitation in supporting the bill and getting it through this House. I hope this will be some encouragement to the minister and the cabinet to bring forth the other necessary and proper legislation concerning our veterans.

The Acting Speaker (Mr. Turner): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Turner): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Veterans Affairs.

Some hon. Members: One o'clock.

The Acting Speaker (Mr. Turner): It being one o'clock, I do now leave the chair until two o'clock later this day.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

ADVANCE PAYMENTS FOR CROPS ACT

MEASURE TO FACILITATE MAKING ADVANCE PAYMENTS FOR CROPS

The House resumed, from Wednesday, February 16, consideration of Bill C-2, to facilitate the making of advance payment for crops, as reported (without amendment), from the Standing Committee on Agriculture; and the amendment thereto of Mr. Schellenberger.

Mr. Speaker: Order. When the House last considered the report stage of this bill a point of order was raised to the effect that motion No. 2, in the name of the hon. member for Wetaskiwin (Mr. Schellenberger) went beyond the scope of the bill and was therefore out of order. Hon. members will recall that after hearing argument on the matter I reserved decision. I have now had an opportunity to consider the matter at some length and examine the provisions of the bill as they relate to the propriety of the motion.

Hon. members are aware that one of the most frequently raised rules and precedents concerning amendments is whether an amendment introduces a new proposition into the legislation and thereby goes beyond the scope of the original bill. The intent of the amendment in this situation is that since the bill provides for the making of advance payments through banks and through producer organizations, then in circumstances where no suitable producer organization is in place the intent of the bill could be carried out by eliminating the role of the producer organization and placing the producer, the government and the bank into the position to give effect to the advance payments arrangement without the intervention of a producer organization.

The question then becomes: is the role in the legislation of the producer organization simply a means whereby the intent

of the legislation is carried out, or does it play such a fundamental role that an attempt to proceed without the use of the producer organization would mean the introduction of a new concept into the legislation?

Hon. members might bear in mind, for example, the provision in clause 4 of the bill which begins to set up the scheme. In the very first line we read, "Where an organization proposes to make an advance . . ." Again, in the first line of clause 5 and subsequent clauses the legislation is spelled out in such a way that it seems to me—and I hope hon. members will agree—the producer organization plays far more than an incidental role in the process of making advance payments through the banks on the part of the government.

● (1410)

I cannot resist the conclusion that the role of the producer organization in this legislation is such a fundamental role in the entire process that to attempt to do without the producer organization would be the introduction of an entirely new approach to, and a new concept in, the legislation. Whether or not that be a desirable course to follow, it would remain open to hon. members to put forward legislation which might have that effect or to ask the minister to have the matter considered in some other way. My only concern is whether procedurally this is a valid amendment to this legislation.

Again I say that the role of the organization spelled out in every clause in the bill is so fundamental to the operation of the statute that it is more than simply an incidental aspect of the machinery of the bill, and any attempt to try to produce the same effect without the producer organization would, in my opinion, be the introduction of an entirely new concept. I must, therefore, find that the proposed motion put forward by the hon. member for Wetaskiwin is not in order.

That being the case, the report stage motions would now appear to have been finalized. There were only two; one moved by the government, which was dealt with, and the second the one by the hon. member for Wetaskiwin which has now been set aside. Accordingly the Minister of Agriculture, seconded by the Secretary of State (Mr. Roberts), moves that Bill C-2, an act to facilitate the making of advance payments for crops, be concurred in as amended.

Motion agreed to.

Mr. Speaker: Order, please. The matter having been considered to this extent at report stage on this day, the House is not in a position to carry on with third reading of the bill without its consent. The question would be for third reading and passage of the bill, if the House is agreed. Is there unanimous agreement that the House now proceed to third reading?

Mr. Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, there is not unanimous agreement; we will hold over third reading.

Mr. Speaker: Orders of the day.

Mr. Knowles (Winnipeg North Centre): Four o'clock.

[Mr. Speaker.]

Mr. Speaker: Order, please. I have no indication of business to follow the projected item of business, but I do know there is an item for consideration under private members' hour which would follow at four o'clock. An early adjournment of the House, obviously, would prejudice the carrying on with the four o'clock business this afternoon. Is it agreed that I adjourn the proceedings until four o'clock this afternoon?

Mr. MacFarlane: Mr. Speaker, I understood that there was agreement to proceed.

Mr. Speaker: The only question that now remains is, is the business for private members' hour ready to go ahead now? In which case I will call it four o'clock.

Some hon. Members: Agreed.

Mr. Speaker: It being four o'clock, the House will now proceed to the consideration of private members' business.

PRIVATE MEMBERS' PUBLIC BILLS

[*English*]

Mr. Speaker: For the sake of expediency, there are a certain number of orders which would stand in priority to the one that I understand it is agreed will be proceeded with. These are order Nos. 12, 15, 16, 18, 19, 20 and 22. Is the House agreed that we will stand those orders in order to proceed with the order standing in the name of the hon. member for Moncton (Mr. Jones)?

Some hon. Members: Agreed.

Mr. Speaker: May it also be understood that in seeing the clock at four o'clock now, the House will adjourn at 3.15 p.m. until 2 p.m. on Monday?

Some hon. Members: Agreed.

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SENATE AND HOUSE OF COMMONS ACT

INDEPENDENT MEMBERS OF THE HOUSE OF COMMONS

Mr. Leonard C. Jones (Moncton) moved that Bill C-233, to amend the Senate and House of Commons Act (independent members of the House of Commons), be read the second time and referred to the Standing Committee on Management and Members' Services.

He said: Mr. Speaker, the purpose of Bill C-223 is to give greater heights of democracy to the House of Commons. It is presented to ensure that an independent member of parliament will have the opportunity to be on two standing committees. It is not my intention that any member of parliament will lose

any special status because of this bill; this bill merely asks that the same rule apply to all.

Upon election to the House of Commons by an overwhelming majority in 1974, I was confident that some of the inconsistencies in the rules would end. The Canada Elections Act permits Canadians to seek office under the auspices of a recognized political party or as an independent. Upon further reading about this democratic country of Canada, one would gather that to run under the auspices of a political party as a member of parliament one would have to be duly elected at a nominating convention in his or her riding, as I was. But as history now records, this was proven to be purely theoretical and myth in my case. However, that incident in 1974 was caused by a certain party's disorganization and lack of unity and I certainly cannot blame the government side for that.

Upon election to the House of Commons by an overwhelming majority, as I said, I was confident that these inconsistencies would end. This was, indeed, a wrong assumption. The law with regard to an Independent's membership on House and joint committees states, to quote the guidelines of Standing Order 65(1), which virtually ignores political parties:

> At the commencement of the first session of each parliament, a striking committee, consisting of seven members, shall be appointed, whose duty it shall be to prepare and report, within the first ten sitting days after its appointment, lists of members to compose the following standing committees of the House:—

A list of committees follows, but no mention is made of party representation on them. However, when I endeavoured to seek membership of standing committees I was advised that they were only for party members. I think the House will agree that the practice followed to appoint committees is certainly inconsistent with the basic principles and traditions of this parliament, but many of the occurrences in this House of Commons have proven that traditions are rarely upheld.

Despite these facts, precedent shows that independent members have been selected for committees in this House. The constituency of Charlevoix-Saguenay was represented between 1942 and 1949 by Mr. F. Dorion who, as an Independent, appears in *Hansard* as a member of the House committee on banking and commerce in the twentieth parliament. Mr. P. E. Gagnon, independent member for Chicoutimi, was a member of the joint committee on printing. The constituency of Comox-Alberni returned Independents as members between the years 1921 and 1953. Mr. L. Gibson, who represented the area from 1945 to 1953, sat on the House committee on marine and fisheries and on the House committee on railways, canals and telegraph lines during the twenty-first parliament.

It appears quite obvious that in fact membership on committees has little or nothing to do with party affiliation, precedent or procedure. It is apparently entirely dependent on whether one's views and policies are acceptable to those in authority. I must say that generally speaking I have endeavoured to do my best to obtain a good rapport and cordial relationship with each and every member here—with a few exceptions, of course—keeping in mind the best interests of my constituents and the nation generally. You have reciprocated with the same high level of co-operation, again with a few exceptions. An Independent does, though, have a few freedoms that a party member does not enjoy. There is no question about that. Therefore an Independent does have more time to spend on business for individual constituents. This is not just my humble opinion. Let me quote from a book written by an Independent in the British House of Commons in the year 1963. That member speaks of the benefits of being an Independent when he says:

● (1420)

> A party career, an entirely legitimate and praiseworthy aspiration, involves assiduous and prior attention to party matters. I do not say that it is impossible for an M.P. to have a party career and at the same time be an excellent constituency member. It can be done with the aid of extreme self-sacrifice; and it is done occasionally. But it is not easy. If a constituency develops special problems, it is even less easy.
>
> Not only does a party member have a conflict between the claims on his time, but also, when special circumstances arise, he has often an inescapable conflict of loyalties also.

I was elected by the people, as was every other member in this House, and all that I ask in this bill is that I, and future Independent members, have the same freedoms and the same rights that party members enjoy. We sit in this House and pass laws on human rights and the like. This is all well and good. But do you not think that we should begin by cleaning up the act in our own backyard right in the House of Commons, by allowing all members of this House to have the same privileges? I have often been accused, one way or another, by members of this House of being a bigot. May I take this opportunity to say that by not supporting this bill and referring it to committee for the preservation of an individual's rights and the country's democracy, there is certainly more than one bigot in this House.

I could understand the refuting of this bill if it were only for my benefit, but I believe that the growing sense of division within the parties is proof of the fact that there will be many more members running as Independents in the next election. There are many in this House who, in all probability and possibility, could be in that position. They should be cautioned, though. By voting for this bill they may not be protecting their own future rights. They should consider that fact.

Years of service to a political party really mean nothing. My rewards for unremitting and conscientious service to the party system are well known. They can be briefly summarized as a good hard kick in the pants. Therefore, Mr. Speaker, I would ask each and every member of this House to consider the implementation of this bill very carefully, and for once not to be guided in their decisions by their party whips but by their own consciences and the thought of their own futures.

There is an obvious injustice inherent in the present practice of the selection of committee members which must be regulated before history shows too many years of such malpractices in an era of a supposed state of absolute democracy in our country. It is time this system of selection was regulated fairly.

Mr. Cliff McIsaac (Battleford-Kindersley): Mr. Speaker, I rise to make a few brief comments in response to the remarks

of the hon. member for Moncton (Mr. Jones) and the bill before us today.

Personally I have not had an opportunity to become that well acquainted with my hon. friend from Moncton. I want to present some different points of view. I appreciate the necessity of the viewpoint that he has put before us here today. I appreciate the point of view that he was making with respect to the rights and privileges of Independent members and a number of the precedents he cited, here and elsewhere. I want to oppose his view and the argument that he made here this afternoon because he made one remark, as I listened, to which I take exception, or that concerns me. I think he said words to the effect that there may well be, in a future parliament or parliaments, a great many more Independent members, and that we should ensure in some manner that the rights of Independent members are broadened. That may well be a good opinion, and he may well be correct in that, but I think that would be a direction that we do not want to see being taken in this parliament and in this country. The majority of us certainly do not sit here as independently elected members. We are elected by and in association with one of the four major parties.

Look at elections in India, the great variety of parties there, and at whether the opposition parties can indeed unite or remain united. Look at the situation in Israel and the fact that there has not been any basic change in government there. There are about 11 or 12 different parties that will be running in the upcoming election in Israel. They are having difficulty coming up with an opposition coalition that will stand up to the government coalition in that country.

We can also look to France, Italy, and a variety of countries. Denmark is another case of which hon. members will be aware. There was an election there not too long ago and some change in representation as a result of that. However, great coalitions of parties are not going to stand up that well. This brings us to the question of the party system and the difficulties for that system in a country like Canada, where we are looking at Quebec with its particular aspirations, and at making Confederation more meaningful.

Certainly in my part of the country we are looking for a more meaningful relationship in terms of confederation. A great deal of talk is heard about western alienation. I think that term is a little too strong. I think disenchantment might be a better and a more descriptive word to apply to the feelings of western Canada with respect to Ottawa and the federal government. The kind of feeling that we have in Quebec and have been dealing with, as a nation, for some time, is certainly not now confined to Quebec.

We, as parliamentarians and as members of the different parties in the country, should be looking to our own party structures, the party structure itself, and seeing if further changes could not and should not be made in the party system to allow for the kind of flexibility that will perhaps give us the same situation as in the United States where the two majors parties cover a broad range of ideology within each of them. We have that to a lesser extent here in Canada. Perhaps we should have that to a greater extent than we do. I would say to my hon. friend from Moncton that that is an angle and an aspect that perhaps he has not thought about when he seeks to ensure or bring about expanded rights for Independent members.

I have no quarrel with my hon. friend for seeking to be a member of one or two standing committees. He did say, I believe, that standing committees do not really relate to parties. That is not the case, it is not the fact because indeed they do. The representation on various committees is worked out by the party whips and it follows along party lines. While it is true that much of the debate that goes on in a number of committees does not follow party lines, the committees follow the same rules as the House, so in essence I disagree with the hon. member on that statement.

• (1430)

As an independent member he is free to attend committee meetings, to make his contributions, and to participate in the discussions in any of the standing committees. Having said that, I realize that that does not give the hon. member, or any other independent member, the right to vote in the committees, but it certainly does not prevent him from particpating in the committees and asking any questions he wishes to put in his field of interest.

I oppose the bill before us because I believe we should be looking for ways of broadening the party system in the country rather than trying to accommodate a wide variety of independent members and turning this Chamber into a kind of city council, which this parliament is not designed to be.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I listened very carefully to the hon. member for Moncton (Mr. Jones) and I also listened very carefully to the hon. member for Battleford-Kindersley (Mr. McIsaac) who represents that area where I was born. I support some of the arguments that he has advanced.

I want to say to the hon. member for Moncton, with whom I have always had good relations since he came to the House as an independent member, that I am sympathetic to the suggestions he advances in the bill, but if we were to carry the bill through to its ultimate conclusion on a mathematical formula, and we all came here as independent members, then all 262 of us would have the right each to sit on two committees. I ask where that would lead us? I doubt whether the hon. member for Moncton has really considered that. He looks on himself as the sole independent member in the House or as the only member who might be here as an Independent in the future, but I should like to remind him that although our parliamentary system might appear to be a poor system—

Mr. Francis: May I put a question to the hon. member?

Mr. Woolliams: I will answer the hon. member's question when I have concluded my remarks. I left my glasses in my office and I cannot read my scratchy notes. In fact even if I

had my glasses I could not read my handwriting. If the hon. member does not mind, I will answer his question later.

As I was saying before I was interrupted, our parliamentary system, as I see it, is based on a party system. I do not think this place could function otherwise. This may not be a good system but, as Winston Churchill said, although it may appear to be the worst of systems, there is no better system because from this Chamber flows all freedom. I suggest that if we carried the hon. member's suggestion to its ultimate conclusion, we would find ourselves in the same position as some of our friends in Europe. For example, in France in the days before de Gaulle there were so many parties that one government after another was defeated in quick succession, which eventually brought about the de Gaulle government. That is why it would be wrong for any member of parliament, who represents his constituency and his province as well as his country, to suggest that we should put a limit on the number of parties, but on the other hand if we had ten or 15 parties represented in this House, it would function even more slowly than it does now.

Now I would like to say a few words about the party structure. It has always amazed me—and I say this in a kindly way—that if a member of the House, or several of them, differ from their party, the media report this as if it were a terrible sin. I say that if we all talked alike, there would be no thinking. In any party structure there must be some differences. The reason there are differences within a party is that we are not all representatives of the same region. Problems in the Maritimes differ from those in Quebec, in the prairies, or on the Pacific coast. The Conservative party is a national party, so are the Liberals, so is the NDP to a lesser extent, and so has the Social Credit party been at times, and members of those parties represent various regions.

I have always been interested in one fact since first coming to the House, and that is that a Liberal member from the prairie provinces often has more in common, in the problems he is trying to solve, with a member from the prairie area in another party than I would have, for instance, with a colleague in my own party from another part of the country. I say it is only natural to be part of the environment from which one comes, and to speak for one's region. Our environment has shaped and trimmed our thinking. Just because one happens to have a different point of view from a colleague in one's party does not mean that there is no unity in the party on a broad scale, whether it is this party, the Liberal party or the NDP.

Too much is made in the press at times of people differing on some issues with their fellow party members. The media report this immediately as a split in the party. If you are all a bunch of trained seals, you are not thinking at all. I am happy when I see someone on the other side vote against his party, and I have never objected to members doing that in my own party. That is their privilege and their right. That is what Eisenhower said about the Republican party. He was talking about a difference of opinion he was having with his party on broad principles.

I would say that on broad principles members of the Liberal party are in agreement, and the same would be true of our party, of the NDP and of the Social Credit party, but we may disagree sometimes among ourselves on less important issues. Sometimes a person feels deeply and sincerely about a subject, and if he disagrees with the position of his party on this subject he might abstain in a vote rather than become an embarrassment to his party and cause the media to report about a division in that party. If that gets across the country they say to you, "You are fighting among yourselves." I have never held it against anyone who has differed in his opinions from me. In my profession, if that were true we would always be in a fight.

Although I have some sympathy with the viewpoint of the hon. member for Moncton, I cannot accept his position because I think it would encourage, as the hon. member for Battleford-Kindersley pointed out, more people to come to the House as Independents. It might be good for their publicity, but I even question if it would be good for their constituency. I myself have gone through eight elections and I know that some people vote for the candidate and other people vote for the party.

My friend, the hon. member for Moncton, said that being a member of parliament has little or nothing to do with political parties. I suggest he is interpreting this institution as if it were a city council or a town council, as the hon. member for Battleford-Kindersley said. If that were the method we followed, this place could not function.

This is my suggestion to the hon. member for Moncton. If he feels he is being discriminated against, he should take this matter up with the Standing Committee on Procedure and Organization, or when an election comes up this spring, if that is when it is to come. It is within the prerogative of the Prime Minister (Mr. Trudeau) to dissolve this House and to go to the country. He might wait until we increase the membership in this place to 283 when the new boundaries are in effect. That is a decision which the Prime Minister alone must make, or with the help of his advisers, whether they be cabinet advisers, parliamentary advisers or other advisers. However, if the hon. member for Moncton has a year or 18 months left, he should probably take his problem to the committee.

● (1440)

The hon. member is a reasonable man. He realizes that if every member of this House had the right to be on two committees we would be in difficulty. The hon. member never sat in this House as part of a government party like I did when my party had 208 members. With 208 members the whip always has a headache because everybody wants to be on certain committees. For example, our party had many members from western Canadian farm constituencies when we formed the government, and there was room for only 50 or 60 on the Agriculture Committee. Many were denied the right to sit on that committee even though they belonged to a major national party with a large following. With the greatest of

respect to the hon. member I say that I do not think his bill would work. I do not think it would be practical.

I see my good friend, the hon. member for Ottawa West (Mr. Francis), wants to get to his feet. He is one of those semi-independents, and I am not being critical of him. He is sort of an independent yet not quite independent. I have seen people like that in this House. They are in and out of their parties like yo-yo's. I do not think hon. members should operate that way; however, I think they should be allowed to differ with their parties.

I have sympathy for any hon. member who is a member of the government party but not a member of the cabinet. These hon. members may not agree with a bill the government brings in, just as I disagreed with some bills which were brought in when my party formed the government. These matters have to be fought out in caucus. It is not easy if you are aggressive, ambitious, intelligent and independent, but if an hon. member possesses those qualities the best place to argue these matters out is in caucus. The press does not know about disagreements like that, and therefore our constituents do not know. Our constituents may write asking where we were, even though we might have put on quite a fight against our leaders or against certain cabinet ministers. I have gone through all that. I know what it is like and I see hon. members opposite nodding their heads.

Hon. members on the government side who are not cabinet ministers are referred to as backbenchers. I have never really felt that that term had any merit. I think we are all basically equal. Some people get the laying on of hands. The laying on of hands may create a bishop, but it does not always make one. However, this is the system under which we work.

I want to leave with the House one final thought. I am proud to be a Conservative. I do not know how other parties operate, but I would not want this party not to have a broad philosophical approach. People say that our party has in it people to the left and people to the right. I do not know what a rightwinger or a leftwinger is. If it means that I am a little more liberal with a small "l" on certain issues than some of my friends, I may be in the middle of the road. If I am a little more conservative with a small "c" on some issues, I may be just right of the middle of the road. If that is what it means, I suppose we do have people in our party who are to the right or to the left, but I am happy that this party does have people in it who have different philosophies. That means we can take a broad approach to the problems of this country because we have different personalities, philosophies, and backgrounds. That is what puts a party together. Without that, parties will not last very long as parties, and they will not do very much for their country.

I see my good friend, the hon. member for Winnipeg North Centre (Mr. Knowles), here beside me this afternoon. On many occasions when the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) was the leader of his party and premier of Saskatchewan, my father supported his party.

An hon. Member: Oh!

[Mr. Woolliams.]

Mr. Woolliams: Somebody said "Oh". I will tell the House why my father did that. There were many things my father stood for which the hon. member for Nanaimo-Cowichan-The Islands also stood for. However, above all we had the Gardiner machine, and people became tired of it and wanted to throw it out. Many Conservatives voted for the hon. member. His party tried to nationalize a few things, and I certainly disagreed with that, but as an administrator, on the whole the hon. member was pretty good. He was a very fine premier because he was a man of integrity. I wish he was in the House this afternoon. People could disagree with him, but he never held that against them. The art of leadership and statesmanship is having that ability, and it is necessary whether we are premiers, leaders, cabinet ministers, or members of parliament.

The hon. member for Moncton is a distinguished member, and he has made a contribution to the House. No one can help but admire him for taking the stand he took. Some of us may not agree with him, but he took a stand, and that is his right. Mr. Woodsworth once said he had two sons. I hope I am telling this story correctly. One son was a conscientious objector during the war, and the other one was overseas in the RAF. Mr. Woodsworth said that they were both brave men, but sometimes it takes greater integrity and bravery to stand up against society or your own party for what you think is right. In this way I congratulate the hon. member for Moncton for taking the position he took. I did not agree with his position, but that does not mean I do not respect him. He stood up against great odds, against many people, and against his own party. That is why I would like to see him accommodated in some way, and I think this could be worked out in the Standing Committee on Procedure and Organization.

I am glad the hon. member brought this matter before the House. Private members' bills allow hon. members to present grievances and have them aired in the House of Commons. I congratulate the hon. member for this.

Mr. Deputy Speaker: Before I recognize the hon. member for Ottawa West (Mr. Francis) I must allow the hon. member for Roberval (Mr. Gauthier) to speak because he seconded the motion.

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I would simply like to explain why I seconded the motion. I am told that I am probably also an Independent but I sincerely supported this bill because I thought it was against the rules of the House. I know that if we concern ourselves strictly with the process involved, the bill now before the House is completely useless. But if we go further and if we consider the precedents of previous years, our judgment can be different because we have seen before Independent members sitting on committees. I do not know if, in those cases, there was an agreement with any party, but at any rate Independent members were allowed to sit on committees.

This year we have only one Independent member and several of his predecessors had this privilege, since I consider it a privilege for an Independent member to sit on a committee.

English-speaking members are very attached to this tradition, and I believe that it is truly a tradition to let independent members take part in the discussions of the standing committees of the House.

Earlier I listened to the hon. member who has just sat down—I do not remember the area which he comes from, but it is the Progressive Conservative member who has just sat down—

An hon. Member: For Calgary North.

Mr. Gauthier (Roberval): —for Calgary North (Mr. Woolliams) congratulate the hon. member for Moncton (Mr. Jones) and tell of all the good things that he was doing in the House and say that he was doing a good job. But I think that if he had congratulated him further, to conclude as he has done by saying that he likes his work in the House, it would have seemed that he did not want to work with him on standing committees. This is a very polite way of telling him: We like you well enough on the floor of the House, but we cannot stand you on committees. Like I said earlier, this is simply tolerated, but it has been tolerated in past years.

The Liberal spokesman said that it was necessary to have been elected within a party to be entitled to sit on standing committees. This is certainly stated in the Standing Orders, but I wonder if we could not at least accept to make an exception in the case of joint committees of the House and the Senate because indeed we have non-elected members on those joint committees. We have senators who are non-elected members of a party and who sit on committees. I think we could also accept an independent member on those committees because that would do away with the current requirement that he be an elected party member. To my knowledge, no senator is elected. They are all appointed by the Prime Minister (Mr. Trudeau) and they sit on the committees.

I found today that the introduction of such a bill was logical. Therefore I thought it is impossible after what has happened in the past years for the House to reject the request of the member for Moncton (Mr. Jones). At least, if his request is rejected, he should be allowed to sit on joint committees. There is no reason why he should not be accepted because he is more than a senator since he was elected by the people while senators are not; they are appointed for political reasons, period.

I feel the hon. member for Moncton (Mr. Jones) is entitled to have his say not only in the House but also in committees because he is responsible. He was elected as all of us were in this House. He must face up to his responsibilities but if he is not given the opportunity of doing so, what will he do in his riding? He will be unable to assume his full role as a member.

It may be that the old parties are afraid of there being too many Independents in the House. I wonder why? I know that basically one wants to keep the majority. Each party, the Liberals, the Progressive Conservatives, are entitled to so many members on each committee in order to ensure the party in power a majority. If there were two, three or four Independents, they could control nothing because they do not belong to a party. But if one wants to control, let one say so; and let no one come and tell us that this is a democratic government: the government is dictated to at the party level. What is decided by the party must be voted here in the House, at any price. Let us be frank and say that what they want is simply to maintain dictatorship over all other parties. It is for that reason alone that they deny today to the hon. member for Moncton the right to sit on one or two standing committees of the House. That is the only reason. That is why I regret today that all those who gave their opinion until now have failed to mention this. I would welcome others to stand up and talk on behalf of the hon. member for Moncton, so that this bill might be passed by the House.

• (1450)

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I am glad the hon. member for Moncton (Mr. Jones) has had the chance to bring his bill before the House today and to have the situation of an independent member discussed. I sympathize with him and I know the problem he faces, but I must say at the outset that if his bill were to come to a vote I could not support it.

Let me put it this way. I still believe that the party system is good for an institution such as parliament. I feel that if we had 264 Independents and tried to run the business of the country as an amorphous gang, we would not get along very well. We have to associate ourselves with parties so that like-minded people can work together. After all, that is the party system. However, without launching into a lecture let me say this: if a constituency decides that it wants not a member of a party but an independent member to represent it in the House of Commons, that independent member should have rights equal to those of all other members. Some of those rights flow naturally from membership in the House. The member gets a desk and seat in the House of Commons, office accommodation, pay, travel allowance, and all the rest of it. In that sense he is an equal, even though he does not belong to any of the other groups in the House of Commons.

The point the hon. member raised, to the effect that he should have a place on committees, deserves consideration, and I hope that will come about as a result of his bill being discussed this afternoon. The hon. member for Calgary North (Mr. Woolliams) has already demonstrated the arithmetic, showing why we would be in difficulty if we began appointing, one member to two committee positions. By doing that we should run out of committee positions before we could get around to all members, so to speak. There are just not enough committee positions to give all members two committee memberships.

Something else bothers me, Mr. Speaker. I do not think we should write the rules under which we operate into a statute. A few of our rules are governed by statute. There is the quorum in the British North America Act, and the rights and prerogatives of the Speaker, which are also in that act. But it is generally accepted that we make our own rules, as a House of

Commons. This extends also to committees. No rule says how many members each party shall have on a committee. There is no rule which divides such memberships. Standing Order 65 simply states the maximum number of members there shall be on each committee. We arrive at the number from each party by the process of bargaining; we do this at the start of every parliament.

As my hon. friend said, the tendency of the government when it is in a majority is to insist on a majority in committees, no matter what that may do the proportions from each party. I know that a party of our size sometimes gets a little more than its percentage of members on some committees, and sometimes a little less; but these matters are worked out by bargaining, and I think it should stay that way. Unfortunately because of the position of the hon. member for Moncton, that hon. member has not been at the bargaining table and has not had any chance to make representation. I hope that as a result of these discussions something along this line can be done.

I can say that in some parliaments when we have had more member spots, more memberships on committees than we now have—now we have only one on each committee and that is all—we have given up membership spots to a Social Creditor or an Independent. I make that point because, when we have only one spot on a committee, we can hardly give it up. If the hon. member asks for some spots to be given up, obviously that can best be done by the Liberals or Conservatives who have more positions.

I think what I have suggested should be done. There should be bargaining across the board, bargaining which should include the hon. member, so that he can get his rights.

Let me summarize. I do not think it is proper to write detailed rules into a statute. I would not like to see the Senate and House of Commons Act amended in the way my hon. friend proposes. I think that our rules should continue to stay in our hands and that there should be flexibility in the matter of committee memberships. However, I think the hon. member for Moncton does have a right to have his case considered.

● (1500)

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, I too am very pleased that this issue has been raised in the House by the hon. member for Moncton (Mr. Jones). The bill that he presents before us is not one that I can support in this form. However, I certainly hope something will come out of this debate and these discussions that will cure what is obviously an injustice.

The whole question of representation of independent members in this House is one that is very proper for this House to review.

The hon. member for Moncton has told me privately once or twice the problems that he feels he faces, first with regard to the financing of election campaigns where the law very clearly discriminates against him. There is no means by which he can currently fund for the next campaign using the tax deductability provisions of the statute. The only way he can do this is at the time the election writ is issued.

[Mr. Knowles (Winnipeg North Centre).]

The other aspect about which he has complained, and I think with some justification, regarding discrimination, is membership on committees of this House. Other members who have preceded me in this debate have pointed out that there is no impediment whatsoever to any member of parliament attending any committee and making his or her views known. The issue of who has the right to vote in a committee is what is involved in the debate which we face.

I would first like to deal with what I consider to be a bit of a red herring in this debate, the question of the numbers. There are 264 members of this House. There are 32 members in the present cabinet, 26 parliamentary secretaries, and three or four persons associated with the office of Your Honour. The numbers of those who would be theoretically available would be in the order of 200. Multiplying 200 by two would make 400 committee posts. Members opposite, including the hon. member for Calgary North (Mr. Woolliams) and the hon. member for Winnipeg North Centre (Mr. Knowles), said there simply are not that many committee positions. I wonder if they have examined the committees.

There are 26 committees listed in Wednesday's *Hansard* of this week. An average of 15 members per committee would require 390 posts, which is just about right. There is nothing wrong with the arithmetic. Those who say there is a mechanical problem have not done their arithmetic. The problem is much more than that. It is well known that not all members of this House are interested in participating in committees. I for one welcome those who do. I find committee work among the more satisfying aspects of the parliamentary experience.

It is quite possible to deal with this issue in the committee structure. I think two committees per member is a good working rule. At times I have been a member of as many as four committees. You do not do much else other than attend the four committees, try to follow the procedure and work of those committees, and work conscientiously on them.

Defence and External Affairs are popular committees. There is a certain glamour attached to them. However, with a committee such as Public Accounts the whips have to work hard to make sure there is a quorum. That committee makes a careful, continuous examination of the report of the Auditor General. The members who participate in such a committee have to do quite a bit of preparation in order to be effective. Continuity is called for there.

Let's face it, the member of parliament who is trying to do a conscientious job in the Public Accounts Committee is not often interviewed on television. If there is a hint of a scandal or irregularity, there are certain members of the committee who show up. They have their own way of making their presence felt, doing those things that often help the member of parliament to be re-elected.

My concern about this bill is the same concern that was expressed by the hon. member for Winnipeg North Centre. I am concerned about a statute. The bill reads:

Section 4 of the Senate and House of Commons Act is amended by adding the following thereto:

(2) Members of the House of Commons who are not members of a recognized party shall be entitled to be a member of two Standing Committees of the House.

The first quarrel I have is why not members of a recognized party? It seems that the objective of a parliament itself should be official neutrality as to whether one is a member of a party or not. We are elected by those who mark their X's on election day to do a job on behalf of the people who elect us and the nation. Why not members of a recognized party? Why not say that any member of the House of Commons should have the right to be a member of two committees? If you happen to be in the disfavour of your whip, why should that be an impediment to membership on a committee? The whip of my party is here. He is giving me a little sly look at the moment. We get along perfectly. He will have an opportunity on April 13 to say something about me in another situation.

The principle of treatment of all members on the basis of equality in terms of participation in committees should be a basic principle of this House. It should be the way in which amendments to rules or statutes should be approached. Those who have said the way to do this is not by statute are correct. The way to do this is in the standing orders of the House of Commons, if necessary. It is to be done by a referral to the Standing Committee on Procedure and Organization. An educational process should take place with the members of this place as well as those outside, including the press, the famous fourth estate that does so much to judge all of us. There are not many of them up there at the moment, but now and again we see them at this hour of the afternoon. They have a job to point out the injustices that exist.

The hon. member for Moncton has a valid point that the procedures of the House do not permit him to participate in the committee system on the basis that he would chose to participate. The whole question of the way in which parliamentary government is conducted is really what is at stake here. Why does the hon. member for Calgary North talk about people on this side who show some independence? He called them yo-yo's. He said they are in and out. On another occasion I heard him call them trained seals because they always vote with the party. Could he make up his mind? If he is determined to call people on the other side of the House names, whether they vote for or against the party, that raises a certain credibility gap with respect to the hon. member.

I believe there is a place in parliamentary institutions for those who have independent use of conscience and are prepared to take the consequences in terms of their own careers or as to what their expectations of achievement in this place may be. Surely there will always be some independent people, minds, and spirits, those of conviction, who will win their place by winning at the polls, earning their seats and their place, who will come into this House and find that it is a difficult road that they must follow.

I have watched the hon. member for Moncton in this House. I know what it was like for me to learn the rules when I came here. I had the assistance of a party organization, the whip's office, the assistance of a course which was organized for new members of parliament and presented by the Clerk of this place. He told us how to go about doing the things we want to do, how to use the facilities that are here. He told us about the customs and the practice—and this is a much more complicated and sophisticated area than meets the eye. I may say it is not always easy to catch your eye on occasions, Mr. Speaker, even when we feel we have something bursting within us to be said, something of the utmost importance to the nation.

● (1510)

I hope there will always be independent members and that the rules will be amended so that independent members, along with all members on both sides of the House, receive equality of opportunity and treatment.

Mr. Gus MacFarlane (Hamilton Mountain): Mr. Speaker, I am glad to speak on this bill put forward by the hon. member for Moncton (Mr. Jones). I know the hon. member is most anxious to serve his constituents in committee, and I have always had the highest regard for the work he does within his constituency because I know those people quite well.

I know there has been some concern about my surprise at the turn of events today. I imagine I must have been confused by what appeared in *Hansard* at page 4069. The acting House leader of the Conservative Party asked the government House leader about what the business would be for today. The answer was that we would go on to deal with the report stage and third reading of the bill mentioned. Since no objection was indicated at that time I guess I was fooled into thinking that was what would happen.

However, there was agreement to move on to private members' business. We have done so, and we are considering the bill which the hon. member brought forward. I also realize, on reading that page in *Hansard,* that the hon. member for Winnipeg North Centre (Mr. Knowles) had inquired about other legislation and, of course, there were indications that people would be out of town and that they would possibly want an opportunity to speak on various bills, so we would not be able to go on with business of that nature today.

The hon. member for Moncton should realize that as far as the whip is concerned it is not a matter of telling people how to think, but there is a responsibility to maintain a quorum. Sometimes people go into a committee and make their speeches and then leave. Attendance drops, and once a committee is without a quorum it is not possible to pass the legislation on which the speeches have been made. Independent members serving on committees might not feel the responsibility felt by the opposition or the government toward a particular piece of legislation. That is one of the reasons for which I would be concerned about independent members sitting on committees. But I do want to say that the hon. member for Moncton is certainly welcome to attend any of our committee meetings. Our chairmen will always recognize him for his comments; it is just that he does not have that official voting right.

Mr. Deputy Speaker: Order, please.

Business of the House

BUSINESS OF THE HOUSE

Mr. Ellis: Might I direct a question to the hon. member, the senior member over there, I presume, to find out what the business will be for Monday?

Mr. MacFarlane: I think the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) asked that question yesterday, as well as the hon. member for Winnipeg North Centre (Mr. Knowles). The answer is recorded at page 4069 of *Hansard*.

An hon. Member: But have you changed your mind?

Mr. MacFarlane: We never change our minds, but you have done so today.

Mr. Deputy Speaker: Order. The hour provided for the consideration of private members business having expired, this House stands adjourned until Monday at 2 p.m., pursuant to Standing Order 2(1).

At 3.15 p.m. the House adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Monday, March 21, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

STATISTICS CANADA

SUGGESTED INVESTIGATION OF ALLEGATION JOB VACANCY FIGURES MISLEADING—MOTION UNDER S.O. 43

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I rise on a matter of urgent and pressing necessity under the provisions of Standing Order 43. The Minister of Manpower and Immigration having stated in the House on Friday last that figures released by Statistics Canada regarding job vacancies are misleading, and having stated further, outside the House shortly thereafter, that such figures are useless and ought to be looked at with a jaundiced eye, I move, seconded by the hon. member for Perth-Wilmot (Mr. Jarvis):

That this House direct the Minister of Industry, Trade and Commerce to investigate the serious charges made by the Minister of Manpower and Immigration and thereafter report to the House on motions.

Mr. Speaker: Presentation of such a motion under Standing Order 43 can be made only with unanimous consent. Is there such consent?

Some hon. Members: No!

* * *

CANADA PENSION PLAN

REQUEST FOR MEASURES TO PROVIDE FOR PENSION EQUALITY BETWEEN MEN AND WOMEN—MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, because all members of this House are said to believe in equal rights as between men and women and because the subject matter of this motion is urgent, I ask leave to present it under Standing Order 43. I therefore move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House urges the government to bring in appropriate amendments to the Canada Pension Plan for the purpose of providing pension rights for homemaker spouses equivalent to the rights of those employed outside the home, and also to review all of its employee pension plans to the end that in all cases the pension of a surviving widow will be the same as that of a surviving widower, it being the view of this House that there should be pension equality as between men and women.

Mr. Speaker: Presentation of such a motion requires unanimous consent under the terms of Standing Order 43. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No!

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FINANCE

ACTIVATION OF MORTGAGE EXCHANGE CORPORATION BY PRIVATE SECTOR—MOTION UNDER S.O. 43

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, in view of the fact that the government is reluctant to activate the proposed Federal Mortgage Exchange Corporation despite the assurances of the former minister of state for urban affairs that such a program would be operative by April 1, 1976, and in view of the fact that enabling legislation permitting such a mortgage exchange vehicle has been standing idle, now, for more than three years, I move, seconded by the hon. member for Vegreville (Mr. Mazankowski):

That this House instruct the government to invite tenders from the private sector with a view to allowing the private sector to capitalize and activate the mortgage exchange corporation in the earnest hope that this would provide lower mortgage interest rates and more liquid funds for the housing industry in Canada.

Mr. Speaker: Such a motion can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No!

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SOCIAL SERVICES

REQUEST FOR FUNDS FOR CHILD DAY CARE CENTRES—MOTION UNDER S.O. 43

Mr. R. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I, also, seek leave to move a motion under the terms of Standing Order 43. In view of the lack of federal funds to maintain and expand day care centres for children of all ages, which seriously limits the opportunities of women with children, who want to work or who are forced to work out of economic necessity, I move, seconded by the hon. member for Greenwood (Mr. Brewin):

That this House instruct the government to provide adequate funding for child day care centres.

80010—55½

Mr. Speaker: Such a motion can be presented only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No!

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EXTERNAL AFFAIRS

ALLEGATION UNITED STATES PAID CANADIAN TO PRACTISE GERM WARFARE AGAINST CUBAN AGRICULTURE—MOTION UNDER S.O. 43

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I rise on a matter of urgent and pressing necessity under the terms of Standing Order 43. In the light of a story, just released, to the effect that a Canadian technician said he was paid $5,000 by American Intelligence in 1962 to use germ warfare against turkeys in Cuba, I should like to move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the government be asked to investigate reports that U.S. Intelligence has paid a Canadian agricultural technician to practise germ warfare against Cuban agriculture.

Mr. Speaker: Such a presentation can be made only with unanimous consent. Is there such consent?

Some hon. Members: No!

Mr. Baker (Grenville-Carleton): That will get you the turkey vote.

ORAL QUESTION PERIOD

[*English*]

STATUS OF WOMEN

MEASURES TO COMBAT UNEMPLOYMENT AMONG WOMEN WHO ARE HEADS OF FAMILIES

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is for the Prime Minister or for the minister responsible for the status of women, or anyone who is acting for either—perhaps it is the hon. member for St. Boniface, the minister responsible for Lord knows what. My question relates to the fact that unemployment statistics released last week indicate there is a particular crisis facing Canadian women who are out of work and looking for work. It relates also to statistics indicating that 9 per cent of families in Canada are one parent families and that 78 per cent of those are headed by women. In light of this serious crisis for Canadian women and for the families that many of them have, can the Acting Prime Minister tell the House whether the budget at the end of the month, or any other legislative initiative this year, is going to bring to this House of Commons specific programs to encourage jobs for women who are heads of families?

[Mr. Symes.]

• (1410)

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, the Minister of Finance will be presenting his budget next week and it is not possible for me to forecast what the contents of that budget will be.

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PUBLIC SERVICE

REASON FOR SMALL NUMBER OF WOMEN IN EXECUTIVE POSITIONS—GOVERNMENT ACTION

Mr. Joe Clark (Leader of the Opposition): We understand forecasting to the government is associated with Communist ideology or some other foreign intrusion.

Mr. Baker (Grenville-Carleton): Perhaps even the weather.

Mr. Clark: Or perhaps the weather. I should like to ask the Acting Prime Minister about a matter that may be within his competence. Since the number of women employed at the executive level of the Canadian public service increased, from 1974 to 1975—the latest statistics which are available—by a total of three while the number of men in the Canadian public service at that level increased by a total of 94, can the Acting Prime Minister explain to the House of Commons why the increase in the number of women in senior executive posts in the Canadian public service has been so trivial?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, I will have to take this question as notice; it is not a field in which I have particular competence, as does the hon. member.

Mr. Clark: A final supplementary question, Mr. Speaker. Neither the Acting Prime Minister nor his colleagues have any competence or any interest in this question, and that is what concerns us here. Since the latest statistics of which the Acting Prime Minister should be aware indicate that 70 per cent of the women in the Canadian public service now earn less than $10,000 while 70 per cent of the men in the Canadian public service now earn more than $10,000 a year, indicating that Canadian women in the public service are being frozen into the lower income categories, will the Acting Prime Minister now give us a commitment that the government of Canada will initiate immediately a review of the fundamental handicaps to women's career advancement in the public service of Canada?

Mr. MacEachen: Mr. Speaker, the hon. member has drawn the attention of the House to a matter of considerable importance. Obviously, I intend to ask the minister who is responsible for this particular aspect of government policy to look into it and to ensure that the facts which the hon. member has brought out are considered.

MANPOWER

MEASURES TO PROVIDE EQUAL EMPLOYMENT OPPORTUNITIES FOR WOMEN

Mr. R. Gordon L. Fairweather (Fundy-Royal): We will try another minister, Mr. Speaker. May I direct a question supplementary to that of my leader to the minister of manpower. As more women worked both from economic necessity and also in order to pursue their goals yet their unemployment rate has been steadily increasing, as a matter of fact from 8.4 per cent in February last year to 9.8 per cent this year, what special measures can the minister announce to ensure that women in the labour force, or those who are not even able to be part of this dismal statistic, can have equal employment opportunities?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I thank the hon. member for his expression of concern. It is too bad that he is just now catching up to the government and that it takes a demonstration on the Hill to get this question finally into the House.

Mr. Baker (Grenville-Carleton): We have been asking you about this for years.

Mr. Alexander: Don't throw out red herrings.

Mr. Cullen: In point of fact, speaking of my own department, to which the question was directed, the government has initiated the LIP program for example, and 41 per cent of the jobs created by the LIP program went to women, which is about 4 per cent above their percentage of the labour force, and I think that was a good move. Our Canada manpower industrial training program makes provision for numbers in that category to be trained. Under our Canada Works Program I assume the percentages will be equivalent, hopefully the same or even higher than they are under LIP. Under the Canada manpower programs—perhaps we should call them person power programs—we are trying to do our best.

PROGRAMS TO END DISCRIMINATION BETWEEN MEN AND WOMEN IN EMPLOYMENT

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, the demonstrations may have awakened the opposition to raising some serious questions; unfortunately they did not a waken the government or lead to giving serious answers. Given that unemployment consistently runs higher for women than for men, last month's figures being 9.8 per cent for women and 8.7 per cent for men, does the Minister of Manpower and Immigration say that the two aspects of his own department's program to which he just alluded constitute the government's total program to end discrimination between men and women in employment?

Hon. Bud Cullen (Minister of Manpower and Immigration): No, Mr. Speaker. I was talking about my own department; I did not even spell out the affirmative action program, which is part and parcel of the initiatives my department has taken in this area. There is a responsibility resting on both levels of government and private enterprise to provide amenities like day care centres, in order that women can leave the home and enter the work force. Women must overcome certain handicaps and difficulties before entering the work force. Perhaps the initiative should be taken by some of the larger companies, and perhaps by the federal government. We shall need to examine this area and determine to what extent the taxpayer should bear the cost, or to what extent private enterprise should bear it if we are to remove that particularly significant barrier which stands in the way of women who want to enter the work force.

SUGGESTED ADOPTION OF AFFIRMATIVE ACTION PROGRAMS FOR WOMEN—GOVERNMENT POSITION

Mr. Edward Broadbent (Oshawa-Whitby): A supplementary question, Mr. Speaker. Perhaps the government could take some initiatives on its own in this regard. It should not have to wait for the private sector to do it. Given the example of the government of Manitoba and certain governments in the United States, which have introduced affirmative action programs within government agencies, will the minister undertake to make a commitment to the House that the government will undertake an affirmative action program designed to upgrade the skills of women, and to qualify them for executive positions, now, inasmuch as fewer women than men now fill such positions on a proportionate basis?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I will undertake to give careful consideration to the hon. member's representations.

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ANTI-INFLATION PROGRAM

EFFECT OF CONTROLS ON EARNING'S GAP BETWEEN MEN AND WOMEN—GOVERNMENT ACTION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, may I direct my final supplementary question to the Minister of Finance. Since one of the negative results of the controls program has been that it has widened the dollar earnings gap between men and women in the labour force, can the Minister of Finance tell the House what the government plans to do in order to redress this evil while the controls program remains in effect; or, how does it plan to close this widening gap after controls end?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the controls program right from its commencement contained specific exceptions to permit greater increases for women.

Mr. Broadbent: In how many cases were they applied?

Mr. Macdonald (Rosedale): Of course, the initiative in this regard rests with the collective bargaining representatives of the women in question. The delegation which was here at the

weekend was invited to meet with Ms. Menzies, the vice-chairman of the Anti-Inflation Board, for the purpose of making clear to them the exceptions which are available, and also that the trade union movement itself must desire strongly to improve the position of the women for whom they bargain. They have to take the initiative in this respect.

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[*Translation*]

HOUSING

JOINT PROGRAM FOR LOW PRICED HOUSES IN QUEBEC—POSSIBLE REDUCTION OF INTEREST RATES

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to put a question to the Prime Minister.

Is he acquainted—as he should be—with the joint program for the construction of low priced houses, especially in Quebec, with funds from the federal government? If so, can he explain to the House why the federal government is levying a 10 per cent compound interest rate from Quebec for those loans refunded on a 50-year basis? Is he also in a position to consider our proposal to review that interest rate so as to reduce the taxation level in Quebec while encouraging the construction of low cost housing?

● (1420)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not aware of the details of that particular matter concerning housing, but I have exchanged correspondence with the colleague of the hon. member on the general problem of interest rates. The special case mentioned by the member would come under the jurisdiction of the minister responsible for housing whom I will ask to take it in consideration.

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[*English*]

ENERGY

SALE OF CANDU REACTOR TO JAPAN—POSSIBILITY MARUBENI ACTING AS AGENT

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In view of the press announcement from our Tokyo embassy late on Friday that Canada is on the verge of selling a CANDU nuclear reactor to Japan, can the minister inform the House whether AECL has retained an agent for the sale of a CANDU reactor in Japan and if in fact that agent is the Marubeni Corporation, which was the agent used in Japan by the Lockheed Corporation?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, there were press reports about the pending or possible sale by AECL to a Japanese utility. I think it is too early to say that that sale is about to be consummated. I can say that there has been a feasibility study, and the results of that study have been positive. As to whether or not the Marubeni Corporation is the agent for AECL, I am not in a position to say at this time. I think the hon. member will remember that Mr. Campbell indicated to the committee that there was a renegotiation taking place between AECL and Marubeni, but I will be pleased to give him an update on that.

Mr. Lawrence: Would the minister inform the House, as soon as he finds out, if the matter is being renegotiated, and in the meantime can he confirm to the House that under the original terms of that contract it was the Marubeni Corporation which was to receive an even higher agency fee than that paid to Mr. Eisenberg and the UDI group in relation to the South Korean deal?

Mr. Gillespie: I have confirmed on a number of occasions that the Marubeni Corporation was the designated agent by AECL. I have also made it very clear—and I repeat it—that that particular contract is, to the best of my knowledge, still under renegotiation.

SALE OF CANDU REACTOR TO JAPAN—TERMS OF RENEGOTIATED AGENT'S CONTRACT WITH MARUBENI

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Inasmuch as Mr. Campbell, the chairman of AECL, made it clear to the committee that he was renegotiating the contract, and given the fact that, when the contract with the agent in Israel was renegotiated on the Korea deal, that part of the renegotiation that took place was to guarantee to the agent that if another reactor were sold to Korea it would be handled by the same agent, can the minister tell us what was given by Canada to the agent in the renegotiation operation? In other words, were any arrangements made with the agent in Japan as to whether he could have the exclusive right to sell reactors in the Far East?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): I indicated in my answer to the first question that I would find out the status of the renegotiation. I will be pleased to do so, and will provide the information.

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HEALTH

REQUEST FOR IMPROVED PROGRAMS TO COMBAT OCCUPATIONAL HEALTH HAZARDS TO WOMEN

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is for the Minister of National Health and Welfare who is also responsible for the status of women, but in his absence, I direct it to the Prime Minister. In a report prepared last October by the Advisory Council of the Status of Women, entitled, "Occupational Health Hazards to Women" it was statistically documented that occupational health research concentrates on males and on industries in which males predominate, even though two-fifths of the total work force is female. Is the Prime Minister aware of this study and,

if so, what steps is the government taking at the federal level to redress this imbalance in research and to develop programs designed to combat health hazards specifically related to jobs held by women?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am afraid I cannot help the hon. member on this. I regret that the minister responsible for the status of women is not present in the House today. If he had had notice, I am sure he would have attempted to be here because we have taken a great deal of action on the recommendations of the advisory council and in other areas, and we have made considerable progress. For instance, of the order in council appointments since the beginning of the year, almost one in three were women. This is a percentage which is much higher than percentages in preceding years. There are many other areas in which we have acted, but I cannot give the hon. member an answer in this particular case.

Miss MacDonald: Mr. Speaker, I did not realize that the minister had to have notice to come into the House.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Miss MacDonald: My supplementary question refers to an unpublished federal study of 1976 entitled "Occupational Health in Canada" in which only one short section dealt with women and occupational health hazards. Since research into occupational health concentrates on such industries as mining, lumbering, pulp and paper and chemicals while neglecting many areas of manufacturing which normally employ large numbers of women, I wonder if the Prime Minister can say if his government is undertaking any initiatives with the provincial governments in order to re-orient research of health hazards to reflect the reality of women in the work force.

Mr. Trudeau: Mr. Speaker, I will be glad to take notice of the question. The hon. member for Kingston and the Islands must understand that ministers sometimes have duties which occupy them across the country, and they cannot be in the House every day. However, assuming that the hon. member really wants to get this information, I will take her question as notice, and I am sure the minister will be happy to answer when he is in the House.

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CP AIR

REDUCTION IN OPERATIONS—POSSIBILITY OF ABSORPTION BY AIR CANADA—GOVERNMENT POSITION

Mr. Ron Huntington (Capilano): Mr. Speaker, I have a question for the Minister of Transport. Given the fact that Canadian Pacific Airlines has had to lay off some 200 employees, which seriously affects the community of greater Vancouver, can the minister assure us that it is not the intention of the government to peel the orange from Canadian Pacific Airlines and render it to a condition where its only future is absorption by Air Canada, which would be a national disaster?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, most certainly the government has no intention of taking any action to interfere with that or other private airlines. Indeed, our action has consistently been to try to improve the atmosphere in which the airlines function, and I wish the hon. member would appreciate that fact.

Mr. Huntington: Mr. Speaker, can the minister advise why profitable CPA flights are bracketed by Air Canada, thereby causing both airlines to lose money on what could be profitable flights?

Mr. Lang: Mr. Speaker, the hon. member is now raising a question of the extent of competition which exists and the nature of that competition in the ordinary case. It was not because of the nature of one or other of the organizations that there is this competition, but because as a matter of practice over time it has been allowed to develop.

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AIR TRANSPORT

REASON CHICAGO ROUTE GIVEN TO BRITISH AIRWAYS RATHER THAN CP AIR

Mr. Ron Huntington (Capilano): With reference to the bilateral agreement can the minister please advise why the Chicago-Canada route was given to British Airways, a foreign airline, instead of to Canadian Pacific Airlines, a Canadian corporation?

Hon. Otto E. Lang (Minister of Transport): If the hon. member wants detailed information of that sort, which goes back to long before I was minister, he should give me notice. I will take his question as notice and look into the matter.

* * *

FINANCE

PROPOSED MORTGAGE EXCHANGE CORPORATION—DATE OF IMPLEMENTATION—POSSIBILITY OF OPERATION BY PRIVATE SECTOR

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Finance. Tomorrow it will be one year since the Minister of Finance told the House that activation of the proposed federal Mortgage Exchange Corporation had been delayed pending consultation with experts in the secondary mortgage market. Would the minister now indicate what has been the result of this round of talks? Are they still going on, and does the government still intend to proceed with this mortgage exchange vehicle?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, as a result of the consultations to which the hon.

member referred we arrived at the conclusion that the companies now operating in the private sector are making an adequate secondary market for mortgages in Canada, and for this reason we concluded that we would not proceed with that particular corporation. We decided that for the time being and in the light of restraint on government expenditures we will not be going ahead. Certainly, there is no provision for that in the budgetary estimates for the coming fiscal year.

Mr. Stevens: Many engaged in mortgage activity in the private sector do not agree that this corporation is not a desirable adjunct to facilitating mortgage exchange work. Will the minister indicate if any consideration has been given to allowing the private sector to capitalize the Mortgage Exchange Corporation and activate it in order to assure a more liquid second mortgage market in Canada and, hopefully, lower mortgage interest rates?

● (1430)

Mr. Macdonald (Rosedale): Mr. Speaker, that has not been given consideration. Before taking that action, I would want to consider whether powers that were sought for a publicly owned corporation would be appropriate for one operated by a private group.

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GRAIN

WHEAT—NATURE OF AGREEMENT SOUGHT WITH UNITED STATES

Mr. Jack Murta (Lisgar): Mr. Speaker, I wish to direct my question to the minister responsible for the Canadian Wheat Board. Will the minister clarify the government's objective or position with regard to the minister's recent meetings with the United States Secretary of Agriculture? Is it the intention of the department or the government to start working toward a new international wheat agreement which would encompass Canada, the United States, presumably Australia and possibly Argentina?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, it has always been our policy and our hope to develop an atmosphere in which an effective grains arrangement could be produced between importers and exporters of the world. The more recent discussions between Secretary of Agriculture Bergland and myself have been an exploration of our willingness to work jointly toward the necessary techniques or mechanisms to ensure that an agreement would be workable. The hon. member will remember that a previous international agreement did not work when it came under strain of heavy supplies and downward pressures on prices. Canada favours the idea of an international agreement which protects our producers against undue competition and when supplies are really needed, reserves are available. We do want working agreements. We do not want to get ourselves in the position we were in under the old agreement.

[Mr. Macdonald (Rosedale).]

Mr. Murta: Did the discussions the minister had with the Secretary of Agriculture involve maximum and minimum prices in so far as the new agreement is concerned? The second part of my question is whether the Secretary of Agriculture will be in Ottawa on April 4 and 5. If so, will the minister indicate what the talks will be about? Will part of them be about the matter of an international agreement in so far as pricing of wheat is concerned?

Mr. Lang: Mr. Speaker, in our discussions in Washington, we did not discuss specific details of such things as minimum and maximum provisions. We were beginning the discussion on such questions as techniques or mechanisms which would be required to make sure the minimum was effective, if one existed. We knew we would want to have discussions at the official level as well as further discussions among ourselves before we reached any conclusions in this regard. I understand that Secretary Bergland has been invited by the Minister of Agriculture to come here to discuss a good number of things in the agricultural field. On such a visit I would expect also to meet with him. We may well pursue this subject further at that time.

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NATIONAL DEFENCE

ROLE OF PROPOSED NEW FIGHTER PLANES—DIVISION OF EXPENDITURE BETWEEN OUTSIDE AND INSIDE CANADA

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is directed to the Minister of National Defence. He apparently announced a proposal to spend $2 billion to purchase new fighter planes. Against what sort of threat are these planes supposed to defend us? Is it not chiefly against a massive attack on North America by manned bombers and is this not entirely unrealistic in the age of missiles and immense nuclear retaliatory power?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, the authority to seek bids on new fighter aircraft are for the various tasks our Canadian armed forces have to play with the first priority on defence of North American security, but also our role in NATO and elsewhere.

Mr. Brewin: If this $2 billion is in fact spent, added to the $1 billion for the long-range patrol aircraft, how much will be spent inside and how much outside Canada? What would this vast expenditure of capital outside of Canada do to our exchange rates, rates of inflation and unemployment in Canada?

Mr. Danson: Mr. Speaker, we are looking for the best and longest range of industrial benefit for Canada in this purchase. I am not certain at this time what percentage that might be. I have been asked what we are seeking. I would like to start off which industrial benefits of about 150 per cent of the contract. We are looking for the best proposals that will come forward for the best aircraft for the purposes for which they are being purchased.

SUPPLY AND SERVICES

ALLEGED REJECTION OF TENDER BY MR. BURTON OF IRMA, ALBERTA

Mr. Arnold Malone (Battle River): Mr. Speaker, my question is to the Minister of Supply and Services. To what extent does the Department of Supply and Services accept requests for tender by telephone and to what degree does the department imply that a tendered bid has been accepted and then some weeks later, after expenses have been encountered, host a meeting to reject the tender as in the case of Mr. R. E. Burton of Irma, Alberta.

Mr. Speaker: Order, please. That kind of detailed information should possibly be sought in another way. The hon. member may want to amplify his question now.

Mr. Malone: Mr. Speaker, I gave the minister notice by letter. Perhaps with that notice he can respond to it.

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): Mr. Speaker, I find it difficult to answer such a general question. Moreover, the hon. member provided me with the details of a specific problem, so I immediately asked my officials to make a report and I hope to have it by tomorrow to give the hon. member an answer.

* * *

[*English*]

GRAIN

WHEAT—POSSIBILITY OF INCREASE IN DOMESTIC PRICE

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the minister responsible for the Canadian Wheat Board. Statistics Canada reported a large drop in farm income from $1.7 billion to $1.2 billion as compared with a year ago. A large portion of this is income received by grain farmers where a drop in total income of between 40 and 50 per cent was reported. Can the minister indicate whether it is his intention to take whatever steps are necessary to increase the price paid for wheat for domestic consumption?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the question of a review of that price is contained in the legislation. Currently, we are having discussions with the Canadian Federation of Agriculture and some other farm organizations in relation to appropriate procedures to be used in examining that issue. It is a fact that the drop in grain income is from levels which were indeed very high. At this time we are still seeing the income effects of a price for wheat which was close to $4 for the top grade, and really very high prices for barley, which were still really the impact of last year's $4.50 price for durum. The fact that these are drops from previous levels does not remove the fact that they were still quite attractive levels. The problems of further drops in farm income raises the problem in a very real way.

AGRICULTURE

MEASURES TO IMPROVE FARM INCOME—GOVERNMENT POSITION

Mr. S. J. Korchinski (Mackenzie): Since the minister responsible for the wheat board does not feel there is a serious problem in so far as the grain producers are concerned, I will direct my supplementary to the Prime Minister. Last Thursday the Minister of Agriculture suggested that many farmers are taking vacations and that their bank accounts are bulging. Everyone knows that an increase in the farm economy results in a boom in the total Canadian economy as farmers are great spenders. This also helps to relieve some of the unemployment problem. Can the Prime Minister indicate here and now whether he intends to have his government move in the direction of improving the farm economy so that the general unemployment picture will improve?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think the hon. member's question will find its answer in the remarks just made a moment ago by the Minister of Transport responsible for grains, and the fact that we have introduced in this House the grain stabilization plan which has indeed been of great benefit to the farmers.

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PENITENTIARIES

PROPOSED MAXIMUM SECURITY INSTITUTION AT SELKIRK—GOVERNMENT POSITION

Mr. Dean Whiteway (Selkirk): Mr. Speaker, my question is to the Solicitor General. It has to do with the new maximum security penitentiary planned for Manitoba. I understand that both the minister's department and the province of Manitoba favour the town of Selkirk as the site. Can the minister assure the House that pending the outcome of the internal discussions by the townspeople of Selkirk, either by referendum, plebiscite or other means, if the decision of the people of Selkirk is that they do not want this maximum security penitentiary it will not be placed in the town of Selkirk?

● (1440)

Hon. Francis Fox (Solicitor General): I should like to advise the hon. member that no firm decision has been taken as to the location of the penitentiary to which he refers. A number of sites are presently being considered and one of them is that of Selkirk, which, I understand, is favoured by the provincial government. However, it is the policy of the department not to go to areas where the people do not wish a penitentiary to be established and where that will is expressed very clearly.

Oral Questions

THE ROYAL FAMILY

INVITATIONS TO HER MAJESTY AND PRINCE CHARLES TO VISIT NEWFOUNDLAND—REASON FOR FAILURE OF GOVERNMENT TO APPROVE

Mr. John C. Crosbie (St. John's West): Mr. Speaker, my question is directed to the Prime Minister. The government of Newfoundland, through the government of Canada, invited Her Majesty the Queen to visit Newfoundland during the jubilee year of her succession to the Throne but apparently the government of Canada did not recommend to her that she visit Newfoundland. Would the right hon. gentlemen tell the House the reason for taking that position, particularly in view of the fact that Her Majesty visited Nova Scotia, Ontario and New Brunswick last year in connection with the Olympics?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I dealt with this matter in the House last week. Perhaps the hon. member will check *Hansard* and find the answer to his question.

Mr. Crosbie: The government of Newfoundland also invited His Royal Highness, the Prince of Wales, Prince Charles, to visit Newfoundland during the Canada Summer Games in 1977. That invitation also was not approved by the government of Canada. Can the right hon. gentleman tell us the reason for that decision? Is there something against royalty visiting the province of Newfoundland?

Mr. Trudeau: It is my understanding that the Prince of Wales will be visiting the western provinces in the current year. I will check the details. But I would be very surprised if he would not have as much pleasure going to Newfoundland. I suppose he does not have time to do both.

* * *

RESOURCES

PLANS FOR OPENING NEW COAL MINES IN NOVA SCOTIA AND NEW BRUNSWICK

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, my question is intended for the Minister of Energy, Mines and Resources. Can he advise us whether any joint federal provincial initiatives are currently being undertaken to encourage new coal mining ventures in New Brunswick and Nova Scotia? I ask this because of the very high unemployment rate in these provinces and the need for alternative sources of energy to which attention has been directed so often by the hon. member for Cape Breton-The Sydneys.

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I believe the program we announced for Nova Scotia, the arrangements for home insulation and oil substitution, would fit into that category. Provision is made there for the conversion of oil fired generating plants to coal-firing, presumably using Nova Scotia coal.

[Mr. Fox.]

Mr. MacKay: Perhaps I did not make myself clear. I wanted to ask the minister whether there are any definite programs being undertaken to encourage the opening of new coal mines in that region.

Mr. Gillespie: There is a possibility of another strip mining coal property being developed in Nova Scotia and I am talking to the premier about it. It was his hope that this project might qualify under the program announced some time ago and I think there is a good chance it may. It is possible, though, that some environmental questions will have to be settled first.

* * *

ENERGY

ASSISTANCE TO NEWFOUNDLAND IN DEVELOPMENT OF LOWER CHURCHILL HYDROELECTRIC PROJECT—GOVERNMENT ACTION

Mr. James A. McGrath (St. John's East): A supplementary question. Is the minister prepared to reconsider upward the offer made to Newfoundland in connection with the development of the Lower Churchill in the light of the inflation which has taken place since the offer was originally made? Is the minister now prepared to tell the House whether the government has taken any decision with regard to the exercise of the powers it possesses under the BNA Act with respect to the building of transmission lines so as to enable Churchill Falls or Labrador power to get into the Ontario grid?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): I stated in the House a short while ago that I had been in touch with the premier of Newfoundland and that I had raised the question of his interest in pursuing the Gull Island site—not just the transmission aspect but the generating facility itself. He responded in a positive way and our officials are at the present time updating the engineering and cost data with a view to working out an arrangement whereby this very considerable resource might be made available for the benefit of the people of Newfoundland, the Maritime provinces and, indeed, Canada generally.

Mr. McGrath: Given the serious unemployment situation in the province, coupled with the urgent need for energy, is the minister, on behalf of the government, prepared to expedite consideration of this matter, and will he look upon it as constituting a make-work project of considerable importance in the immediate future?

Mr. Gillespie: I cannot go any faster than I am right now. I am waiting for the premier.

POSSIBILITY OF FEDERAL PARTICIPATION IN MARITIME ENERGY CORPORATION

Mr. J. Robert Howie (York-Sunbury): A further supplementary to the minister of energy. Has the federal government reached a decision whether or not to take an equity position in the Maritime Energy Corporation?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): That decision has not been taken but as the hon. member will realize this is an option which, for the first time, we are prepared to consider with the Maritime Energy Corporation. Indeed, it is an option we are also prepared to consider with the premier of Newfoundland in connection with the development of Gull Island.

* * *

ADMINISTRATION OF JUSTICE

PROPOSED CHANGE IN LAW RELATING TO MATRIMONIAL CAUSES—GOVERNMENT POSITION

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Justice. Has the minister given any consideration to the introduction of legislation with regard to divorce reform as proposed by the Law Reform Commission, with particular emphasis on the question of marriage breakdown, and has there been any consultation with provincial governments with respect to bringing divorce, alimony and maintenance under one common head, as has been proposed?

Hon. Ron Basford (Minister of Justice): There has been a good deal of discussion on the subject going as far back as the meeting of the provincial attorneys general in Vancouver last June. There have been consultations and discussions about various aspects of law reform relating to divorce and family law. What developed from those discussions was that we should immediately endeavour to make progress in the establishment across the country of experimental projects such as unified family courts and that action should be taken with respect to changing the law relating to the division of matrimonial property. I am happy to report that in line with the remarks in the Speech from the Throne last fall, very considerable progress is being made in both those areas with the provincial governments. In a third area, we are having consultations on the latter part of the report of the Law Reform Commission relating to the dissolution of marriage. I am not, at this point, in a position to indicate what, if any, legislation might be introduced.

Mr. Baldwin: In order to try to accelerate the slow progress which, if I read correctly between the lines of what the minister has said, is being made, I would like to ask whether the hon. gentleman is prepared to seek the advice of the representatives of the people by introducing a green paper for consideration by a committee of this House with suitable statistics gathered as to what has been happening under the existing act. Such a committee of this House might then be able to lend its services to the government.

Mr. Basford: Mr. Speaker, that is a worth while suggestion and one which is already being considered. However, with regard to the first part of the hon. member's question I would point out that very real progress is being made in the areas in which the attorneys general and I agree. There is an agreement with the province of Ontario as to the establishment of a unified family court as of July 1. There is an agreement in principle with the government of Newfoundland. There is one to be established in Manitoba, but that was postponed for legitimate budgetary reasons. Discussions have taken place with the province of Saskatchewan, which indicated support for the scheme in its speech from the throne two weeks ago. There has been discussion with the province of British Columbia about modification of their unified family court and an active evaluation scheme is now under way there. I think, therefore, that in those areas upon which agreement has been reached, very substantial progress has been made.

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ATOMIC ENERGY OF CANADA LIMITED

RENEGOTIATION OF AGENCY CONTRACT WITH MARUBENI—REQUEST FOR ASSURANCE OF PROPER DOCUMENTATION AND AUDITING

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources arising from his reply to the hon. member for Northumberland-Durham to the effect that Atomic Energy of Canada Limited is renegotiating its agreement with the Marubeni Company, which is its designated agent in Japan? In view of the fact that the Marubeni Company has already indulged in some questionable business practices in connection with the sale of planes by the Lockheed company to Japan, and in view of the fact that the Auditor General before the public accounts committee on February 8 of this year said that any agreement with agents which did not provide the necessary documentation and follow the proper auditing practices would meet the same criticism as the agreement which AECL entered into with Shaul Eisenberg, can the minister assure the House that in any agreement negotiated, renegotiated or otherwise with the Marubeni Company there will be provision to ensure that the proper documentation and the auditing practices commonly followed by the Auditor General will be included?

● (1450)

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I think I can give those assurances. Indeed, I can go further than that and say that the government adopted a set of guidelines for its Crown corporations and, of course, AECL will be required to follow those new guidelines.

SUGGESTION AGENT NOT BE USED IN SALE OF REACTOR TO JAPAN

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. The history to date does not give me much confidence in that statement. In view of the fact that Westinghouse and other companies which are engaged in selling nuclear reactors have decided that there is no longer any need for the use of the services of agents, is the government giving consideration to suggesting to AECL that we dispense with the use of an agent in the matter of negotiat-

ing an agreement with Japan, particularly in view of the fact that we have competent trade and commerce attachés in the embassy in Japan, as we have in many other countries throughout the world?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I will draw that particular representation to the attention of the officers of AECL, but I would want to make this point. I think hon. members should realize the importance of the trading company in the commercial life of Japan. Indeed, it is the strength of the trading corporation on the importing side which gives it strength as an exporter. For that reason I think that if you are going to do business in Japan your chances are a lot better if you appoint an agent from one of the trading corporations.

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POST OFFICE

PURPOSE OF INCREASE IN RATES—MEASURES TO RESTORE EFFICIENCY OF OPERATION

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Postmaster General. Now that Canadians are protesting yet another increase in postal rates, can the Postmaster General advise the House whether these regular increases are designed to decrease the post office deficit or to maintain the subsidy for an essential service?

Hon. J.-J. Blais (Postmaster General): Mr. Speaker, I would disagree with the hon. member's premise. I have received some protests, but generally the protests have not been what I would have expected.

An hon. Member: Just wait a while.

Mr. Blais: I also wish to indicate to the hon. member that preliminary indications are that there is no loss of volume as a result of the increases. Indeed, the price of stamps today corresponds to the price in 1955 when we were dealing with an increase in the CPI.

Mr. Dinsdale: A supplementary question. Perhaps the protests are still in the mails. In view of the rapidly increasing costs and the continuing deficits and declining service which has been the pattern for the post office in recent years, will the Postmaster General inform the House of the steps he has taken since taking over responsibility to restore Canada's post office to its former high efficiency? In particular, what recommendations has he implemented from the Hays consultant report?

Mr. Blais: Mr. Speaker, it is not my intention to make a statement on motions at this time in reply to the hon. gentleman's question. I am pleased to note that his leader has finally received through the mail the invitation he launched for his leaders to attend in the hon. member's constituency, to make a welcome address, I am sure.

Mr. Clark: He had to deliver it personally, J.-J.

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]

CANADIAN WHEAT BOARD

JUSTIFICATION OF PROSECUTIONS—SUGGESTED CHANGE IN LAW

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my question is for the minister in charge of the Wheat Board. In view of the action of the Canadian Wheat Board in prosecuting many farmers, agents and grain handling companies, giving in effect criminal records to worthy, reputable and productive citizens, does the minister consider the workings of the Wheat Board Act as presently constituted reasonable and justifiable?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I do not think I would want to comment on matters which are before the courts. We had a good discussion on the question of law enforcement issues involved in connection with the Wheat Board. Of course, there have to be enforcement procedures for regulations, but I would not join the hon. member in referring to them as criminal records.

Mr. Ritchie: A supplementary question, Mr. Speaker. Will the minister consider any other means whereby transgressions of the regulations by reputable citizens, often unwittingly and in the interest of production, can be dealt with without laying criminal charges?

Mr. Lang: That certainly might be looked at again, Mr. Speaker, the next time the act is before the House. I hope the hon. member will agree with me that in order to protect producers generally and to assure equity of delivery opportunities we do need rules and that we do have to enforce them.

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PENITENTIARIES

PROPOSED NEW INSTITUTION FOR MANITOBA—POSSIBILITY OF SITE AT CHURCHILL OR LYNN LAKE

Mr. Cecil Smith (Churchill): Mr. Speaker, my question is supplementary to that asked by the hon. member for Selkirk and is addressed to the Solicitor General. May I ask the minister whether one of the locations in Manitoba that he is considering for the federal penitentiary is Churchill or Lynn Lake because of the high unemployment and the desperate need for economic development there?

Hon. Francis Fox (Solicitor General): Mr. Speaker, we are more than pleased to consider all possible sites within the province of Manitoba. I will take the hon. member's suggestions and refer them to the appropriate officials in my department, particularly the group concerned with the selection process in Manitoba.

TRANSPORT

SHIPPING ON WEST COAST—POSSIBILITY OF INQUIRY AND SUBSIDY TO RIVTOW

Mr. Bob Brisco (Kootenay West): Mr. Speaker, my question is for the Minister of Transport. In view of the recent statement of Mr. Cosulich of Rivtow Straits that he can no longer operate without a subsidy, with reference to west coast shipping, and in view of the fact that the minister himself has promised an inquiry into the chaos that was created by his intervention on the west coast, can the minister now enlighten the House whether (a) there will be an inquiry, and (b) whether he is prepared to provide a subsidy to Rivtow Straits similar to the kind of subsidy Northland Shipping previously enjoyed?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I have not seen the statement to which the hon. member refers. Any question of a commission of inquiry would have to await completion of certain discussions which are going on between ourselves and the government of British Columbia. I should say to the hon. member though, that the form of subsidy which had been given to Northland, I trust, will not be thought of as being reintroduced by anyone. It encouraged really the wrong form of transportation where a far more cost effective form was available, one which in the very short run would be giving far better service to passengers.

Mr. Brisco: A supplementary question, Mr. Speaker. The minister refers to "far better service". I wonder whether he is referring to past service or future service? I hope he is not referring to present service. Is he prepared to answer that?

Mr. Speaker: Order. The hon. member for Victoria.

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CROWN ASSETS DISPOSAL CORPORATION

POSSIBILITY OF SALE OF SUBMARINE "RAINBOW"

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of Supply and Services. Would he inform the House whether Crown Assets Disposal Corporation are on the point of selling the submarine H.M.C.S. *Rainbow* to a United States company for something less than a quarter of a million dollars?

[*Translation*]

Hon. Jean-Pierre Goyer (Minister of Supply and Services): I will inquire, Mr. Speaker, and I will give an answer to the hon. member.

[*English*]

NATIONAL DEFENCE

LACK OF SUBMARINES ON WEST COAST—GOVERNMENT ACTION

Mr. Allan B. McKinnon (Victoria): A supplementary question for the Minister of National Defence. In view of the fact that the Canadian navy on the west coast has two anti-submarine squadrons and no submarine to practice on but must borrow United States submarines for practice, has the minister thought of reactivating the *Rainbow* or of bidding on the sale of it, or indeed replacing it with a new submarine?

Hon. Barney Danson (Minister of National Defence): Yes, Mr. Speaker, we thought of it and discarded the idea. One of our submarines, the *Ojibway,* is on the west coast now working with the *Athabascan* and the destroyer fleet in an anti-submarine role. We do share these facilities with our American allies, as I believe the hon. member knows, and also other facilities in this range. There is a reciprocal arrangement which seems to be working out very well and in our view there is no justification for reactivating the *Rainbow.*

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STATISTICS CANADA

ALLEGATION JOB VACANCY FIGURES MISLEADING—GOVERNMENT ACTION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct my question to the minister of manpower and remind him of that interesting exchange which we had on Friday regarding the job vacancy figures published by Stat-Can. I remind him that he said in the House that the statistics were misleading. Then, he ran from the House, gave a press interview and said that they were useless and needed to be looked at with a jaundiced eye. Does the minister not agree that these are extremely serious charges? Has he brought this particular matter to the attention of the Minister of Industry, Trade and Commerce who answers for Statistics Canada? Surely, we cannot continue the publication of statistics the minister does not believe.

● (1500)

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, there is no way I could run from the House; my briefcase is too heavy for me to do that. I was commenting on the vacancy rate and the use or misuse which has been made of those figures. For example—and I had this in mind—Canada manpower centres place about one million people a year. We participate in filling between 25 per cent and 35 per cent of all vacancies. At the end of any given month some 100,000 vacant jobs are available, just through CMCs. That was my point, and to take a narrow interpretation does not do a service to the people looking for jobs.

Mr. Alexander: A supplementary question, Mr. Speaker. That was a lot of nonsense. The minister indicated in no uncertain terms that job vacancy statistics as published by

Statistics Canada are useless, misleading and need to be looked at with a jaundiced eye. In all fairness, since the minister and the associate deputy minister believe it, will he now take up this matter with the Minister of Industry, Trade and Commerce who is responsible for Statistics Canada, in order that he may investigate this matter and report to the House. Surely, the minister can do that.

Mr. Cullen: Mr. Speaker, much as I respect the hon. member's views, merely because he says something is nonsense does not make it so. I was speaking of facts. He might be interested in another fact. The Canadian labour market—

An hon. Member: Yes, give us the facts.

Mr. Cullen: The Canadian labour market—

Some hon. Members: Oh, oh!

Mr. Cullen: Does the hon. member for Lanark-Renfrew-Carleton not want the answer?

Mr. Dick: Yes, but we want facts.

Mr. Cullen: The Canadian labour market is extremely dynamic. Over three million full-time jobs open up each year, something of which hon. members should be aware.

Some hon. Members: Oh, oh!

Mr. Dick: Answer the question.

Mr. Speaker: Order, please.

ROUTINE PROCEEDINGS

[*English*]

FINANCE

TABLING OF ANNUAL REPORT OF GOVERNOR OF BANK OF CANADA

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I should like to table copies, in both official languages, of the annual report of the governor of the Bank of Canada, and statement of accounts for the year 1976.

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PUBLIC SERVICE

TABLING OF FIFTH REPORT OF ADVISORY GROUP ON EXECUTIVE COMPENSATION

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I should like to table, under Standing Order 41(2), copies, in both official languages, of the fifth report of the advisory group on executive compensation in the public service, under the chairmanship of Mr. Allen Lambert.

[Mr. Alexander.]

ADMINISTRATION OF JUSTICE

TABLING OF PUBLICATION "HIGHLIGHTS OF THE PROPOSED NEW LEGISLATION FOR YOUNG OFFENDERS"

Hon. Francis Fox (Solicitor General): Mr. Speaker, pursuant to Standing Order 41(2), I should like to table, in both official languages, a publication entitled "Highlights of the Proposed New Legislation for Young Offenders". This contains proposals for new legislation to replace the Juvenile Delinquents Act.

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REGULATIONS AND OTHER STATUTORY INSTRUMENTS

SECOND REPORT OF STANDING JOINT COMMITTEE

On the order: Motions (except those permitted before oral questions).

March 4, 1977—Mr. McCleave (Joint Chairman of the Standing Joint Committee on Regulations and other Statutory Instruments):

That the second report of the Standing Joint Committee on Regulations and other Statutory Instruments, presented to the House on Thursday, February 3, 1977, be concurred in.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I understand that this matter is to be called as a government order perhaps later this day.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

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SUPPLY

DISPOSITION OF ESTIMATES

Hon. Allan J. MacEachen (President of the Privy Council) moved:

That, notwithstanding any Standing Order, on Tuesday, March 22, 1977, being the final allotted day in the present supply period, at fifteen minutes before the ordinary time of adjournment, proceedings then in progress shall be interrupted and every question as may be required by section (9) of Standing Order 58 shall be put forthwith successively, without amendment or debate;

That immediately thereafter, any other question or questions as may be necessary to dispose of any item or items of supplementary estimates, the restoration or reinstatement of any item in the supplementary estimates, or any opposed item in the supplementary estimates, and for the passage of any bill based thereon shall be put forthwith successively, without amendment or debate;

That, immediately thereafter, the questions on a motion to grant interim supply and for first reading of a bill based thereon shall be put forthwith successively, without amendment or debate; and

That, on a day designated by a minister of the Crown, the business taken up shall be the second reading, consideration in committee of the whole, report stage and third reading of the bill based upon the motion for interim supply and that, at fifteen minutes before the ordinary time of adjournment on that day, proceedings then in progress shall be interrupted and every question necessary for the disposal of the said bill shall be put forthwith successively, without amendment or debate;

Provided that, on both the aforementioned days, the House shall not adjourn until all business referred to in this order is disposed of.

Motion agreed to.

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QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 598, 1,149, 1,221, 1,360, 1,497, 1,531, 1,542, 1,570, 1,718, 1,727 and 1,817.

[*Text*]

DEPARTMENT OF EXTERNAL AFFAIRS REGIONAL OFFICES

Question No. 598—**Mr. Munro (Esquimalt-Saanich):**

1. (a) How many regional offices are maintained by the Department of External Affairs (b) where is each located (c) for what area is each responsible?

2. On what date was each established and with how many personnel?

3. What is the present personnel strength of each office?

4. In addition to regional offices, are district or other sub-offices maintained and, if so (a) in what locations (b) how many?

5. Are the duties performed by those manning the regional and/or district offices line functions, in the chain of command from Ottawa to the operator in the field, or do they have other functions to perform and, if so, what are such functions?

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): 1. (a) Six regional passport offices are maintained by the Department of External Affairs. (b) They are located in Toronto, Montreal, Vancouver, Edmonton, Winnipeg and Halifax. (c) There are no defined geographical limits of responsibility or interest.

2.

Office	Date Established	Personnel		
		Permanent	Casual M/Y	Total
Toronto	March 1970	18	6	24
Montreal	February 1970	15	6	21
Vancouver	March 1970	8	4	12
Edmonton	February 1972	7	.25	7.25
Winnipeg	June 1973	5	.50	5.50
Halifax	February 1972	4	.25	4.25
		57	17	74

3. The 1976-77 establishment of each office is:

	Positions		
	Permanent	Casual M/Y	Total
Toronto	27	13	40
Montreal	20	9	29
Vancouver	14	5	19
Edmonton	7	1.3	8.3
Winnipeg	6	.7	6.7
Halifax	4	.5	4.5
	78	29.5	107.5

4. One sub-office is maintained in the Borough of North York, Toronto responsible to the Toronto Regional Office.

5. The regional offices report directly to the Director of the Passport Office who is responsible to the Under-Secretary of State for External Affairs for the administration of the Canadian passport service. From time to time, the officers of the regional offices respond to requests for assistance from other divisions of the Department of External Affairs, e.g. Consular, Protocol, Information, generally of an administrative nature.

PREMIER HATFIELD'S APPEARANCE ON CBC

Question No. 1,149—**Mr. Jones:**

1. Did Premier Richard B. Hatfield appear on CBC from Montreal, Quebec and act as a commentator on the Quebec election and, if so, what arrangements were made for (a) salary (b) fees (c) expenses (d) entertainment (e) other remuneration or the equivalent and, in each case, what was the amount?

2. Were the Premier's expenses paid by the government and, if not, who did pay for his expenses?

Hon. John Roberts (Secretary of State): Department of the Secretary of State: 1. To be answered elsewhere.

2. No. Not known by Secretary of State.

I am informed by the Canadian Broadcasting Corporation as follows: 1. Yes, but as a guest, not as a commentator. (a), (b), (c), (d), (e) None.

2. To be answered elsewhere.

MONEY PAID TO NON-PROFIT OR COMMUNITY AGENCIES

Question No. 1,221—**Mr. Howie:**

Since January 1, 1975, has any money been given by the Department of the Solicitor General to non-profit or community agencies for service work and, if so, to which agencies and in what amount?

Hon. Francis Fox (Solicitor General): Ministry Secretariat. See table below. Canadian Penitentiary Service and National Parole Service. See table below.

	Grant	Contribution	Contract
Social Planning Council-Metro Toronto			2,500.
The Elizabeth Fry Society, Toronto			4,450.
Native Clan Organization of Manitoba			79,400.
Kitchener House Project			1,000.
Elizabeth Fry Society, B.C.			3,800.
Les Ateliers Dominiques		67,400	23,143.
Y.M.C.A. Halifax			4,000.
Agence Sociale Spécialisées de Hull		26,600.	3,800.
John Howard Society, Quebec			12,000.
John Howard Society, Sydney			17,000.
Foundation for Human Development			12,863.
John Howard Society, Hamilton		51,000.	
Montreal West Island, Y.M.C.A.		34,500.	
Services de Réadaptation Inc, Quebec City		10,000.	
Sun Youth Organization		99,137.	
Boys' Farm & Training School		6,500.	
Astra Society, Hamilton		7,000.	
St. Leonard's Society of Brant		8,500.	
Bethany House, Odessa		1,800.	
St. Leonard's House of London		17,000.	

Order Paper Questions

	Grant	Contribution	Contract
St. Leonard's Society of Canada		25,000.	
Elizabeth Fry Society of Kingston		2,900.	
United Way of Greater Vancouver			36,487.
Mental Health Centre			4,000.
The Portage Foundation		5,000.	
Recreation Project 80 Inc.		10,000.	
Allied Metis & Indian Society		2,000.	
Community Diversion Centre		112,090.	
Downsview Weston Action Youth Committee		53,777.	
Canadian Criminology & Correction Association	175,000.	40,000.	
Yukon Native Brotherhood			2,500.
Bureau de Consultation Jeunesse Inc.		26,325.	
Youth of Otanabee United		6,700.	
Ishtar Women's Resource Centre		1,960.	
John Howard Society of Vancouver		23,000.	
St. Leonard's Society of Canada		15,000.	
Church Council on Justice & Corrections		20,000.	
Qinuayooaq Society		17,000.	

Royal Canadian Mounted Police, National Parole Board. Nil.

Grants to Authorized after Care Agencies

	Increase to 1974-75 Grants (Paid January/75)	1975-76 Grants (Paid May/75)	Increases to 1975-76 Grants (Paid January/76)	1976-77 Grants (Paid April/76)	Total
John Howard Society of Canada	$42,164.00	$234,047.00	$26,353.00	$260,400.00	$562,964.00
John Howard Society of New Brunswick	2,857.00	15,982.00	1,799.00	17,781.00	38,419.00
John Howard Society of Vancouver Island	2,857.00	15,982.00	1,799.00	17,781.00	38,419.00
Elizabeth Fry Society of Ottawa	463.00	2,523.00	284.00	2,807.00	6,077.00
Elizabeth Fry Society of Kingston	1,698.00	9,640.00	1,085.00	10,725.00	23,148.00
Elizabeth Fry Society of British Columbia	1,004.00	5,547.00	624.00	6,171.00	13,346.00
Elizabeth Fry Society of New Brunswick	77.00	375.00	42.00	417.00	911.00
Elizabeth Fry Society of Toronto	927.00	5,016.00	564.00	5,580.00	12,087.00
Catholic Welfare Bureau of Manitoba	541.00	2,818.00	317.00	3,135.00	6,811.00
Council of Catholic Charities of Toronto	618.00	3,453.00	389.00	3,842.00	8,302.00
Association of Social and Rehabilitation Agencies	19,151.00	106,285.00	11,967.00	118,252.00	255,655.00
Prison Arts Foundation	1,158.00	6,579.00	740.00	7,319.00	15,796.00
Salvation Army	3,708.00	20,753.00	2,337.00	23,090.00	49,888.00
Elizabeth Fry Society of Brampton	—		5,000.00	5,000.00	10,000.00
Elizabeth Fry Society of Hamilton	—		5,000.00	5,000.00	10,000.00
Unison Society of Nova Scotia					
Canadian Association of Elizabeth Fry Societies	—		8,000.00	8,000.00	16,000.00
Alberta Elizabeth Fry Society	—		8,700.00	8,700.00	17,400.00
National Elizabeth Fry Society	—		10,000.00	10,000.00	20,000.00
Total	$77,223.00	$429,000.00	$85,000.00	$514,000.00	$1,105,223.00

MINISTRY OF TRANSPORT BUILDING—MONCTON, NEW BRUNSWICK

Question No. 1,360—**Mr. Jones:**

1. On what date and at what location will the proposed new old building for the Department of Transport in Moncton, New Brunswick be decided?

2. What site was recommended for the DOT building in Moncton?

3. What were the names of the tenderers and the amounts bid for the last tender call for the DOT building in Moncton?

4. (a) For what reason were tenders not accepted (b) for what reason was construction not commenced?

5. (a) Are tenders to be called again and, if so, on what date and at what location will the new DOT building be built (b) what is the estimated cost?

Mr. Alexandre Cyr (Parliamentary Secretary to Minister of Public Works): 1. At the present time an accommodation study and plan are being prepared for the city of Moncton. It is anticipated that this plan will be completed this spring. At that time the various alternatives available including the possibility of constructing a new building, will then be investigated.

[Mr. Fox.]

2. The bid by Centennial Brunswick Limited, on their Weldon Street site, was the lowest tender acceptable to both the Ministry of Transport and the Department of Public Works. This site is within the downtown core area and was approved by the Moncton Planning Authority for high-rise developments.

3.

Offerer	Rental Rate (per square feet)	Adjusted Rental Rate (includes tenant improvement) (per square feet)
Castlemaine Management Limited	5.65	6.45
Centennial Brunswick Limited	8.25	9.05
W. H. Crandall and Associates (Management) Ltd.	8.82	9.62
Greater Moncton Developments Limited	8.84	9.64
The Hardman Group	9.69	10.49
Atlantic Shopping Centres Limited	10.04	10.84
Queen Court Limited	10.14	10.94

4. (a) and (b) A decision was taken at that time to re-examine both the Ministry of Transport's specific requirements and other federal government programmes generally in the area concerned.

5. (a) and (b) See answer to part 1.

INSULATION

Question No. 1,497—**Mr. Herbert:**

1. What are the names of the two largest manufacturers of insulation material for residential use in the Provinces of Ontario and Quebec?

2. Do these companies also manufacture insulation material in the United States?

3. What are the tariffs on wool batt and loose insulation material (a) exported to the United States (b) imported from the United States?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Industry, Trade and Commerce and National Revenue as follows: 1. The two largest manufacturers of insulation material for residential use in Ontario and Quebec are Fiberglas Canada Limited, with plants at Sarnia, Ontario and Candiac, Quebec, and Canadian Johns-Manville Limited, with plants at Port Credit, Ontario and Brossard, Quebec. Both companies produce glass wool insulation products at these plants. Fiberglas Canada Limited also owns a vermiculite insulation plant in Lachine, Quebec. The plant operates under the name Vermiculite Insulation Limited.

2. Neither Fiberglas Canada Limited nor Canadian Johns-Manville Limited, operate insulation plants in the United States. However, the U.S. parent or affiliate does operate insulation plants in the United States.

3. (a) Fibre glass insulation batts and bulk glass fibres of the types for residential insulating uses are dutiable at a rate of 11 per cent ad valorem when imported into the United States. Mineral wool insulation batts, blankets and in bulk form for insulating uses are dutiable at a rate of 7.5 per cent ad valorem. Articles of various shapes and sizes, not decorated, would also be dutiable at the same rate of duty under an alternative classification in the United States tariff. Expanded vermiculite in material form used as insulation or as concrete aggregate is dutiable at 7.5 per cent ad valorem when exported into the United States. (b) Mineral wool loose insulation material is classified under tariff item 68905-1 and is subject to a duty rate of 20 per cent when imported from United States. Mineral wool batts with only sufficient binder to hold the fibres together are also classifiable under tariff item 68905-1. Mineral wool, when further manufactured than as mentioned above would be dutiable under tariff item 71100-1 at 17½ per cent.

DEPARTMENT OF NATIONAL REVENUE PERSONNEL

Question No. 1,531—**Mr. McKenzie:**

1. Has the Department of National Revenue obtained (a) part-time (b) full-time employees from private employment agencies in (i) British Columbia (ii) Alberta (iii) Saskatchewan (iv) Manitoba (v) Ontario (vi) Quebec (vii) New Brunswick (viii) Nova Scotia (ix) Prince Edward Island (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

3. By province, what was the (a) average hourly rate paid to employment agencies (b) average hourly rate paid to employees (c) total amount paid by the Department in (i) 1975 (ii) 1976?

Hon. Monique Bégin (Minister of National Revenue): 1.

(a)	1975/76	1976/77 (to date)
(i)	nil	nil
(ii)	7	1
(iii)	nil	nil
(iv)	15	11
(v)	159	104
(vi)	37	80
(vii)	2	nil
(viii)	1	nil
(ix)	nil	nil
(x)	nil	nil

(b)	1975/76	1976/77 (to date)
(i)	nil	nil
(ii)	nil	nil
(iii)	nil	nil
(iv)	1	3
(v)	nil	1
(vi)	nil	nil
(vii)	nil	nil
(viii)	nil	nil
(ix)	nil	nil
(x)	nil	nil

2. No, paid from Main Estimates.

3.

(a)	(i)	(ii)
Alberta	$5.59	$6.25
Manitoba	5.22	5.91
Ontario	5.35	6.09
Quebec	5.45	6.08
New Brunswick	4.90	nil
Nova Scotia	5.75	nil

(b) Not available from our records, this matter rests between employee and employment agencies.

(c)	(i)	(ii)
Alberta	$ 2,053.00	$ 703.00
Manitoba	5,675.03	3,848.10
Ontario	84,625.23	85,265.55
Quebec	36,326.13	45,988.22
New Brunswick	387.10	nil
Nova Scotia	2,880.69	nil

EXTERNAL AFFAIRS—PRIVATE EMPLOYMENT AGENCIES

Question No. 1,542—**Mr. McKenzie:**

1. Has the Department of External Affairs obtained (a) part-time (b) full-time employees from private employment agencies in (i) British Columbia (ii) Alberta (iii) Saskatchewan (iv) Manitoba (v) Ontario (vi) Quebec (vii) New Brunswick (viii) Nova Scotia (ix) Prince Edward Island (x) Newfoundland and, if so, in each case, how many?

2. Are such employees paid from supplementary estimates and, if not, from what estimates are they paid?

Order Paper Questions

3. By province, what was the (a) average hourly rate paid to employment agencies (b) average hourly rate paid to employees (c) total amount paid by the Department in (i) 1975 (ii) 1976?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Nil.

SOLAR HEATING

Question No. 1,570—**Mr. Herbert:**

1. In each of the past five years, what amount has been expended in research projects on solar heating in residential construction?

2. What method is used to publicize the programme?

3. By what means are residences selected that obtain grants towards the cost of solar heating systems and what proportion of the costs are covered by these grants?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): In so far as the Department of Energy, Mines and Resources in concerned: 1. 1976-77, Michael Berkowitz, University of Toronto, $19,000.

In so far as the National Research Council of Canada is concerned: 1. From 1972-75, Nil; 1975-76, $696,000; 1976-77, $800,000 (estimated): 1977-78, $3,058,000 (estimated: NRC $2,408,000; CMHC $500,000, DEMR $150,000).

2. The funding program in 1976-77 was announced in the Research and Development Bulletin of the Department of Supply and Services, March 1976; the Daily Commercial News; the Newsletter of the Solar Energy Society of Canada, Inc.; by direct mailing to attendees at the National Research Council Conservation Seminar; NRC Press Release. Successful recipients of contracts appeared in the DSS Research and Development Bulletins, October, November and December, 1976. Recipients of demonstration contracts were announced in a news release from EMR. Reports resulting from contracts will be housed in the CISTI library and announced to the membership of the Solar Energy Society of Canada, Inc. Same general procedure will be used in 1977-78.

3. On the request for proposals form from the Department of Supply and Services one section set out the Evaluation Criteria indicating relative weights of each criteria. Bidders were advised to address these criteria in their proposals. The evaluation of the proposals, using these criteria, was subsequently done by personnel of the National Research Council and the Department of Supply and Services. The contract price awarded covered the cost of design, solar hardware purchase and solar system installation.

PUBLIC SERVICE—SALARIES

Question No. 1,718—**Mr. Howie:**

1. As of April 30, 1976, how many male public servants held positions with an annual salary of more than $15,000, excluding Crown corporations, boards and agencies and what proportion of all males does the figure represent?

2. As of April 30, 1976, how many (a) male (b) female public servants held positions with an annual salary of less than $8,000, excluding Crown corporations, boards and agencies and what proportion of all males and females do the figures represent?

[Mr. McKenzie.]

Hon. Robert K. Andras (President of the Treasury Board): 1. As of April, 1976 the number of male public servants holding positions with an annual salary of more than $15,000 was 51,814 which represented 31.2 percent of all male employees.

2. (a) As of April 1976 the number of male public servants holding positions with an annual salary of less than $8,000 was 4,210 which represented 2.5 percent of all male employees. (b) As of April 1976 the number of female public servants holding positions with an annual salary of less than $8,000 was 12,637 which represented 16.8 percent of all female employees.

NOTE: The selection criteria for questions 1 and 2 were full-time indeterminate employees subject to Public Service Staff Relations Act, Schedule 1, Part 1. Source was Personnel Applications Centre, Supply and Services, Canada.

NUMBER OF PUBLIC SERVANTS IN EACH PROVINCE AND TERRITORY

Question No. 1,727—**Mr. Herbert:**

1. How many public servants are in each province and territory, excluding the National Capital Region?

2. Which of the provinces are being considered for additional public servants in the programme of decentralization?

Hon. Robert K. Andras (President of the Treasury Board): 1 The number of full-time indeterminate public servants subject to Public Service Staff Relations Act, Schedule 1, Part 1, in each province and territory, excluding the National Capital Region is as follows: Newfoundland, 5,247; Prince Edward Island, 1,230; Nova Scotia, 14,524; New Brunswick, 7,323; Manitoba, 10,974; Saskatchewan, 7,754, Alberta, 16,235; British Columbia, 23,272; Northwest Territories, 1,239; Yukon, 833; Ontario, 51,915; Quebec, 41,943.

SOURCE: Personnel Applications Centre, Supply and Services, Canada, January 1977.

2. All.

BORDER BETWEEN LABRADOR AND QUEBEC

Question No. 1,817—**Mr. Crosbie:**

1. Is the government aware of the statement of the Premier of Quebec, The Honourable René Lévesque, made December 9, 1976 during a visit to Wabush, Labrador that Quebec regarded the 1927 decision of the Judicial Committee of the Privy Council concerning the border between Labrador and Quebec to be unfair and that an independent Quebec would bring its claim for possession of Labrador before an international court and, if so, does the government take the position that the 1927 decision defining the boundary between Labrador and Quebec was unfair or that it was fair and binding?

2. What is the government's position in relation to any question concerning the boundaries between the Provinces of Newfoundland, including Labrador, and Quebec going before an international court for adjudication?

Right Hon. P. E. Trudeau (Prime Minister): 1 and 2. Whatever the government of Canada may have felt following the decision of the Judicial Committee of the Privy Council in

1927 concerning the border between Labrador and Quebec, that decision became part of the Constitution of Canada under the terms of the British North America Act (No. 1), 1949. It is therefore now an internal matter and not fit subject for adjudication before an international court.

* * *

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if questions nos. 157 and 1,831 could be made orders for returns, these returns would be tabled immediately. I again point out that we are treating these questions in this manner because of the lengthy and detailed nature of the answers.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

[*Text*]

DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Question No. 157—**Mr. Orlikow:**

1. What was the number of persons employed by the Department of Indian Affairs and Northern Development in each of the past five years?

2. For each of the same years, what was the number of persons employed in (a) Ottawa (b) each region and, in each case, how many were (i) Native people (ii) Indian (iii) Metis (iv) Inuit?

3. What was the operational budget and/or the amount paid for salaries for staff in each of the above categories?

Return tabled.

MEDIAN WATER LEVELS FOR GREAT LAKES

Question No. 1,831—**Mr. O'Sullivan:**

1. For each year 1957 to 1977, what have been the (a) agreed-upon (b) actual median water levels for the Great Lakes as set by the International Joint Commission?

2. For each year in which the actual median water levels have been higher than the median water levels as recommended by IJC, what were the reasons for these higher levels?

3. Has IJC ever deliberately kept the actual water levels of the Great Lakes higher than the level recommended for any particular year by the IJC and, if so (a) for what reasons (b) by what authority (c) under whose direction?

4. Has IJC or the government ever received a request to maintain the water levels of the Great Lakes higher than the median levels recommended by the IJC and, if so (a) from whom and on what date (b) for what reasons (c) what was the response of the IJC in each case?

Return tabled.

[*English*]

Mr. Speaker: Shall the remaining questions be allowed to stand?

Some hon. Members: Agreed.

Order Paper Questions

Mr. Baker (Grenville-Carleton): Mr. Speaker, I rise on a point of order. I raise the point at this time since by so doing the Chair will have more opportunity to consider the matter than would be the case if the point were raised at the end of the day on which this matter will become extremely relevant. My point of order has to do with supplementary estimates D for the fiscal year ending March 31, 1977. I and others will contend, as has been contended in the past, that inasmuch as several of the items propose to amend bills other than the Appropriation Act, they are not in order. I shall be specific and indicate the particular items to which I refer. I am speaking of Energy, Mines and Resources, vote L62d; Industry, Trade and Commerce, vote 77d; Post Office, vote 1d; Public Works, vote 10d; Supply and Services, vote 27d; and Veterans Affairs, vote 45d.

If Your Honour examines each of these items you will find that in each case an attempt is made by means of a $1 item either to amend or to provide an exception to existing legislation. I should like briefly to indicate how these items are legislative.

Energy, Mines and Resources, vote L62d, proposes to allow Eldorado Nuclear Limited to issue securities up to a value of $40 million. This power does not exist under present legislation. Not only is a totally new authority being granted, but the issue will be decided "bearing such rates of interest and subject to such other terms and conditions as the governor in council may approve." Thus, we are to give the power to make more regulations outside parliament and would be basing it on a bill which parliament cannot discuss or amend.

● (1510)

The second one, Industry, Trade and Commerce, vote 77d, is even more blatant, in my respectful submission. It proposes to amend sections 26 and 28 of the Export Development Act to increase the amounts which may be guaranteed in the form of exports credit insurance by the Export Development Corporation. The original limits were set out in the act and have previously been amended by specific legislation. There was an amending statute in 1974, an act to amend the Export Development Act, chapter 17 of the statutes for the session 1974, 1975 and 1976. This was, and remains, the procedurally correct way to amend a statute. An increase in the guarantees available to exporters is important to our trade policy and should not be excluded from full discussion in this House.

Post Office vote 1d proposes to provide that, contrary to the Olympic Act, money from the Olympic stamps in philatelic packages will go to the Olympic account. This is a desirable and straightforward proposal, but the method is highly undesirable. We should be able to read the statutes to find what the law is, and not have to root around in scattered appropriation bills for "notwithstanding" provisions.

Supply and Services vote 27d will allow the minting of a $100 gold coin, contrary to the provisions of the Currency and Exchange Act on two counts. First, gold coins may only be issued when the dollar is pegged, and then the coin must be worth its face value in gold content. This twofold exemption

from the act should not be passed without any opportunity for debate. It would be a curious irony to honour the sovereign by circumventing her parliament. Finally, Veterans Affairs vote 45d will deem employees of veterans hospitals, transferred from the jurisdiction of the federal government, to be public servants so they may continue to contribute to the public service superannuation plan. Again, a good idea, but if it is done this way it will produce a bad procedure. In many of these cases the objects are highly desirable, but it is not healthy for the future of the House of Commons to have things done in this manner, for while the convenience of the government is frequently the convenience of everyone, this will not always be the case.

Mr. Speaker, I will not dwell long on the rulings made in the past which relate to $1 items because I believe the precedents are quite clear and well known to you. For the benefit of other members who may wish to reply, I would draw their attention to Mr. Speaker Lamoureux's ruling of March 10, 1971. He said, in summarizing the argument of those who contended that the new rules prevented $1 items from being used as they once were:

> They suggest that the rules changes were effected to remove the consideration of detailed estimates from the floor of the House but that no decision was ever made that a motion which is tantamount to a legislative enactment should be removed from the floor of the House. They urge that the items which have a legislative effect should not be allowed to be proceeded with by way of items in the supplementary estimates but should be introduced in the usual way, as is done for all other legislation, by way of a bill.

That is certainly still our feeling. He then said:

> However, in relation to items 35c and 10c, I must come to the inevitable conclusion that, in view of the situation created by the new rules, these items are not before the House in proper form.

My respectful submission, sir, is that that is a resounding precedent in favour of the proposition which I am attempting to make to Your Honour. I should note, as well, that on that occasion the items questioned were speedily dealt with in the proper way after the matter had arisen. This question arose again on December 10, 1973. In again reaching the conclusion that the items questioned were improper, Mr. Speaker quoted from May's where that work described the temporary nature of an appropriations act and its unsuitability for long-term legislative goals. Mr. Speaker Lamoureux concluded:

> I suggest that if such justification were put forward, it would have to be based on emergency rather than on principle. The Chair has to make a ruling on principle and on this basis I would have to say that these three specific items are not properly before the House.

My submission to you, sir, is that these six items are legislative, and as such have no place in the estimates and in the appropriations bill where they cannot be amended or discussed in the House and where they are shielded from sufficient comment either here or in the committee. If you find that there is some point to the argument which I have begun, and which will be advanced by others, I am prepared to discuss with the government House leader the means for quickly disposing of those items which are urgent and uncontentious.

Mr. Lambert (Edmonton West): Mr. Speaker, this is a recurring debate that we have had from time to time. I recall

[Mr. Baker (Grenville-Carleton).]

that prior to the establishment of the CRTC it had been the attempt of the then minister of communications to create the CRTC with a $1 item in supplementary estimates. It suffered the fate it deserves and was totally rejected as a procedure. The government would not proceed with it because it realized that the practice was totally wrong.

My colleague, the hon. member for Grenville-Carleton, has referred to the rulings of Mr. Speaker Lamoureux. I would draw your attention, Mr. Speaker, to the one on March 3, 1969, March 10, 1971, and, again, on December 10, 1973. It is remarkable that it brings to mind a motion that I moved in the miscellaneous estimates committee in 1969 which gave rise to the debate in 1969 on a motion of the opposition based on the report of the miscellaneous estimates committee in which I criticized the government for bringing forward $1 items to amend legislation. In fact there were three such items. I recall that on that occasion I had the majority; the reason was that the Minister of Energy, Mines and Resources (Mr. Gillespie) joined me in expressing that view. I find it strange that he should now be part of an administration which on this occasion moves to transgress that principle, not once but half a dozen times.

I would commend to Your Honour the House of Commons *Journals* of December 10, 1973, at page 737, in the first column, second paragraph. This is a quotation from a ruling by Mr. Speaker Lamoureux. It reads:

> Since the adoption of the new rules, it seems there has been only one item with direct and specific legislative import that has been included in estimates. This particular item, included in the estimates for the year 1970-71, was allowed to go unchallenged and no point of order was raised in respect thereto. Thus, no practice has yet been established except perhaps that particular items proposing to amend directly and specifically a statute, had not been included in supplementary estimates since the rules were changed in 1968 but for the one exception just mentioned. The House therefore has not had the opportunity at this point to reaffirm the proposition that such proposals, when they are clearly intended to amend existing legislation, should come to the House by way of an amending bill rather than as an item in the supplementary estimates.

● (1520)

That was a quotation from March, 1971. The ruling continues as follows:

> I think this was a good principle to guide the House in its consideration of legislation and estimates and I think I have to reaffirm the principle at this time.

My colleagues and I have pointed out a number of items in supplementary estimates D the purpose of which is to extend legislation. This is to be an appropriation act, not a legislative statute. We are not saying anything about transferring moneys from one vote to another. That is clearly the established and, I think, very justifiable procedure, because by so doing the government is coming back to the House and seeking permission to change votes of money. That move is unimpeachable, but to change existing legislation within appropriation bills or to create, in effect, new statutes as is proposed by the recognition of Via Rail is totally wrong. You, Mr. Speaker, being practised in the law, would recoil with horror to look at a statute and—without additional indices which would indicate going to an appropriation act—see a $1 item which totally

reversed the trust of the legislation, either restricting some powers or expanding some others.

What certainty is there, if that is the way to proceed? Amendments to existing statutes must be brought before this House, accepted at second reading, considered in committee and come under the total legislative process. It is legislation; it is not a matter of the voting of moneys. Therefore, I ask that you, Mr. Speaker, take this matter into consideration and, if it is possible to do so, to indicate, as have Mr. Speaker Lamoureux and others in the past, that amending legislation by way of a $1 item is a reprehensible practice which must not occur, and that those items should be deleted from supplementary estimates D.

Mr. Mazankowski: Mr. Speaker, I, too, wish to rise on this very important and fundamental point of order which has been raised by the hon. member for Grenville-Carleton. I say it is fundamental because as far as I am concerned we are dealing here with a matter that affects the main function of this chamber. Your Honour will recall that last week I raised the question of the extensive use of $1 items in supplementary estimates during the question period, and at that time Your Honour indicated that this was a matter which should be discussed and considered by way of a point of order rather than in the question period. It is with that in mind that we wish to elaborate on the issue before us today.

I want to contribute briefly to one aspect of this question, and that is the unsuitability of estimates and appropriations bills for legislative action of the nature proposed in these items. Reference has been made to the ruling of Mr. Speaker Lamoureux of March 10, 1971. The section which determined his ruling of that date is referred to in May's nineteenth edition at page 747. I believe that citation describes the limitations of the Appropriation Act. I think it is very pertinent to the issue we are discussing today and I should like to quote, for the record, the citation at page 747 as follows:

> On the one hand, there is, so far as this question is concerned, no legal restraint on the discretion of the Crown in presenting an estimate, or on that of Parliament in authorizing the expenditure provided by such an estimate by the Appropriation Act.

The question has repeatedly arisen in the past as whether in a particular case the authority given by the Appropriation Act is an adequate substitute for authorization by a specific bill. I refer again to May's as follows:

> On the other hand, the Appropriation Act is a general measure, containing a great many items, and is not adapted to defining the conditions, etc., of expenditure. Also, this act only gives authority for a single year, and is therefore not appropriate for expenditure which is meant to continue for a period or indefinitely. There have been cases, too, in which the Appropriation Act has been used, not merely as a substitute for specific legislation, but to override the limits imposed by existing legislation.

The next paragraph goes on to note that this practice has been justified in the United Kingdom on the ground of emergency but not of principle. But it is principle upon which our democratic assembly must base its decisions and its findings, and it was Mr. Speaker Lamoureux who rejected emergency as a proper foundation for that precedent. In this context I would also like to refer to Driedger's comment on the nature of the appropriation bill at page 214 of the new version of "Legislative Forms and Precedents". He said:

> These acts authorize the expenditure of a specific sum for the purposes enumerated in the schedules. The authority under these acts is to apply a specified sum out of the consolidated revenue fund towards defraying the several charges and expenses of the public service from the beginning of a specified fiscal year to the end of that fiscal year.
>
> The noteworthy feature is that the appropriation is for one fiscal year only; balances of the appropriations remaining unexpended at the end of the fiscal year lapse. The authority does not extend into any subsequent fiscal year.

It would be very odd indeed if we were to adopt the principle that an appropriations act can only authorize the expenditure of money for one year but can permanently alter totally unrelated legislation. There have always been problems with $1 items. Previously, the Appropriation Act could be debated and thorough consideration given to one of these items almost as if it was a proper legislative proposal. Now, however, we are subject to the new Standing Order 58. Estimates go to committee, and there is no debate on the appropriations bill, which means there can be no amendment. Therefore, there is effectively no way of dealing with a $1 item in the House outside of an opposition day. Even on such a day, or in committee, it is doubtful what could be done. By tradition, and under the terms of the Financial Administration Act, no alteration can be made in the form of an estimate and, of course, there is no point in moving to reduce a $1 item. Therefore, we have a legislative proposal which is inviolate in terms of amendment or effective debate, subject as it is to a guillotine after very restricted committee discussion.

I simply want to reinforce the point raised by my colleague, the hon. member for Grenville-Carleton. It seems to me that in this case the House of Commons is, in fact, being denied the right to debate a legislative proposal. To me, that is wrong in principle. To me, the right to debate a statute or an amendment thereto is a fundamental right of parliament and that right should be guaranteed and preserved. No legislation should be immune from the judgment of the House and so approximate in essence to an executive degree. In addition, there is bound to be confusion in the future about the proper course to take respecting bills which amend the Appropriation Act. I think all members of this House should work to make our statutes more, and not less, intelligible.

● (1530)

These considerations led the previous Speaker to disapprove of the use of appropriation bill for this purpose. I hope your ruling will agree with him and call for the deletion of legislative proposals from appropriations bills. I think the Speaker summed up his case very appropriately, as reported at page 8608 of *Hansard* of December 10, when he stated as follows:

> —legislation by way of a dollar item in the estimates . . . is not a practice which ought to be condoned and supported by the House.

It is also worthy to note that the second report of the Standing Committee of the Senate and the House of Commons on Regulations and Other Statutory Instruments had this to say about the use of $1 votes in terms of affecting legislation. I quote from page 34 of the report:

Legislating by means of dollar votes and altering the purpose of previous votes by a number of successive votes are practices with which the committee does not agree.

The actions of the government by using and abusing $1 votes in this connection may be expeditious as far as it is concerned. It may be shrewd parliamentary tactic on the government's behalf. This route may be acceptable to them, but in terms of preserving the role and supremacy of parliament, I believe the principle is wrong.

Mr. Stevens: Mr. Speaker, I, too, would like to make a few remarks with respect to the point of order that has been raised by my colleague. I would like to make particular reference to vote 77(d) of Industry, Trade and Commerce being increased by the amount of $2 billion.

In weighing whether this $1 vote procedure is proper, we must do some degree take into account the magnitude of what would be passed tomorrow if this $1 vote were to remain part of the Appropriation Act. It would be a $2 billion extension of possible liability on the part of the government of Canada. We believe there is no authority to pass it in the form that is being proposed.

In committee we attempted to obtain evidence as to whether this procedure was in order. The vice-chairman of the committee stated, and I quote from page 24:29 of the Standing Committee on Finance, Trade and Economic Affairs:

I think that may be a question more properly brought up in the House with the Speaker, on a point of order.

With that reference from the standing committee meeting, I would point out that considerable evidence was given to us by the Minister of Industry, Trade and Commerce as to why they had proposed this $1 item which would extend the eventual insurance guarantee limit of the EDC by $2 billion. The Minister of Industry, Trade and Commerce has said they had been caught with only $46 million of available guarantee money left, and they had no alternative. The important things to bear in mind are the comments of the Minister of Industry, Trade and Commerce to the committee? He showed very clearly that the government felt in all likelihood that it was out of order, and should not be proceeding in this way. As my hon. colleague from Vegreville has indicated, the government was pleading some type of emergency in order to get the legislative guarantee process through.

I would refer to page 24:14 of the proceedings of the Standing Committee on Finance, Trade and Economic Affairs. As to why this $1 item was included, the minister stated:

I agree, and I am not absolutely comfortable with it. I would have preferred to deal with this in the House of Commons, but I have to be a realist about those things when I look at the other papers and the speed by which those things are dealt with in the House of Commons.

In short, the exchange was simply that he was being pressed as to why he included it in the estimates that are before us. The minister, oddly enough, stated that he agreed that he would be more comfortable if it had been included or handled in the usual legislative way through the House of Commons. The minister at another point stated:

People have come and asked for the services of EDC and we have reached the limit. We either lose the business or change the limit. I am sorry to have to come this way;

That is, "I am sorry to have to come to the committee this way."

I would have preferred the other way. But I have no choice, and that is why I have taken the risk of coming before this committee.

Then he said:

I personally would love to have a better procedure, too.

Considering the magnitude of what is before us, it behooves this House not to pass a $2 billion extension by reason of a $1 item to amend the Appropriation Act. I hope it is found that this procedure is incorrect, and that it will be denied.

Mr. Goodale: Mr. Speaker, in considering this point of order we have heard, in general terms, three possible objections to the "$1 items" which appear in the appropriations legislation. They have been referred to in general terms. To itemize them, I think members are registering complaints that the measures referred to are, in the first instance, legislative in nature; second, in the form that they have been presented they allege there is inadequate opportunity to discuss them at this stage in our proceedings; and third, in some way they allege they are foreign to the business of supply.

With respect to the first two points with respect to the legislative nature of the proposals and, second, the inadequacy of debate, those two points, even though they may be of concern to members must, from a procedural point of view, fall immediately—because if they were of real and substantial difficulty in relation to the so-called $1 items which are before us they would surely be of more real and substantial difficulty in relation to those items which have a substantial amount of money attached to them.

In dealing with $1 items, it is no valid to try to single them out and object to them in principle and, in particular, on the first two points which I have mentioned. Surely, those two points, if they were valid, would apply equally as well to other items, and perhaps even with more impact because those items have substantial amounts of money attached to them. In fact, members opposite are not making those two arguments in relation to all the items in the Appropriation Act. Therefore, I do not think those first two objections can stand.

It seems to me that the argument reduces itself, then, to consideration of whether the matters which have been complained about today are, in reality, part of the business of supply. It would be my submission to Your Honour that they are properly part of the business of supply. This matter, as has been mentioned, has occupied the attention of the House in the past. The practice complained of today by members opposite is by no means an innovation. The precedents are long-standing in support of the practice. The most substantial commentary about the point at issue was made by your predecessor, Mr. Speaker Lamoureux, in 1971 as reported in *Journals* at page 395. If one carefully considers what Mr. Speaker Lamoureux had to say on that occasion, one would see that he based his

decision largely on lack of precedent following a rule change made in 1968.

● (1540)

In other words, he was basing the decision he handed down in 1971 on a lack of body of law, or body of precedent, on the point at that moment in time some nine years ago. Since that time we have had in this House many precedents which in fact support the position which the government is taking in relation to the several items complained about today.

I refer to two sets of precedents in relation to the votes which have been objected to. It might be most convenient to refer to the precedents one by one as I consider the various specific items which were mentioned by the hon. member for Grenville-Carleton. I would begin by referring to Industry, Trade and Commerce vote 77d. In this connection it is worthwhile to remember that since the adoption of our present supply procedures no fewer than 11 such items similar to this have been presented and carried. For the record, they are Fisheries and Forestries vote L20a, 1970-71; Privy Council votes L16c and L17c, 1970-71; National Health and Welfare vote 40a, 1971-72; Secretary of State vote 63a, 1971-72; National Health and Welfare votes 45b, 1972-73 and 50a, 1973-74; Finance vote 1d, 1974-75; Agriculture vote 50d, 1975-76; Regional Economic Expansion vote 40a, 1975-76; Secretary of State vote 62a, 1975-76; and Environment vote L23b, 1975-76.

I refer particularly to that body of precedent because those precedents are all subsequent to the decision in 1971 by Mr. Speaker Lamoureux. They establish the body of precedent which Mr. Speaker Lamoureux could not find at that moment in time in the records of the House subequent to the change in the rules of 1968. There is a second body of precedent that I would refer to, particularly in relation to Post Office vote 1d and Department of Supply and Services vote 27d. These precedents are also instructive on the point, particularly because they came after the decision by Mr. Speaker Lamoureux.

For the record, these precedents which I think might be helpful are as follows: Transport vote 70a, in 1970-71; Industry, Trade and Commerce vote 23c, in 1970-71; Labour votes 1c, in 1970-71 and 5b in 1971-72; Treasury Board vote 12b, in 1971-72; Veterans Affairs vote 30a, in 1973-74; Justice vote 1a, in 1973-74; and National Defence vote 1d, in 1974-75. All those precedents follow the decision in 1971 by Mr. Speaker Lamoureux.

There were two other specific items to which the hon. member for Grenville-Carleton referred. The first is Veterans Affairs vote 45d. I suggest that both sets of precedents which I have just mentioned to apply to this particular item. More particularly, I suggest that those precedents cited in relation to Industry, Trade and Commerce vote 77d have application to the Veterans Affairs matter. With respect to Energy, Mines and Resources vote L62d, I suggest that both sets of precedents again apply, but particularly the first set of precedents in relation to Industry, Trade and Commerce vote 77d.

I again make the point that although there have been some complaints in the past about the procedures that have been raised in the House today, there are ample precedents, both before the decision of Mr. Speaker Lamoureux and, in particular, since his decision in 1971. From reading his decision as reported in *Journals*, it seems that his primary concern was that there did not seem to be at that stage, after the rule change in 1968, ample precedent upon which to support the items which were before him. During the proceedings of the House since his judgment, a number of those precedents have come to exist. They might be instructive in dealing with the complaints raised this afternoon.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I was going to commence my remarks by saying that this issue is so important that it amazes me that up to this point no cabinet minister has spoken to it. I see that my concern about that is altered slightly by the fact that the Minister of Energy, Mines and Resources apparently wishes to rise. I assume he will do so after I have spoken. I see that another minister, the Postmaster General, is also going to speak on this question.

I will back up now and say that with all the respect I am prepared to pay to the Parliamentary Secretary to the President of the Privy Council for the way he tries to do his job, I think it was a failure to recognize the importance of this issue for a cabinet minister not to have participated in this debate long before this.

Mr. Blais: We don't want to give you the last word.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I am happy to say that Your Honour has the last word. I am satisfied it will be exercised in the responsible way in which Your Honour always performs his duty.

The other comment I would like to make by way of an introductory reference is that I was surprised, almost amused, at the Parliamentary Secretary to President of the Privy Council saying that members on this side are raising only $1 items; that they are not raising items in which substantial amounts of money are involved. The hon. member for Assiniboia misses the whole point. Treasury Board, by authority of the Financial Administration Act, has authority over estimates. Treasury Board has the right to put substantial sums of money into the estimates, main, interim or supplementary, and to ask the House to vote on them.

Mr. Baker (Grenville-Carleton): He did not miss it; he just tried to avoid it.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, what we are discussing today is not the right of Treasury Board to put substantial amounts of money into the estimates, but the right of the government, through the President of Treasury Board, to use what are known as $1 items to achieve what ought to be achieved by ordinary legislation.

Mr. Speaker: Order, please. Before allowing the hon. member for Winnipeg North Centre to continue, I might point out that as I understood the point raised by the parliamentary

secretary it was slightly different from that which has been described. This is a point that interests me. Therefore, I want to straighten it out before we go further. If it is possible to amend legislation by a $2 billion item in the estimates, is it possible to amend it by a $1 item in the estimates? That is the point. Basically, since there was no complaint about occasionally amending legislation by an item in the estimates that was properly there, there ought not to be a complaint about it being done by a $1 item. My understanding is that if it cannot be done by an item in the estimates, it cannot be done where the item is there properly with every dollar and cent, comma and dot, or it cannot be done by a $1 item, equally.

The question of estimates, in my mind, is whether there is a limit to what can be done by placing an item in the estimates, whether it be a full and substantial item or a $1 item; or is that limit reached when the proposal contained in the estimate is to amend legislation? That is the point that seems to be at issue.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, if that is your understanding of the point raised by the Parliamentary Secretary to the President of the Privy Council, I shall be glad to deal with it in a moment or two. The other comment I would like to make on the remarks we have had from across the way is that no matter how many precedents the hon. member may be able to cite, if they are wrong, and if the House is being asked to repeat a wrong committed several years ago, that is no reason for us to continue committing that wrong.

I say, with respect—and I think what is in my mind now deals with at least part of what Your Honour has raised—that at times $1 items are simply an abuse. They may not be illegal, but are simply an abuse. There are other times when $1 items, in the view of some of us, are out of order and should be so designated by Your Honour. Let me put it yet another way. There are times when by a $1 item all the government is doing is, in effect, voting money; for example, when a $1 item proposes that money voted in the main estimates for a specific purpose be deemed to be available for a different purpose. I do not find that offensive. The government could achieve its end by letting money which was there for the original purpose lapse and by putting into the estimates the actual number of dollars it wants for the new purpose. In the end, no extra money would be spent. There would have been a higher appropriation and some of it would lapse. So when the government uses $1 items to cancel spending for a certain purpose and provide for the spending of the same money for another purpose, it would seem to me this is within the four corners of an appropriation act. It is a form of appropriating money, which is what a supply bill is all about. But when a $1 item is used to amend a statute other than an appropriation statute the government is certainly indulging in an abuse because it is denying parliament the right to discuss that other statute and deal with it in the normal way.

● (1550)

Let me take an example from last session. There was a $1 item to create Loto Canada. Some of us felt this involved the creation of a corporation and that it should have been the subject of a special act of parliament. But it was done by way of a $1 estimate. The result was that we did not have an ordinary bill, with first reading, second reading, reference to committee, third reading, and so on. Furthermore, the consideration of Loto Canada in the last session was put under a form of closure. It was put into an appropriation bill in respect of which there was no discussion on the floor of the House. There was some discussion in the committee, but when the bill came back it had to be dealt with under the form of closure which applies to supply bills. It seems to me that when the government does this, it ought to do so by way of legislation. It is legal to do as I have described, but it certainly is an abuse of the right of parliament to deal with legislation without going through the normal stages and thus making it subject to an indirect form of closure. We have experienced closure in various ways, for example, through the operation of Standing Order 75C in the present session, and there may be further examples.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Some hon. members across the way are applauding. That shows what they think of parliament. Let me say, further, that I think Via Rail Canada is a substantial proposition and is one which ought to be the subject of legislation. I will come to my point in a few moments, that it should not be a $1 item, but in the context of what I have been saying, if that proposal for Via Rail Canada were made the subject of a bill, that bill would be presented for first reading, second reading, and so on. But no: it is a $1 item in the estimates, so it has already been to the appropriate committee and it will be back among the estimates which will be voted on en masse tomorrow at 9.45 p.m. Parliament will be called upon then to deal with a major measure which is outside the confines of the voting of money without having an opportunity for debate. Therefore I say this amounts to an indirect way of imposing closure.

The other day when the hon. member for Vegreville, I believe it was, questioned the President of the Treasury Board on this point, the minister's reply was a revealing one. He said, in effect, "We feel that way about it, too, but the limitation upon parliamentary time is such that we cannot deal with all these things by way of separate bills." This is an indication, Mr. Speaker, that the government is putting a number of measures into supply bills because it cannot find the time in which to deal with them through ordinary parliamentary procedures. I suppose that if some day the government decides it wants to bring home the British North America Act, and parliament is running short of time, we will find a $1 item in the estimates deeming the British North America Act to be a Canadian statute. That is no more far-fetched than some of the things which are being considered now. Some of these things are an abuse of the rights of parliament, an abuse of our privileges, an abuse of our right to debate. Maybe in some instances that is all one can say; they are an abuse. But in other instances I believe they are contrary to the rules and are out of order.

Previous speakers in this discussion, in referring to the nature of a supply bill, have pointed out it is a bill for one year. I have in my hand a copy of Bill C-28, a supplementary estimates bill which we passed earlier in this session. So I know the bill which will be before us tomorrow will contain exactly the same preamble, that is, it will be an act for granting to Her Majesty certain sums of money for the year ending March 31, 1977. Then there are some more words in which the Governor General says he has sent a message that "the said sums hereinbefore mentioned are required to defray certain expenses of the public service of Canada not otherwise provided for in the financial year ending the 31st day of March, 1977." That date appears time and time again. Sir, when you lead us over to the other place when this bill has finally been passed, and when you have the opportunity to present it to the Governor General or to his deputy, you will say:

May it please Your Honour, I have the honour to present a bill being sums required for the public service of Canada for the year ending March 31, 1977.

But lo and behold, we find in these supplementary estimates a number of matters in respect of which provision does not end on March 31, 1977. Continuous financing will be required, in some cases for a few years, and in others in perpetuity. For example, once we set up this Via Rail Canada it will cost money down the road as long as we can foresee, at least until we find some other way of dealing with our transportation needs.

Like other members of the House, I have done some study of $1 estimates over the years in which I have been here, and I recall having some correspondence with Mr. Watson Seller when he was auditor general, years ago. He had gone into the subject and he quoted from papers which had been prepared a generation earlier with regard to it. All those who have studied it have said that $1 items inserted in the estimates for convenience are legitimate, but that if they are used as a vehicle to evade the bringing in of legislation they become highly questionable. As I say, the act itself applies only for one year and then the authority it contains lapses. How, then, have we the right to include in the bill items which provide for expenditure down the road? The legal answer is, of course, to say that all we are passing is an estimate for $1. Well, take that Energy, Mines and Resources estimate 62D, on page 22, or take the Industry, Trade and Commerce item 72D, which is on page 52 of the book—perhaps I will take it rather than the other, because the sum is larger. There we are providing for an increase from $750 million to $2,500 million and then an increase from $750 million to $1 billion—despite the amount set out in the act, incidentally.

● (1600)

We will provide, as I say, for the expenditure of many dollars in future fiscal years, but the bill provides, of course, only for moneys to be spent in this fiscal year. All that is to be spent in this fiscal year is $1, though I do not think anyone even gets that; it is just symbolic. However, by the process of having parliament approve $1 in the fiscal year for which we are voting money we give the government the right to spend money next year, the year after and years down the road.

All of those who have wrestled with this problem over the years—and they have been wrestling with it certainly throughout this century—are right in their view that $1 items are all right for convenience, particularly when they specifically relate to the spending of money, but they are questionable—I would even say illegal—when they provide for the enactment of continuing legislation.

Let me take a moment to look up some of the precise items, despite the chiding we were given on this point by the Parliamentary Secretary to the President of the Privy Council. I think there are questions about all the items which were raised by the hon. member for Grenville-Carleton and added to by one or two others. I should like to speak about three of them and then I want to speak about three or four items which they did not mention.

Let us look at page 22, the item L62d under "Energy, Mines and Resources". It gives Eldorado Nuclear Limited, "with the approval of the governor in council, power to borrow money for capital expenditures by the issue and sale of securities up to an aggregate amount not exceeding $40 million, bearing such rates of interest and subject to such other terms and conditions as the governor in council may approve". Either that is going to cost us money down the road and we will have approved it by voting $1, or it is a piece of legislation telling a private corporation what it can do. If it is a piece of legislation telling a private corporation what it can do, it should be before this House as legislation and subject to all the debating and procedural considerations attaching to legislation. I think my friend for Grenville-Carleton is perfectly right to raise that; I think it was his first concern as a case which is serious indeed.

Let me now turn to page 52, to the item I have already mentioned, namely, vote 77d under the Export Development Corporation. I have already used the figures in this vote, but what to me is more important than the figures, even if the money amounted to only a few dollars, are the words "to increase from", so and so, "the amount set out in section 26 of the Export Development Act". Then in (b) there is another set of figures, and the words "the amount set out in section 28 of the Export Development Act". This is legislation, Mr. Speaker; this is not voting of estimates. This is not just a case of voting $1. The item is a subterfuge. It is pretty close to being dishonest.

We are amending the Export Development Act and doing it under the closure which applies to a supply bill. We are departing from the whole purpose of supply legislation and are going beyond the right of Treasury Board to deal with estimates. Certainly, we are passing something which is beyond the requirements of a supply bill which Your Honour will present to His Excellency in the other place for the specific year ending March 31, 1977.

I turn to another item mentioned by my hon. friends to the right which appears on page 72, item 1d under the Post Office Department. To me, the offensive words in this item are "notwithstanding the Olympic (1976) Act". If this is legal,

Mr. Speaker, we can abolish the legislative process and just bring in a couple of sets of supplementary estimates over the course of year, put in a string of $1 items and—

Mr. Mazankowski: —shut the place down.

Mr. Knowles (Winnipeg North Centre): Yes, shut the place down, as my hon. friend says.

Mr. Abbott: It would not put you in *Weekend* magazine if they shut you down.

Mr. Knowles (Winnipeg North Centre): All I can say to my hon. friend is that jealousy will get him nowhere.

Mr. Douglas (Nanaimo-Cowichan-The Islands): You are in enough trouble now with the competition bill.

Mr. Knowles (Winnipeg North Centre): The minister will find *Canadian* magazine annoyed with him now for having used the wrong name. Here, under the Post Office, is a $1 item by which we set aside the provisions of the Olympic (1976) Act.

I have picked out three items, Mr. Speaker, which my friends to the right have identified, and I think that in all cases they go beyond the rights and prerogatives of the government when it brings in a supply bill. May I now look at some other items which my hon. friends to the right did not include. I am not suggesting that they overlooked them; they probably felt they had enough. Let me go to item 1d under, Industry, Trade and Commerce, on page 48. This is a long item occupying half the page, but again the key words are "to authorize notwithstanding section 5 of the National Design Council Act", a transfer of certain sums of money and authority, and so on, and I see the figures of $9 million and $7,500,000. All of this is apparently contrary to the provisions of section 5 of the National Design Council Act. In other words, by this $1 item we are amending that act. How can that be justified, Mr. Speaker?

I know hon. members can go back to the record and probably find my saying this sort of thing a good many years, indeed decades, ago, but it is still wrong. This practice has continued and in fact it is getting worse. We have 52 $1 items in this book. I am sure my hon. friends across the way will say that, with all these precedents, what am I complaining of? But it is still wrong, Mr. Speaker. I have lots of sympathy for my hon. friends across the way in regard to how we use parliamentary time, but let us solve this problem in some other way, not by this subterfuge, this practice which I think is dishonest.

May I turn now to page 76, the Department of Public Works. My hon. friends raised another item under Public Works and I want to raise item 10d which again authorizes the Minister of Public Works "notwithstanding paragraph 4(1)(a) of the Public Lands Grants Act and section 39 of the Public Works Act", to sell, lease, and so on. We live by the rule of law, Mr. Speaker. When legislation is passed, the government is supposed to follow it. If the government wants to make changes, and it does not have time to get parliament to amend legislation in the proper way, it sticks in a $1 item and says that notwithstanding the legislation, it will be done in this way.

Let me turn to page 120 and also page 126, both under the Department of Transport. I think my hon. friend, the Minister of Transport, has a higher percentage of $1 items than his colleagues, but not doubt he will get his reward for that. I refer particularly to item 52d on page 120 which has to do with surface transportation. It provides, "With respect to surface transportation: (a) to deem Via Rail Canada Inc., a railway company incorporated pursuant to section 11 of the Railway Act". The largest committee room on this Hill is the railway committee room.

● (1610)

Why, Mr. Speaker? The reason is the importance of the railways for the whole country. Governments rose and fell on the railway question. Canada was brought into being as a nation from coast to coast by the railways. Having passed legislation which called on the Canadian Pacific Railway to provide certain services in perpetuity—I thought that meant forever—parliament is now to change all this by setting up a new corporation.

Perhaps it is a good idea. Surely if the setting up of the Canadian Pacific Railway was worth debating as a separate piece of legislation, the setting up of Via Rail Canada Incorporated should also be worth debating under a separate piece of legislation brought properly before the House of Commons. Most of a page is taken up with spelling out this item. I will not read it. It sets out all the privileges and authorities which are necessary. It talks about the reimbursement out of moneys to be appropriated by parliament of a railway company, uses the phrase "from time to time", and mentions the figure of $240 million.

We are establishing expenditures down the road and setting up a corporation to carry on down the road. All this has nothing to do with the principle of the suply bill, which is to provide, as you will say to His Excellency in the other place, funds for the operation of the public service of Canada in the fiscal year ending March 31, 1977. Similarly, on page 26, item L116d, under "Transport", will cancel a debt associated with the St. Lawrence Seaway Authority. The item uses the following words:

—and to authorize the minister, from time to time, to fix the amount that shall be paid by the authority annually out of its toll revenue as return on capital.

Note "from time to time". You know, years ago Mr. Bennett set up a $2,000 car allowance for his cabinet ministers to replace the use of chauffeured limousines. He did this with $1 item, and the members who passed it thought it was a good idea; it would save money, and it was to be temporary. Well, that "from time to time" lasted 30 years. They did something then which was allowed by a $1 item. And here we are, providing something again "from time to time" with a $1 item.

The only other item I shall mention is vote 30d, under External Affairs. That is a particularly interesting one. Vote 30d has to do with the Canadian International Development Agency, otherwise known as CIDA. That vote is a $1 item and

is split in four parts, (a), (b), (c) and (d). I have complained mostly because these $1 items amend statutes or acts. But, sir, CIDA was set up with a $1 item. There was no proper statute. Now, with a $1 item we are to amend several of the $1 items which we passed previously regarding CIDA. How ridiculous can you get? We have estimates, we have supply for the voting of money, and we have ordinary bills for the passage of legislation. In the case of CIDA, no bill setting it up was passed. It was done with a $1 item. Now, when changes must be made, and they all may be good changes, they are to be made with a $1 item. We are now, by a $1 item, changing legislation which in the first place was established with a $1 item.

The hon. member for Grenville-Carleton has raised an important and timely issue, and I think Your Honour, your friends at the table and those in the office who assist you, will have an interesting 24 hours. You must give this question serious consideration.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I observe confirmation that Your Honour and your associates will have an interesting 24 hours. This is not just a passing point of order which the opposition has raised. Actually, we are not objecting to the items. Last year, when we spoke on these $1 items, I opposed Loto Canada. I do not think I particularly oppose any of these $1 items. Actually, some of them I favour strongly. I think we should put them through, particularly the ones concerning veterans affairs. If they were brought in as a separate bill, they would pass almost at once.

Sir, the principle of bypassing the legislative process, of imposing closure on parliamentary debate which this method entails, is wrong.

Mr. Mazankowski: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I hope Your Honour and your assistants will study this whole proposition carefully. We hope, particularly, that you will study carefully the particular items raised by hon. friends to my right, and the four or five I have added. I think most, if not all, of them should be ruled as not proper in a bill the legal purpose of which is to pass money for the fiscal year ending March 31, 1977.

Mr. Gillespie: Mr. Speaker, you will be considering the learned arguments of hon. members who spoke this afternoon and considering, particularly, the procedures and precedents of the past. Much has been made of the government's effort to broaden or amend legislation or broaden the powers of the subject of the legislation. Eldorado Nuclear Limited has been cited as an example of that process. It might help if I were to deal specifically with this particular corporation. Hon. members mentioned vote L62d, which reads:

To authorize Eldorado Nuclear Limited, with the approval of the governor in council, to borrow money for capital expenditures by the issue and sale of securities up to an aggregate amount not exceeding $40,000,000 bearing such rates of interest and subject to such other terms and conditions as the governor in council may approve.

Hon. members should understand that Eldorado was set up with broad powers. It was set up as a proprietary corporation and was intended to operate as a commercially successful venture. It became, in the process of its birth and through the enabling legislation, an agent of the Crown which technically requires authority for borrowing. That is all we are seeking. We are not seeking funds from parliament; we are seeking only authority to borrow.

In committee hon. members had an opportunity to deal with the question of the borrowing powers and whether there was to be widening of those powers or any new direction with respect to those powers. I think members of the committee were satisfied on the point. This is not an attempt to widen the powers of Eldorado in any way. No new directions are contemplated. We were contemplating merely the financing of the corporation's growing operations. It does not seek money from the government. It does not seek a guarantee from the government, and it does not seek an appropriation of any kind from the government or from parliament. It is seeking permission to raise on its own credit, not that of the government, a certain sum of money up to a maximum. However, no specific amount is stated. This vote would provide the corporation with the flexibility it requires for its growing operations.

Mr. Lang: Mr. Speaker, I wish to make a few comments about the serious issue raised in connection with several votes in supplementary estimates D. I know Your Honour will have noted carefully the argument of the Parliamentary Secretary to President of the Privy Council about the parallel between the impact of items in the estimates which are substantial and those which are $1 items but have legislative impact. That point perhaps relates to the argument raised by the hon. member for Edmonton West about lawyers' procedural problems and difficulties in finding the law. Obviously, whether the item is substantial or a $1 item, the point remains that lawyers must keep track of the law and its many amendments, and many systems are available for helping them do so.

It is sometimes argued, in connection with substantial items or $1 items that if a certain amount is originally set out in the statute more cannot be added or voted in an estimate because the item would have to say. "Notwithstanding the statute, the following may apply."

● (1620)

It would seem to me to be rather strange that if in an estimate item one could vote $400 million for a new program one could not add $100 million to a program if in a previous situation a certain sum had been voted perhaps as a result of specific legislative enactment. It seems clear to me that the addition of money should be possible and that explains why, on occasion, items which are powers to borrow, and the like, rather than actual votes of money and which require a $1 item and have in the past in particular pieces of legislation or estimates been included as an accompaniment to the actual

money voted, may themselves be changed by the $1 item in the estimates.

In listening to the argument of the hon. member for Winnipeg North Centre I found that he noted very carefully the many precedents which exist in defence of the practices that are contained here. The parliamentary secretary has mentioned them as well. It was clear that the hon. member for Winnipeg North Centre was arguing in favour of what he would like to see the procedures be, but was not effectively dealing with what they are in fact.

I would like to refer to one particular item and to clear up an apparent misunderstanding. The hon. member for Winnipeg North Centre referred to the Loto Canada precedent in supplementary estimates A for 1976-77 in June of last year. That would have been a precedent perhaps for establishing Via Rail or other similar organizations, but I should make it clear to you, Mr. Speaker, and to hon. members—because in the remarks of several members it was not made clear—that this is not an item to create Via Rail Canada Incorporated. That company has already been created under the Canadian National Railways' power to create a subsidiary, and therefore fully in accordance with the law of the land and with the order in council approving the acquisition by CNR of the shares of that company.

The item might come before the House from time to time with specific, large sums of money in order to accomplish the purposes of a better rail passenger service. The main reason it is here is in answer to some concern on the part of the men and women working on the rail passenger service that the regulations have an immediate statutory base, so the item is contained in the estimates to give that base. I do not think the fact that it is $1 rather than a more substantial amount can affect the argument, as the parliamentary secretary, the hon. member for Assiniboia, has said. In the case of the Seaway, I should like to point to the immediately previous precedent in vote 108b in 1976-77 with regard to the Northern Transportation Company Limited where the same type of item was used to transfer debt to equity.

I am not sure whether hon. members opposite would find it any different if, instead of the use of the $1 item, there had been a vote for the amount of $624,950,000 which could have been voted for to purchase shares in the St. Lawrence Seaway, which money would then be used by the St. Lawrence Seaway to pay back to the Receiver General the same amount. Clearly, that would have been a straightforward item in the estimates in any hon. member's argument. However, it would have been rather misleading if the $1 item which has been used for other transfers of funds were used again for what amounts to that transfer not between votes but, between forms of equity, being created. I think it is clear that the argument of the parliamentary secretary is correct. Items in the estimates which affect legislation or which purport to create new programs must stand on their own merit, and that argument is the same whether the item is $1 or is for a substantial amount.

Therefore, I believe Your Honour will find, in the deliberations you will give to this question, that the precedents are strongly in favour of the maintenance of $1 items of the type being attacked and that, as I said earlier, whether or not one could argue about what the procedures might be one day in line with what the hon. member for Winnipeg North Centre said he would like to see, the fact is, and the precedents indicate, that our procedures support these items at this time.

Mr. Blais: Mr. Speaker, the arguments have been canvassed very thoroughly and therefore I will be brief. With reference to vote 1d, the Post Office item, I think it supports quite readily the arguments advanced by both the Minister of Transport and the Parliamentary Secretary to the President of the Privy Council. First of all, this is a supply vote, an addition by $1 to the total Post Office vote, and therefore that $1 is deemed to be a supplementary estimate. Its purpose is to authorize the payment to COJO of amounts that will be received by the Olympic organization for the sale of Olympic coins and Olympic products after December 31.

Under the existing statute which was passed for one specific purpose, namely, the indirect financing of the Olympic Games and the sales of philatelic items, the authority to pay the income to COJO from philatelic products ceased on December 31. What we are doing through the $1 item, the vote for supplementary estimates totalling $1, is to pay to COJO the amount less $1. The figures have not yet been completely defined. Without the additional $1 it would be impossible to pay the amount to COJO and it would have to be included within the general Post Office revenue. All that proves is that in this instance we are dealing with the authority that is extended by the House, which is master of its own procedures, through a legislative measure, namely, a $1 item in an appropriation bill to authorize the payment of funds in a way that was not contemplated in the original statute.

I adopt the argument presented by the Minister of Transport in the sense that what we are doing, in effect, is to take a $1 item and, by adding it to the estimates which have been previously voted by the House and adding to it a description of the purpose of that $1 item, permitting, through a bona fide legislative measure, something which otherwise could not have been done.

The precedents have been quoted by the parliamentary secretary and they support the contention that this practice has been honoured for some time. Once you accept that it is possible through a $1 item, which is a supplementary estimate, to transfer votes from one vote which is unused to another vote, or, as quoted in the precedents which have been cited, created a corporation such as Loto Canada, it must be recognized that the practice is established and it is a valid way of legislating changes. This has been demonstrated time and time again in precedents, and I see nothing in the arguments of hon. members opposite which would justify a change in that practice.

● (1630)

Mr. Speaker: Order, please. The Postmaster General said that the subject has been canvassed very thoroughly, and I am

sure the matter can be successfully concluded by the hon. member for Peace River.

Mr. Baldwin: Mr. Speaker, as I understood the last remarks of the Postmaster General, he was in effect saying that if you successfully engage in embezzling funds once and get away with it another dozen times, it then becomes a precedent and it is perfectly all right. The government says it engages in embezzling funds because it is more convenient, it is simpler and it does not have to go through the process of bringing before those nasty members of parliament all the reasons it wants this money so that it can be discussed in standing committees or in the House. The government says it does this by the simple, slippery method of using a $1 item in the votes.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): That was the essence of the argument.

Mr. Baldwin: I ask Your Honour to take judicial notice, because you are now presiding, and I ask you, as judge, to direct yourself and the jury to take notice of the fact that it is now 4.30 on Monday afternoon and three ministers of the Crown have risen, not to defend the principle, which is secondary, but to defend their own particular connivance with regard to the use of this method of obtaining money.

These ministers did not deal with the principle. They completely forgot the principle. The Minister of Energy, Mines and Resources said that all the government is doing by vote L62d is authorizing Eldorado Nuclear to borrow some money. That constitutes an appropriation of funds, as far as this parliament is concerned, and it is designated by the statement put out, as I understand it, by the government. The estimates division of the Treasury Board put out a list of $1 votes included in supplementary estimates D. Category E is defined as being votes which authorize, guarantee or affect existing legislation. Obviously, this is not a guarantee and this, therefore, constitutes an admission of guilt by the Minister of Energy, Mines and Resources at the very instance of the words which have been put into the mouth of the estimates division of the Treasury Board that it is legislation.

I am not going to retrace the arguments which have been made by hon. members on all sides of the House with regard to this question, but the primary purpose of parliament is to pass on the appropriation, the voting and the expenditure of money. That is what brought parliament into existence. That is why we continue, albeit with extremely limited powers. There is no doubt about it; *Hansard* is full of statements of that kind. Beauschene's, page 198, citation 233, reads in part as follows:

> It is one of the old standing principles of our constitution that the House of Commons should control the finances of the country. That is the right, privilege and duty of the House.

We cannot control practices of this kind. There is simply no way by which we, on behalf of the people of Canada, can control the expenditures of this government. I intend to prove that very briefly in my remarks. I call to the attention of Your Honour what was said by Mr. Speaker Lamoureux in a statement which has already been referred to. At page 4126 of *Hansard*, third session, twenty-eighth parliament, in 1971, Mr. Speaker Lamoureux said the following:

> The minister is right, of course, when he suggests that the introduction and passage of statutory items in supplementary estimates is not an innovation in this House. This is a practice which goes back many years. At the same time, it has never been accepted readily by the House.

So much for these so-called precedents.

> Our debates record many instances when members have taken exception to the practice. The hon. member for Winnipeg North Centre himself is not a neophyte in this regard. For example, on March 31, 1952—if he does not mind my going back so far—as reported at page 969 of *Hansard* of that day he voiced strong objection to an item in the estimates which, he contended, would circumvent section 3 of the Atomic Energy Control Act. Another example of such objection is a statement by the then hon. member for Digby-Annapolis-Kings, who stated in part as follows: "You have statutes; you may repeal them; you may amend them; but you cannot do it by supply bills."

The then member for Digby-Annapolis-Kings was a very good friend of mine and a great parliamentarian. I am glad to be standing next to Mr. Nowlan's son at this time.

Some hon. Members: Hear, hear!

Mr. Baldwin: The gist of the argument we are making at this time is that hon. members of this House are deprived of the opportunity to check, to challenge, to call witnesses, to examine in detail and to see to what extent there is adequate protection for the tax paying public of this country. Those rights are indispensable to our obligation to discharge our duties on behalf of the people of Canada, but they are taken from us by the use of $1 items which are, in effect, not legislative items and they do not amend legislation.

I conclude by calling to the attention of Your Honour two or three examples which indicate the grave dangers which exist if this practice is allowed to continue. The hon. member for Vegreville referred to the second report of the Standing Joint Committee of the Senate and the House of Commons on Regulations and Other Statutory Instruments. One of the things which was brought before that committee was the way in which the government slyly and surreptiously enacted regulations based on items of this kind in such a way that nobody was aware of what was being done, of how much money was being spent and the circumstances under which it was being spent. On page 33 of that report the following appears:

> In delving into the intricacies of enabling powers under votes, the committee soon discovered that the enabling powers were often not found in the votes themselves, but in items in the estimates to which individual votes related.

I pause here to say that the committee discovered that there were at least 104 illustrations of this practice from 1972 to 1976. There are still some we were not able to discover. The committee had occasion to consider two amendments to the shipbuilding temporary assistance program regulations. I suppose these regulations were enacted properly in connection with shipbuilding temporary assistance. We perused the votes of the Department of Industry, Trade and Commerce, assuming that we would find the basis for those regulations. But we found none. We then went back and inquired of the department and we were told that the authority lay in vote No. 5 and the item entitled "Capital subsidies for the construction of

commercial and fishing vessels in accordance with regulations of the governor in council", listed in the details of the printed estimates for 1970-71, five years earlier. Vote 5 read as follows:

Trade-Industrial—The grants listed in the estimates and contributions and to increase to $150,000,000 the commitments during the current and subsequent fiscal years for payments to develop and sustain the technological capability of Canadian defence industry, and to increase to $60,000,000 the commitments during the current and subsequent fiscal years for payments to advance the technological capability of Canadian manufacturing industry by supporting selected civil (non-defence) development projects.

On the basis of that vote six years later the government enacted regulations giving it the power to pay out moneys in connection with the shipbuilding program. Those are the dangers the House and the people of this country face if this kind of practice is allowed to continue without some caveat filed by us which is given serious consideration by Your Honour.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I certainly want to thank all hon. members who contributed to this discussion. As has been described, it is far from an incidental aspect of our procedures. It touches very fundamentally upon the right of parliament to function, the right to examine the spending program and to control the spending program through parliamentary votes, which is perhaps the most fundamental aspect of the work of parliament.

● (1640)

In conjunction with that is the legislative role. It is clear that some statement ought to be attempted to separate those powers which the House possesses by way of supply and those powers which the House possesses by way of legislation. That is not a task that I look forward to with particular relish. It is an important task. It is a statement that I will attempt in the hope that it may assist the House in guiding itself in future procedures. It is a responsibility which I take very seriously.

I thank all the hon. members for their very conscientious and well though-out presentations on the subject. I note that the last allotted day in the supply period is tomorrow. The first reading of the supply bill will be given in accordance with our slightly modified practices of recent date. By the order passed earlier today, the second reading of that bill is deferred until some other time. Is my impression incorrect?

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, the supplementary estimates, with contain all these $1 items, are to be completed tomorrow night. It is the interim supply bill that has been put off until Thursday.

Mr. Speaker: During the course of the argument, I took a quick look at the order to see what impact it had, and I wondered if we were not leaving ourselves open to the deferral of a portion of the decision we would have to face tomorrow night. In any case, if it is possible to do so we will work around the clock to try to come forward with whatever statement I ought to make on this question just as soon as we possibly can.

[Mr. Baldwin.]

There was an indication, during motions, when the motion standing in the name of the hon. member for Halifax-East Hants was called that there had been some arrangement whereby his motion would be called during orders of the day.

Mr. McCleave: Mr. Speaker, my understanding was that this matter would be proceeded with after presentation of the report of the statutory instruments committee.

Mr. Speaker: Is it agreed that we proceed with the immigration bill under orders of the day?

Mr. Baker (Grenville-Carleton): That is agreed.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT, 1976

AMENDMENTS TO IMPLEMENT CHANGES IN IMMIGRATION POLICY

The House resumed, from Wednesday, March 16, consideration of the motion of Mr. Cullen that Bill C-24, respecting immigration to Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. David MacDonald (Egmont): Mr. Speaker, members may recall that on the closing of the debate on this measure last Wednesday I was mentioning that it seems to me, in dealing with Bill C-24, that we have before us a basic change in terms of ultimate concepts, if not in terms of practices. I have before me a pamphlet that is widely available in immigration offices throughout the world and our own immigration office here. It is called "How Canada Selects Immigrants". It begins by responding to the question, "Who can apply?" The answer is given, "Anyone can apply to come to Canada. There is no quota on the number of immigrants who may be admitted from any area or country".

Theoretically, that has been the position of the government for many years, and certainly particularly so since the white paper about ten years ago. What we have been launched on over the last two or three years, particularly with the publication of the green paper, and subsequently with the work of the joint committee, has been an attempt to move away from that position with the very active encouragement of the government. I suppose that is the reason the committee, in issuing its report, said in section 29:

For these reasons, the committee recommends a shift from the present immigration system, which allows for the admission of everyone meeting certain criteria regardless of numbers, to a more managed system capable of regulating the total flow. However, the proposed system must do this in a fair and non-discriminatory, efficient, and manageable way.

That, perhaps, is the crux of the issue and the crux of the position that has been taken by the government in response to the committee's report. As hon. members may know, at the time the report was published I and a number of other members identified ourselves in the publication of a minority report. In addition to that, I issued a kind of minority comment of my own with respect to the work of the special joint committee, not in any way attempting to downgrade much of the work done by the committee but to point out some of the weaknesses of the process and some of the shortcomings of its final report.

What we have had over the past two years—and this has been supported by a number of volunteer organizations who have been extremely critical of this process—is a kind of illusion of full participation. There was the publication of the green paper with its extensive supporting documents. There was the intensive and extensive series of hearings across the country, some of them verging on violence with the kind of confrontation that took place. Finally there was the published report, and now the bill.

What the minister and many of the officials would have us believe is that there has been the widest kind of participation and consultation possible. Yet I do not think it takes much penetrating analysis to realize that there was not really an adequate consultation or an adequate probing beneath the surface of previously held prejudices and false assumptions. I said in my own minority comment on November 6, 1975, in terms of the work of the committee of which I was a member:

● (1650)

From the outset, the committee did not fully understand or agree on what a meaningful consultation on immigration involved... As well, by allowing extremely little time, serious-minded and extensive national organizations had insufficient time to consult their membership and stimulate a worth-while, educational and thoughtful response.

I went on to say:

The committee, perhaps without realizing it, became a sounding board for extremist groups and had little opportunity to balance the hearings in favour of those who were more thoughtful and did not have an immediate axe to grind.

If there is any doubt about the willingness of the government to engage in full dialogue with the people of this country, let alone the members of this government, it should be in the shocking reluctance of the minister to present to this House the regulations that have already been drafted with respect to this particular bill.

Mr. Cullen: Not true.

Mr. MacDonald (Egmont): If the minister indicates that it is not true, I hope he will be able to explain it to his senior officials who some weeks ago provided him with a packet of fairly well-defined draft regulations that would accompany this legislation. If it is not true, I would like to know how he expects, as he said in the debate, to discuss the substance of the more important regulations. The minister cannot have it both ways. If they have not been drafted, it will be impossible to discuss them. If they have been drafted, the only reason I can conclude he is not willing to present them to the House and the Canadian public is that he is not willing to trust their judgment, not willing to state the full ramifications of this new immigration policy on which we are being launched.

I would like to know why the minister is reluctant to take the Canadian people into his confidence. Why is he not willing to trust the people in their ultimate judgment, particularly on a matter which will so profoundly affect the unfolding development of this country?

I will be delighted to hear the hon. member speak and state his position with respect to the importance of these regulations. I will be very surprised if any member of this House, on either side, believes that the bill before us for debate this afternoon in any way adequately states or defines the basis on which, or the practices by which immigration policy is going to be followed in this country. While the minister may be accepting congratulations for the fact that a number of anachronisms are being removed from the legislation of 1952, a number of aspects of this bill strike me as the classic example of taking one step forward and two steps backward. I hope members on all sides will think very carefully before giving the minister and his department any more power than that which they presently enjoy.

Let me give a couple of examples of the way in which this bill seems to be, at best, a poorly-drafted document. I said on Wednesday last that this bill is particularly important because it deals with people. It attempts to regulate the comings and goings of people in and out of Canada. It is a major operation, when you think of something like 70 million crossings that take place with respect to our national borders each year. It is perhaps more than 70 million now: that statistic is likely out of date. I look at the bill and the statement of principles. While this may seem like a semantic quibble, surely it is a profound criticism with regard to the human quality of this legislation. Clause 5(2) reads:

An immigrant may be granted landing if he is not a member of an inadmissible class—

Clause 5(3) reads:

A visitor may be granted entry and allowed to remain in Canada during the period for which he was granted entry—

Clause 6(1) reads:

Subject to this act and the regulations, any convention refugee, member of the family class or other immigrant may be granted landing if he is able to establish—

I would like to know why immigrants are referred to throughout this bill as "he". Maybe I missed something along the line. I have looked at other legislation. It seems we have moved beyond the kind of sexist definition in legislation and refer to people as "persons", "individuals" or some other non-sexist definition. To provide a new immigration act in the seventies which has a sexist language base certainly is most inappropriate. Even the definition of the minister refers to him as being "he". I suspect that future governments might well want to question whether the Minister of Immigration should always be male. Of perhaps more profound concern with respect to this legislation is the general definition in clause 8, where it reads:

Where a person seeks to come into Canada, the burden of proving that he has a right to come into Canada or that his admission would not be contrary to this act or the regulations rests on him.

This seems to reinforce, or at least this puts into very definite law the situation where each and every individual—not just immigrants, visitors or aliens, but Canadian citizens—could well be faced with the position where, through no fault of their own, they might come to one of the national borders of their own country without specific documentation. Perhaps they are people who are new Canadian citizens. They discover that they are not able to document or prove what in fact, their citizenship is with respect to their own country. Here is a case of turning traditional British law upside down. According to this Immigration Act, a person is presumed to be an alien until he can prove himself a citizen.

What has bothered me most about this legislation from start to finish is that it has a kind of suspicious or mean quality to it. People are being taken, not at their best or not even as they might normally be, but potentially at their worst. I suggest a clear indication of that can be found in clause 19 of the bill where we find a marginal note used to explain the inclusion of a new definition with respect to inadmissible classes. The clause I am referring to is 19(1)(d). The following persons would not be admissible:

—persons who there are reasonable grounds to believe are likely to engage in criminal activity—

The marginal note says this is new and is intended to deal with persons who, though never convicted of any offence, are known to be closely connected with organized crime. This is an interesting definition. The marginal note is even more interesting: it provides for a new class of people who would be inadmissible to Canada because they might potentially be criminally-minded or criminally-active. While the note explains this is intended to deal only with persons known to be closely connected with organized crime, the clause obviously encompasses a much wider group of persons. How the minister, in law, can defend or explain this particular definition, given the nature of our society, profoundly disturbs me.

I do not know how the minister can think this kind of definition would be acceptable when people are increasingly concerned about the danger of false arrests. They are increasingly concerned about the way civil liberties can be so readily violated with regard to the use of secret information that is often traded between countries which in many instances cannot be adequately documented. I think, in particular, of organizations which have little definable reputation in this country, such as Interpol. I am not sure in what way the minister is able to defend this guilt by association clause which he has so willingly included in the inadmissible classes.

More important for people who will come here as legitimate immigrants is the clause which deals with the increased grounds for deportation. That has attached, now, terms and conditions. The minister, quite obviously, is attempting through this piece of legislation to provide some mechanism under the Immigration Act to determine where people will live and what they will do. This will not be in terms of incentives or in terms of the creation of a climate, as suggested by the joint committee report which talked much more about inducement than regulation. Perhaps this is the difference between the bill before us and the joint committee report. Sections 84 and 85 of the joint committee report deal with the problems of regional development and immigration. The joint committee recommended:

As now proposed, the only inducement offered to a prospective immigrant to settle in a designated community is the opportunity to emigrate immediately.

That, of course, was the backing-up of its position, explored by the joint committee, that there would be some kind of incentive to, as the committee said, jump to the head of the queue if a person would agree to settle in a community or area which would help to balance off the inflow of new immigrants. The committee went on to say:

That the proposal be approached imaginatively and that consultation with the provinces be undertaken about the various ways of applying the principle which the committee wishes to promote, the one of the goals immigration can help to serve in regional development.

That is a very different kind of proposal than that brought forward by the minister, one which would in a sense impose terms and conditions on the landing of this immigrant. If those terms and conditions are violated, that person even might be required or forced to leave the country. Indeed, if there was a violation of those terms and conditions, clause 27(1)(b) would allow for the deportation for any contravention of a term and condition even beyond his or her control. This certainly misses both the point and the spirit of this legislation.

The Acting Speaker (Mr. Turner): Order, please.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Broadview (Mr. Gilbert)—Finance—Request for increased financial support for housing for low income groups; the hon. member for Winnipeg South Centre (Mr. McKenzie)—External Affairs—Soviet action against symposium of Jews in Moscow—Possibility of Canadian protest; the hon. member for Vancouver South (Mr. Fraser)—Income Tax—Possibility of change in treatment of revenue earned by Indian bands—Government position.

PRIVATE MEMBERS' MOTIONS

[*English*]

The Acting Speaker (Mr. Turner): Notice of motion No. 4 in the name of the hon. member for Ottawa-Vanier (Mr. Gauthier).

Mr. Goodale: Mr. Speaker, I believe there is general consensus to proceed with notice of motion No. 12, standing in the name of the hon. member for Dartmouth-Halifax East (Mr. Forrestall), which is the resumption of debate at this stage.

* * *

● (1700)

[*Translation*]

UNEMPLOYMENT INSURANCE ACT

SUGGESTED AMENDMENT TO PROVIDE BENEFITS TO ADOPTIVE PARENTS

The House resumed, from November 22, 1976, consideration of the motion of Mr. Forrestall:

That, in the opinion of this House, the government should give consideration to the advisability of introducing legislation to amend the Unemployment Insurance Act to provide benefits to the adoptive parent of an infant, similar to the maternity benefits now provided to workers who are unemployed due to pregnancy.

Mr. Arthur Portelance (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, this is not the first time we have raised this issue of paying unemployment benefits to adoptive parents. It has been under review by the Unemployment Insurance Commission for nearly five years. This issue has several aspects. For example, let us talk about the concept of adoption in society. There used to be a lot of children for adoption. Now there are fewer. More than ever single mothers are likely to keep their child. Contraceptives are more sophisticated and more widely acceptable. There are much fewer unwanted children available for an increasing number of adoptive parents to be. Let us consider also the possibility of a single parent adopting a child. Some 10 or 15 years ago that was unthinkable. Nowadays it is done much more frequently.

However, social values alone must not be considered. The phenomenon of adoption itself is being altered. Nowadays children's aid societies encourage the adoption of older children. It often happens that those children have physical and emotional behaviour problems. This is why the needs of those children and adoptive parents are really different. The development is carried on.

In this new world of adoption, it is probably true to say that adoptive families have an adequate income. The adoption agencies carefully select a family and the annual income is an important criterion. Thus most adoptive families have an adequate annual income. The necessity of providing some financial assistance can be reconsidered.

We cannot rule out the possibility of extending benefits to adoptive parents without considering the objective of the unemployment insurance scheme. It is indeed an insurance. A temporary income is provided to any individual who has lost an insurable job. During that time, the individual must actively look for some employment except when unable to work due to illness or pregnancy. Thus the unemployment insurance plan provides interim assistance to workers who lose their jobs unintentionally, who are able to work and who are looking for a job, or to workers who are not physically able to work for a while.

Let us consider this definition in the light of problems which face the adoptive parent. For example, is the fact of adopting a child reason for being unemployed and unable to find a job? I think the answer is no. Being able to work and being available for this purpose are the two main points of the unemployment insurance legislation. The adoptive parent may meet both requirements. For example, if the adopted child needs the constant care of an adoptive parent and if this parent is obviously able to work but not available under the provisions of the unemployment insurance legislation, the adoptive parent who retired from the labour force is physically able to work but not available.

Furthermore, a mother who has a child and who receives unemployment allowances is considered as physically unable to work. Consequently, if the adoptive parent is not available to work, he or she is not eligible for benefits under the unemployment insurance plan. Both principles of ability and availability enable to define clearly the eligibility for unemployment insurance benefits.

By giving benefits to the adoptive parents, however commendable in principle, we would somehow pay people who are able to work but who left the labour force of their own free will. This has nothing to do with the uncontrollable physical reasons I mentioned earlier. When they make their application for adoption, the parents are clearly made aware of the infant's needs. It may be necessary for one parent to stay home. If both parents work when they file their application, they voluntarily decide that one of them will stop working to stay home.

If the government were considering extending benefit eligibility to adoptive parents, it would create a precedent which would undermine the very principles of unemployment insurance. Anyone capable of working but unavailable for reasons other than those related to the labour market could take advantage of the system. To push the argument further, someone could advocate excellent reasons to say that he is unavailable for work and, consequently, he could be entitled to unemployment insurance benefits by deciding that he is not available.

I do not want in any way to discredit children adoption, quite the contrary. As I said earlier, adoption plays a primary role in finding a home for orphans or disadvantaged children or orphans. This is an opportunity to experience the joy of parenthood for those who cannot bear children or decide not to have any for reasons of their own. The question put before the

House is not a vote in favour of or against adoption. Neither is it a vote for or against a kind of assistance to adoptive parents who need some temporary assistance to take care of their child. The Unemployoment Insurance Act is by no means the appropriate instrument to provide them with income security.

It is true that some adoptive parents need financial assistance whereas others do not. But neither these nor the others have been involuntarily taken away from the work force. The decision of adopting a child is taken consciously. So is also the decision to leave the labour force, which is a consequence of it. Let us think about the basic goal of unemployment insurance, which is to provide temporary income when somebody is no longer on a payroll, so that the worker may resume his place within the labour force as soon as possible. That is the basic goal of unemployment insurance. In Canada, unemployment is a serious problem, and the unemployment insurance plan is not a welfare program.

Nor is it a remedy to give general comfort in every new social need, regardless of how legitimate it may be. I am convinced that unemployment insurance is not the appropriate vehicle to supplement the income of parents who decide to adopt a child and who must, for extremely valid reasons, quit the labour force for a while.

As maternity benefits already exist, I understand readily why some would like adoptive parents to receive them as well. At first glance, it seems reasonable enough. But, in fact, this would conflict with the insurance principles on which the unemployment insurance system is based. Maternity benefits are paid out because the prospective mother is unable to work. Adoptive parents on the other hand are physically able to work, though the adoption centres require that a parent stay at home for a while.

Above all, the unemployment insurance system must not become a substitute for other social benefit programs. That is one of the great fallacies of our times: that unemployment insurance should be the mechanism through which the federal government meets all legitimate needs of Canadians. Unemployment insurance is a social insurance but not the answer to Canadians' need for income, regardless of their nature. The House of Commons is now studying Bill C-27 which will amend the Unemployment Insurance Act. During the debate, I am sure all hon. members will have the opportunity of presenting their views on the subject. The aim is to make unemployment insurance more efficient and to bringing it closer to its intended purpose. The amendments are drawn up in such a way as to reinforce the insurance aspect of the plan, to underscore its basic insurance principles.

I do not deny the fact that adoptive parents may really need some form of assistance for their worthy efforts. In some ways, the role of the adoptive parent may be even more difficult and demanding than that of a natural parent. Still, I cannot support the motion because I am convinced that, although adoptive parents may need help, unemployment insurance is not the vehicle through which it should be given.

[Mr. Portelance.]

• (1710)

[*English*]

Mr. J. Larry Condon (Middlesex-London-Lambton): Mr. Speaker, I have two immediate reactions to the suggestion that the unemployment insurance benefit be extended to adoptive parents. The first is to point out that this is not a new subject. Indeed, it has been considered by the Unemployment Insurance Commission on many occasions over the last five years. My second reaction is that adoptive parents certainly deserve consideration of the special problems that they face. There is little doubt that in some cases adoptive parents may—and I say "may"—have more difficulties in caring for their new child than the parents of newborn infants. So a proposal to extend UIC benefits to adoptive parents cannot be dismissed lightly. We have to see how adoptive parents and natural parents differ under the Unemployment Insurance Act and then weigh whether unemployment insurance is the proper program to assist both groups.

I am convinced that adoptive parents may well need support programs. In many cases I feel bound to question whether the Unemployment Insurance Act is the proper piece of legislation to provide this support. The adoptive parent plays an essential role in our society and the adoption process brings the joys of parenthood into many lives.

There have, of course, been dramatic changes in adoption in our society over the last several years. At one time the majority of adopted children were infants and there were in fact a large number of infants available for adoption. Now, changing social values have radically altered this pattern—for better or for worse it is an individual's decision to make. Conception control measures are more sophisticated. Single mothers are more and more tending to keep their babies instead of putting them up for adoption. For both reasons there is no longer a large surplus of unwanted babies available for an insufficient number of prospective parents; quite the reverse is true in many areas.

Social values regarding adoption are changing in many ways. For example, it would have been virtually unheard of 10 or 15 years ago for a single parent to adopt a child. While it is still far from the norm, it is happening more and more now. Children's aid societies are encouraging the adoption of older children. In many cases these are children with behavioural, psychological or physical problems. Their needs and the needs of their adoptive parents are, therefore, different from the need of many adoptive parents in the past.

In this new world of adoption it is probably fair to say that many adopting families have adequate means of income, although I must say that that is not the criterion of the Children's aid societies. Children's aid societies pay a great deal of attention to the suitability of adopting families, and income is one of the criteria which they use in making their decisions, though I can assure the House it is not the major one. Because of requirements like this, many adoptive families are in the middle or upper income brackets. Their need for financial support, including unemployment insurance, may therefore be questioned.

The core of my concern here is not whether adoptive parents may need some form of support. Some will, and others will not. I believe the issue before the House is whether the unemployment insurance program is the proper place to provide the support for those who need it. To answer that question we may have to consider the objectives of the unemployment insurance program, so often stated yet so often misunderstood.

The fundamental objective of the unemployment insurance legislation was, and remains, to provide adequate, short-term income maintenance for workers who, for reasons beyond their control, are unemployed, capable of work, available and seeking employment or temporarily physically incapable of work. Let us examine that definiton against the problems faced by adopting parents. The operative words are, first, "for reasons beyond their control". There can be no question that adopting a child is a voluntary decision, however laudable it may be. It is not, I submit, a reason beyond a person's control for being unemployed. Capability for work and availability for work are two cardinal principles of the unemployment insurance legislation. Here, again, the adoptive parent may or may not qualify.

If, for example, the early care of an adoptive child requires a period for one working parent to remain at home, clearly that parent is physically capable of work but not available for work within the meaning of the unemployment insurance program. An adopting parent who has withdrawn from the labour force is physically capable of work but not available for work. But the mother of a natural child, while on unemployment insurance maternity benefit, is presumed not to be physically capable of work within the meaning of the Unemployment Insurance Act. So if the adopting parent is not available for work, in terms of the unemployment insurance program, he or she is not entitled to any benefit. These two principles of capability with availability and incapability function as clear instruments to define those who are entitled to unemployment insurance benefits.

To pay benefit to adopting parents, laudable though this may seem in principle, would be to pay people who while capable of work are not in the labour force by their own decision. There is no question here of physical reasons beyond their control, as I mentioned earlier. In the adoption process, the particular needs of the child are carefully explained to the parents. Virtually, at the outset, the possible need for one parent to remain at home becomes apparent. If both parents are working when they decide to adopt a child and the adoption requires that one parent stay at home to supervise the child, adoption becomes a conscious decision that one parent leave the labour force at least for a short time.

Were the government to consider extending unemployment insurance benefit to adopting parents, this would set a precedent which would begin to cut away at the very roots of unemployment insurance principles. It would open the door to any capable but unavailable insured person whose unemployment was caused by exigencies not directly related to the labour market. Any person could, by this reasoning process, elect to become unavailable for work for any good purpose in their own mind, arguing that they were entitled to unemployment insurance benefit on the grounds that their decision made them unavailable for work.

Let me stress, again, that I am not attacking the valid and worthy process of adopting children, because I am an adoptive parent. As I have said, adoption plays a vital role in our society in providing good homes for disadvantaged or parentless children. It also makes it possible for parents who cannot, or choose not to, have natural children, for whatever reason, to experience the wonder of becoming parents.

The question before this House is clearly not a vote for or against adoption. Nor is it a vote for or against some form of aid for those adopting parents who may need transitional aid in caring for their adopted child. The real issue, I submit, is that the Unemployment Insurance Act is not the proper vehicle to provide adoptive parents with income security. It must be admitted that some adoptive parents need financial aid and others certainly do not. But in neither case are they involuntarily out of the labour force. Adopting a child remains a conscious decision and, for a working parent, perhaps a conscious decision to leave the labour force at least for a time.

● (1720)

Let us all remember that the basic purpose of unemployment insurance is to provide income maintenance where interruption of earnings has occurred, and to do so in a way which ensures that the worker will return to the labour force as soon as possible. This is the basic purpose of unemployment insurance.

Unemployment is a serious problem in Canada today. But unemployment insurance is not a welfare program. Neither is it a sort of catch-all mechanism which can be used to provide general support to every social need which arises, legitimate though it may be. My own conviction is that the unemployment insurance program is not the proper vehicle to provide income support to parents who choose to adopt and who must, for very valid reasons, drop out of the labour force for a short time.

At first glance there appears to be authority in the Unemployment Insurance Act for aiding adopting parents. Because the unemployment insurance program already provides maternity benefits, I can easily understand why some believe that these benefits should be extended to adoptive parents. Viable as this may seem at first glance, it would entail a radical shift away from the insurance principles upon which unemployment insurance benefits are provided. Maternity benefits are paid because of physical incapacity to work. Adoptive parents are not physically incapable of work, though adoption societies may require one parent to stay at home with the new child for a period.

Especially at this time the unemployment insurance program must not become a substitute for other social aid programs which are really needed. It is one of the great fallacies of our time that unemployment insurance is the general aid mechanism through which the federal government can solve virtually any legitimate social need of Canadians. Unemploy-

ment insurance is, in truth, social insurance, not a general answer to Canadians' income needs, regardless of their nature.

This House is considering amendments to the unemployment insurance legislation in Bill C-27. These are designed to make the unemployment insurance program more effective and more responsive in its true role. These amendments are quite rightly designed to reinforce the insurance character of the program and emphasize the insurance principles upon which it is founded.

I do not dispute that adoptive parents may very well need some form of support in their very worth-while endeavours. Indeed, in many ways the role of the adoptive parents is often harder than that of the natural parent. But I find I cannot support this motion because I firmly believe that if help for some adoptive parents is needed, unemployment insurance is not the right way to provide this help. I hope we can consider other ways to do this through different programs in the federal as well as in the provincial field.

Mr. F. A. Philbrook (Halton): Mr. Speaker, I congratulate the hon. member for Dartmouth-Halifax East (Mr. Forrestall) and the hon. member for Grenville-Carleton (Mr. Baker) for proposing and seconding the motion we are considering. Hon. members show, by proposing such motions, a concern for human need in society. The motion we are considering reads:

> That, in the opinion of this House, the government should give consideration to the advisability of introducing legislation to amend the Unemployment Insurance Act to provide benefits to the adoptive parent of an infant, similar to the maternity benefits now provided to workers who are unemployed due to pregnancy.

Clearly, the motion involves two areas of concern. One part of the motion recognizes that there is a need for people to adopt somebody else's child. The motion speaks of "an infant" but, of course, not only infants are adopted. The other part of the motion concerns the fulfillment of that need, and this is the part which raises difficulty. Nobody will deny the importance of the first part of the motion; for the need in this regard is evident in all parts of the country and all parts of society. However, the proposal that the Unemployment Insurance Act should be the mechanism for providing benefits to the adoptive parent can lead to great difficulties, especially at the present time.

Let me talk about adoption. Many of the points I shall raise have been made previously but I think they are worth repeating. Anyone who adopts a child deserves our greatest admiration. It is difficult enough these days for natural parents to bring up their own children; their children confront a changing world, a world in which our social and moral values are changing. It is difficult to raise children, and expensive. In fact, it is so expensive that many young people are not having children. But we must have them, for society must continue. We must do our best to raise good citizens. Everything I have said about natural children applies to adopted babies. They are fun to have around, and gratifying. But bringing up children entails sacrifice. For them we give up part of ourselves and in that way we help, not only the child but society in general.

[Mr. Condon.]

Difficult though it is to adopt a baby, it may be even more difficult to adopt an older child who may have gone from foster home to foster home. The history of such children is often tragic. I know this point is not strictly pertinent to the motion, but it is worth mentioning. The unfortunate foster child is often bounced, as it were, from home to home and, in the process, becomes psychologically disturbed. Perhaps the foster child is one of our most serious social problems. I raise this point to throw light on the role of adoptive parents, and because I have had some experience in this field.

Hon. members will recall that about two years ago there was great excitement concerning the adoption of Vietnamese babies. It was not long before members of parliament were aware of all the excitement and commotion, for I remember distinctly three cases in my riding, in my town. I looked into these cases. What I learned was not encouraging. One family which adopted a Vietnamese baby has done well. The child has been raised as one of their own children and they are all living together as a stable, traditional family. Another family left town, hence I do not know what happened to it. But the third family worries me. This couple took a long, expensive trip to the United States, to take charge of the baby. Within a few months of the baby's arriving home, I noticed that the mother was working again. I am not sure why she is working; the family is well off. I suppose it is the usual case of the woman wanting to pursue her own career and have her own job. But it ought to make us think carefully about the whole business of adoption.

● (1730)

Inasmuch as there are responsibilities and duties in adopting—and the adoptive parent certainly deserves credit for adopting—there are also joys and benefits that come from having an adopted child, particularly if it is the only child in the family.

Along with credit for adoptive parents who, by and large, are mostly capable, wonderful people, credit should go to our chief provincial agency, the Children's Aid Society. I think everybody will agree they are doing a good job of this, whether it is the business of adoption, their involvement in homes where there is child-beating, or their numerous other responsibilities with respect to runaways, and so on. It is a remarkable organization. I think of people such as Ron Copeland and Mrs. Joan Lee in my riding, whom I have personally seen in action. I have great admiration for both of them.

In the case of adoptions, probably the most remarkable job that the Children's Aid Society has done is in matching up children with parents. We have probably all made the same mistake of saying to adoptive parents, "My goodness, your child looks just like you" and then being told, with some embarrassment, that the child is adopted, that there is no physical relationship. This is the type of work that the Children's Aid Society does, and it makes a big difference.

They have a great responsibility in making sure that the income of adoptive parents is adequate. I understand that in some cases they go so far as to require what is called a

supervising parent for a period of up to six months, but that is optional. This is an indication of the kind of care that is given in the adopting process and how well it usually works out.

That is not to say that there are no problems. We are all aware of the difficult adjustments that are required sometimes by the child, the parents, and anyone else involved in the process. In spite of the excellent modern work of the Children's Aid Society, there are physical and psychological problems that occur. Sometimes it is the question of both parents working. This is a serious enough matter with natural parents. There is a great deal of concern about what it does to the children as well as to the parents if one parent, usually the mother, is not at home. In spite of their income needs or wants, being at home when raising children, at least until they are psychologically mature at which time the parent who is at home can resume his or her career, is very important. The suitability of parents is certainly another serious concern, not only in terms of their ability, both natural and acquired, in terms of how much they prepare themselves to raise the child, but also their emotional stability and the stability of their marriage. The emotional and psychological needs of the child must also be considered.

The subject of income, as I understand it, unless our part of the country is not typical, is not a problem usually, and this bears directly on the bill before us. This bill is concerned with the income of the adoptive parent. What we find in Halton is that adoptive parents are well screened in this respect. They usually have the necessary income, and one of them has the motivation and desire to stay at home.

Then we get down to the availability of children for adoption these days. There has been a dramatic change in our times. There used to be a great shortage of adoptive parents; now there is a great shortage of children for adoption. That may change in the future, but it is an important factor which, I think, has a bearing on this bill.

With regard to the first half of the bill, I think we have a clear picture with regard to adoption itself. We all approve the adoption process. We probably all agree that in perhaps the majority of cases no assistance is necessary from the state to help the adoptive parents. They have their own income and one parent is prepared to stay at home. We all welcome the joys and the value to society of the adoption process and we recognize the fact that in some cases there may be a need for aid. I am not aware of any such cases lately, but I would certainly appreciate hearing if there are any. Perhaps there are parents who need some assistance who are willing to adopt children who are without an adoptive home.

Now we come to this whole business of unemployment insurance. For me it has been a very difficult and soul-searching subject for at least the last two years. Certainly it was a hot subject for me during the 1974 election campaign. I have been working hard on it with a great deal of agony ever since. As we know, originally the UIC program was designed to be a straight mathematical program for those who paid an insurance premium. Then it was extended to those who were included in the whole process of unemployment, and it became a national social program, which at first covered 4 per cent and later, under a certain formula, over 5.8 per cent, and perhaps the level will go higher than that. There is a great deal of concern about that. There are still some people who want this to be a straight program of insurance with no government assistance. This is a tough line, but at least we know where they stand.

It became more difficult a few years ago when certain other provisions were added, but there was an argument over the business of sickness benefits. Certainly sickness is not a form of unemployment, yet in many cases there was no good sickness coverage. Nothing was provided by the provinces to help people when they were laid off, workers who were not unionized. But somehow we managed to get by and most people have accepted it. Beyond that the next step was more controversial, namely, maternity benefits. I do not know what the experience of my colleagues was in that respect but it gave me a difficult time in the last election campaign.

There are people who simply cannot accept the concept of maternity benefits under the UIC program, and some of their arguments are understandable. There is the question of whether a person has a choice in being off work due to maternity, whether this was or was not a planned event. I suppose that in some cases it is planned, and in others it is unplanned. Nonetheless, there is a definite need in the case of some people and we will probably not have much luck in sorting out the planners from the unplanners, so we might as well include the latter in a universal program.

This leads me to the motion. If natural maternity is in question, what about adoptive maternity? There is no indication that the person had no choice. This is a voluntary process. The parents—in some cases the single parent—know what they are doing when they adopt. They have a clean-cut choice. They do not have to be off work, and that is the main point in considering whether or not maternity benefits should come under UIC. Unemployment insurance, even though it has become very complicated, is still a process of financial support for those who are out of work through no choice of their own. It comes down simply to that and no more. We have some grey areas, but when it comes right down to it, adoption is hard to imagine as one of those grey areas.

We have many other problems. For the first few years of this parliament the pressure was great—it certainly was for me as one member of parliament—on the question of abuses and disincentives. We all heard of the terrible outcry about the so called UIC ski teams out west, those who took UIC payments and used them for a holiday instead of trying to find a job and getting back into the productive work force. There are many other examples, even when there is a cracking down, a toughening and a tightening up which the government and the UIC have brought about.

● (1740)

There is tremendous concern about the total pay-out of unemployment insurance per year of $3 billion to $4 billion. That is perhaps 10 per cent of our total annual federal budget.

That budget is considered to have grown very fast, and it is very large at the present time. There is just too much money being paid out for too little productivity. The amount of money being paid out is high enough, but the loss of productivity is even more pronounced.

Without being the least bit partisan, it has to be mentioned that if the government has been pulled into line, part of the credit should go to its own backbenchers. Certainly the official opposition has traditionally taken a very stern, tough, clear stand on UIC payments, particularly abuses and disincentives, although lately in times of suddenly much greater unemployment it seems to have taken a more conciliatory stand, which makes life a little confusing around here.

I give credit to the New Democratic Party for its stand on unemployment insurance benefits and other social benefits. If rather one-sided about favouring these payments, the NDP has certainly been consistent. It certainly has not switched its position in any way at all. It is consistent, and we know where it stands.

Mr. Knowles (Winnipeg North Centre): Hear, hear!

Mr. Philbrook: We have a few problems. One is basically a misunderstanding of the character and purpose of this social program. Another one is the search for a proper vehicle for all our financial support needs as they come up. This bill brings to our attention a very real need. It is small but real. There is a temptation to use something like UIC as a catch-all if we cannot work anything else out in a logical way. Another problem is the timing of Bill C-27, the main purpose of which, as I understand it, is to go the opposite way, to pull in the reins on the UIC program, to rationalize and to bring some measure of control to this valuable program so that it is not discredited, even to the point of bringing it down to the original plan it was supposed to be.

To put it very frankly, we need to check abuses and disincentives, and people from the Maritimes, including the hon. member who proposed this motion, the hon. member for Dartmouth-Halifax East, will certainly appreciate that because this is of concern to the people of the Maritimes, which now have a high unemployment rate.

I apologize to the House for talking for so long, but I think we need a real social welfare program for something like adoption, not the unemployment insurance program. That is just not the right program. That program already has too much pressure on it.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but his allotted time has expired.

Mr. S. Victor Railton (Parliamentary Secretary to Minister of Veterans Affairs): Mr. Speaker, I appreciate the fact that this motion has behind it an excellent intention. It was brought forward because of the character of its proposer and its seconder. They are generous people who are trying to find, through the Unemployment Insurance Act, some means of giving special benefits to a special small group. However, it should be pointed out that, as most of the other speakers have mentioned, the Unemployment Insurance Act was brought in for a certain purpose. That purpose must be adhered to; otherwise, we will need a completely new act.

The government has handled unemployment insurance in a very imaginative way in Canada.

Mr. Alexander: In what way?

Mr. Railton: I always enjoy talking to the hon. member for Hamilton West (Mr. Alexander), but I cannot do it directly right now.

Canada has been singled out by other countries as a leader in trying to deal with the tragic problem of unemployment. United States Senator Hubert Humphrey recently wrote to the Minister of Manpower and Immigration (Mr. Cullen).

The letter said that the United States is very fortunate to have a neighbour to the north which not only faces many of the problems of its own economy but which has the leadership and foresight to take innovative approaches to these problems.

Some hon. Members: Hear, hear!

Mr. Railton: The letter goes on to say that young people in the United States will be very fortunate indeed if the United States merely follows that lead and establishes the same kinds of programs there. I ask the hon. member for Hamilton West, what do you think of that?

Mr. Alexander: Mr. Speaker, is the hon. member asking a question?

Mr. Railton: That was a rhetorical question which does not require an answer.

I would like to re-emphasize that the basic purpose of the unemployment insurance program is to provide income maintenance where an interruption of earnings has occurred, and to do so in a manner which ensures that the worker will return to the labour force as soon as possible. My colleague from Brampton identified the needs of recipients of unemployment insurance, and he went into the question of how to fulfil those needs.

In 1971 the government recognized the need to cover interruptions of earnings relating to maternity, and that the provision of adequate maternity legislation was of the utmost importance in Canada where over one-third of the active labour force is female and where approximately one in six workers is a married woman. Because of the plight of many thousands of women who had little or no protection when unemployed due to pregnancy, in 1971 the government included in the Unemployment Insurance Act provisions to provide up to 15 weeks of unemployment insurance maternity benefits to women with at least 20 weeks of insurable employment.

Furthermore, the payment of benefits to major attachment claimants who have incurred an interruption of earnings due to pregnancy is a recognition of the principle that this condition

causes a claimant to be incapable of work. I do not think anyone would gainsay that fact.

As a very young physician I practised for a short time as a country practitioner, and I think my instructions to stay in bed for a certain length of time were often ignored. I remember driving in my Model A and seeing a woman running from her back porch, and when I got in, she was in bed waiting for my call. This occurred sometimes. The same day that woman had her youngster, she was up preparing a meal for her husband and his hired men who were doing the harvest. There are real work barriers for women as well as for men. People like the woman to whom I referred are few and far between.

Usually after six months of pregnancy—in the third trimester—women are not welcome in places of work because there is a certain amount of danger, particularly in factories. There is a danger of too much activity and overwork which could lead to miscarriage. In addition, pregnant women deserve a certain amount of courtesy and help during that period of their lives.

● (1750)

After the baby is born, the first seven or ten days are frequently a matter of real illness, and certainly the strength of the mother does not return to a full pristine state for at least four to six weeks. I think the periods for maternity benefits from unemployment insurance are fairly sensible and we should not deviate from them. However, the payment of benefits to these people recognizes, as I said, the principle that the condition causes them to be incapable of work. From the medical standpoint, a certain amount of time is required before the woman can be considered fully capable of resuming her role as an active member of the labour force. These benefits are not paid to her because she has a new child. They are paid to her because she has been physically incapacitated and has been unable to do her job.

In the case of the adoptive parents, they do not experience the physical state which rendered the patient incapable of working for a period of time. For this reason it is not possible, according to the act, to consider granting maternity benefits to them. There is no doubt that adoptive parents play a very great role in our society, a very essential role. However, the unemployment insurance program is sometimes misconstrued—this was taken up by the most recent speaker—as a potential general aid mechanism through which the federal government can provide support to whatever needs can be identified. The needs of adoptive parents are quite legitimate though not through this act. The unemployment insurance program is not the proper vehicle to support incomes of parents who wish to adopt children and, who, for some legitimate reasons, think they should drop out of the labour force for a period of time. This is debatable.

It has been argued that there exists an anomaly in the unemployment insurance legislation which affords benefits to the natural mothers but which discriminates against adoptive mothers. This is so much ballyhoo. Adoptive parents emphasize that the experience of parenthood is similar, whether the parents are natural or adoptive. Adoptive mothers, they say, have the same need and desire to be with their child. Of course, but this is not why the benefits are being paid. They are being paid only because the natural mother was incapacitated, and she had to take herself away from the labour market for a certain period of time. When there is a couple who adopt a child, the woman is viewed as being capable of performing a job at all times, unlike a pregnant woman who is, to varying degrees, incapacitated during the period surrounding childbirth.

The quality of treatment of natural and adoptive mothers is an area of some concern to some women's rights groups, and has been studied in a preliminary fashion by the federal Advisory Council on the Status of Women. It is most interesting that this Council expressed the opinion that the unemployment insurance program would not be the best means of providing the adoption or maternity support that may be required. You must remember that unemployment insurance is a program designed to provide income maintenance during an interruption of earnings under specific conditions. It is supported by employers, employees, and the federal government. We feel we have a responsibility in that direction. It is not intended to be a general answer to the income needs of Canadians regardless of the origin of those needs. There are other methods.

We cannot avoid the question of whether existing programs are meeting the needs of adoptive parents. However, if we cannot, what sort of support should be provided and who should provide it? In the case of those families who need some form of income support and who are judged to be good prospective parents, the means of providing this type of assistance are available. There are provincial programs available to provide this type of help. In general they are supported by the federal government through the programs of the Department of National Health and Welfare. Do not forget that the federal government contributes 50 per cent to practically all these programs.

One of the things we are always harping on is the need for the provinces to take up, if they have not done so already, the question of the Canada Assistance program. Family allowance payments are provided for adopted children as soon as they are placed in the family. That is federal money. To provide unemployment insurance benefits to parents, on a needs criteria basis, would overlap with provincial and other federal efforts, and would undermine the income-related and the individual nature of the program.

Unemployment insurance benefits are intended to provide income replacement based on the previous earnings and the labour force attachment of an individual rather than on the needs of the family.

Mr. Forrestall: We are not talking about the needs of the family. We are talking about the income of the family.

Mr. Railton: May I continue for a few minutes, Mr. Speaker?

Mr. Forrestall: Continue.

Mr. Railton: There have been some recorded Unemployment Insurance Commission experiences, just as the previous speaker emphasized, with examples of "beating the government" and so on. I do not think we can criticize the government social security programs in every way. I felt the article published in the *Globe and Mail* today by Mr. Malone, the publisher of that wonderful newspaper, was a little bit too critical. It was mainly saying that the government has been too generous in its social security programs. I cannot agree with this.

Mr. Deputy Speaker: Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT, 1976

AMENDMENTS TO IMPLEMENT CHANGES IN IMMIGRATION POLICY

The House resumed consideration of the motion of Mr. Cullen that Bill C-24, respecting immigration to Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. David MacDonald (Egmont): Mr. Speaker, I am beginning to think this is on the instalment plan. When I was in college I was told that there were at least three good points to every sermon. I did not know there were three good sermons to every point. This is the third opportunity, on second reading, that I have been speaking on this subject.

I want to deal very quickly with two or three aspects of the bill which concern me very much. One has to do with respect to the violation of the Universal Declaration of Human Rights. If one reads the Universal Declaration of Human Rights, which was passed in 1948 by the United Nations, Article 13 certainly touches on measures within this bill which would certainly come close to being in direct violation of the Universal Declaration.

Hon. members will recall that Article 13 states that everyone has the right to freedom of movement more particularly residents within the borders of each state and, second, everyone has the right to leave any country, including his own, and return to his country.

Clause 8(1) of this bill with respect to proof of citizenship deals with the individual who comes into his own country.

[Mr. Forrestall.]

Clause 21(1)(b) deals with the whole question of the regulated residency under the so-called terms and conditions of the bill. This certainly seems to fly in the face of Article 13 as it is stated in the Charter on Human Rights.

Third, in Clause 115(1)(n) the governor in council has the ability to make regulations, and I quote:

> requiring any person or class of persons to report to an immigration officer before leaving Canada and prescribing the information to be provided and the manner in which such report shall be made to the immigration officer by any such person;

The possibility of requiring some sort of notification, or even permission, before departure is one that I find most offensive, certainly offensive in light of the Declaration of Human Rights. More than that, more recently we have had the International Covenant on Civil and Human Rights. It is interesting to note Article 12 and 13, Article 12 in particular, which reads:

> 1. Everyone lawfully within the territory of a state shall, within that territory, have the right to liberty of movement and freedom to choose his residence.
>
> 2. Everyone shall be free to leave any country, including his own.

That is an additional reinforcement of the way Bill C-24 appears to violate the Universal Declaration of Human Rights and the subsequent convention. The interesting thing is that the International Convenant on Civil and Political Rights was only acceded to by our country on May 19, 1976. It finally received the assent of a sufficient number of nations to bring it into force on August 19 of last year. Presumably that was just at the time when this particular bill was in its final drafting stages. It is for that reason that one cannot be sanguine about the possibilities and intent of this legislation. As it is stated in the explanation clause, Clause 115(1)(n) may be used at some time in the future to provide for examination of outbound travellers if this step becomes necessary for the proper identification and control of illegal immigrants. As the minister well knows, it does not stipulate that it will only be used in the case of those who are illegal immigrants.

This is one of the reasons I brought in Bill C-404 on March 3 dealing with the question of human rights. I will quote from one aspect of it, that part which, and I quote:

> denies its citizens the right or opportunity to emigrate or imposes a discriminatory tax, levy, fine, fee or other charge on any citizen as a consequence of such citizen's desire to emigrate.

These are the things which concern us very much about countries in eastern Europe which place very real proscriptions on those who desire to leave their own country. For us even to have the possibility of these provisions in the bill seems to be, quite frankly, an illiberal and retrograde move.

As I said before the supper hour, this bill, when compared to the joint committee about whose report I even had some considerable reservations, seems to fail both in the letter and in the spirit.

I mentioned earlier the problem with respect to regional development moving from inducements and incentives, which was in the joint committee report, to that of absolute regulation.

There is the whole matter of the question of refugees. The minister has taken a forward step by indicating there will be a new classification of refugees. However, in his statement and in the bill it seems to be almost totally tied to the United Nations convention definition of refugee. If the minister has read the report, in particular Section 93, he will note that the special joint committee stated very clearly that it regards the United Nations definition of refugee as too narrow and not adequate to accommodate the present variety of circumstances.

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member but his allotted time has expired. He may only continue with unanimous consent. Does the hon. member have unanimous consent?

Some hon. Members: Agreed.

● (2010)

Mr. MacDonald (Egmont): Thank you, Mr. Speaker. I shall not take up much more of the time of the House as I know there are others who wish to speak on this subject.

To continue with that quotation from the joint committee report, section 93:

> One difficulty is the stipulation that the person be outside his country to qualify as a refugee. Canada has eased this requirement to accommodate Chileans and Ugandans.

More specifically, as the minister well knows, there was in the case of Uganda, and particularly in respect to Chile, the establishment of a new definition, that of the "oppressed minority" group to deal with the very difficult situation of people who to all intents and purposes would be suffering or experiencing the same kind of difficulty refugees normally encounter but who were still resident within their own country. For the minister to go only as far as adopting the UN definitions and conventions on refugees seems to me to be an inadequate approach. It is a fact, of course, that the minister has not stated clearly either the framework or the procedures for dealing with refugees. In view of recent problems concerning refugee movements from Latin America, this does not give one much encouragement or confidence in the fairness or efficacy of the refugee provisions in the bill before us.

The move to establish a system of visas as suggested in the bill, is ignoring the firm recommendation made by the special joint committee to use exit and entry cards as a first step toward proper and effective control of illegal migrant movements, which seems to me to have been a sensible recommendation from the standpoint of the committee. Again, the minister did not see fit to accept that recommendation, and moved instead to provide for the utilization of visas under the measure before us, something which at best will be cumbersome and, I think, at worst, could create some great difficulty for Canadians who have generally enjoyed satisfactory travel arrangements with many countries and would find it increasingly bothersome, if not offensive, to be saddled with the kind of visa requirements which the minister seems to be favouring.

The whole question of appeals under the Immigration Appeal Board is interesting. When the Immigration Appeal Board appeared before the special joint committee a great deal of discussion, and their recommendation, centred on a return to the pre-1973 situation with respect to providing at least the possibility of an appeal in each and every instance, rather than ruling them out automatically for a number of different categories or classifications. This was the substance of much of the discussion taking place before the committee before the recommendation was made. The attitude or response reflected in the bill has to do with a reduced ambit of power with respect to the Immigration Appeal Board.

With regard to the department itself, again the minister seems intent on moving in the opposite direction. The committee wrestled for a long time with the question of whether or not the Departments of Manpower and Immigration should be separated. There were arguments both pro and con on the advantages of such a division. There were also discussions on bringing in other aspects of immigration policy in terms of the whole demographic question, cultural questions, and citizenship.

As I am sure the minister knows from reading the report of the special joint committee, the recommendation was to develop an immigration department which would include much more than the narrow definitions of manpower and employment. Yet we have before us not only this bill, but companion legislation which the minister is presently bringing before parliament, Bill C-27, which attempts to establish a Canada employment and immigration commission. One reads of the structure and definitions outlined in that legislation and gets the clear impression that what the minister is attempting here is to direct the thrust of immigration policies more and more toward an employment and vocational kind of arrangement. The joint special committee made it clear that the tying of employment opportunities to the day to day movement of people with respect to immigration is to get into a program which, I think, becomes unworkable, and in many instances unjust.

If the minister has studied the workings of his own department in recent years he will realize that by the time much of the information made available with respect to favourable employment opportunities became available and could be matched with those who were applying as immigrants at various immigration posts around the world, there would really not be too much which could be made of it in terms of either the specific immigrants involved or the general health of the Canadian economy.

Now we come to the delicate question of the impact of immigration on the province of Quebec, the problem of the increasing assimilation of elements of the Francophone community and the larger Anglophone community of Canada and North America, and the necessity of doing as much as is, with justice, humanly possible under the Immigration Act to assist the development of the population of Quebec through immigration. Apart from the general references with respect to consultation which will take place under this new act with all

the provinces, the specifics with respect to the Francophone community in Canada, and particularly in Quebec, are really neglected.

Most significant of all, perhaps, is the question of the actual numbers of people who will come. We are told very clearly that there will be an arrival of a definite number of immigrants after the appropriate kind of consultation, and that the minister will announce that figure. Mr. Speaker, I presume I do not have to remind the minister of the fact, but the special joint committee said very clearly that if this was to be seen to be a fair and just policy there would have to be some kind of parliamentary approval, likely by resolution. There should be a presentation delivered by the minister, not only of a target figure for the immediate year but also some kind of projection for a three-to-five year period. Then there should be some kind of resolution which would give parliamentary acceptance, and perhaps a referral as well to a committee of the House which would examine the proposals of the minister in detail. Again, there has been no willingness on the part of the minister to provide the House through this bill with that kind of opportunity.

Indeed, I suppose if one were to tackle this piece of legislation and its presentation by the minister, its greatest point of weakness would be that when you look at the opening pages of the introduction to the green paper and the final result in the bill before us, there is literally no explanation yet, no indication as yet from the minister as to what is the long-term demographic policy of this government. The references which are made in the minister's speech on the demographic question are fleeting, at best. They refer to establishing some kind of moderate growth by selecting a figure of somewhere between 140,000 and 150,000 immigrants annually. Surely the minister can do much better than that. If he has seen reports similar to the one which was presented to the committee, well over a year and a half ago now, on the demographic objectives for Canada, which indicated the implications of various immigration levels in relationship to the present fertility level in Canada, he would know that the figure he proposes is one of the lowest in terms of whether or not there will be any substantial growth in the population of the country, and indeed of whether or not there would be a fairly dramatic shift in terms of dependency groups toward the latter part of this century. For the minister not to tell us in greater detail what the conclusion and projections of the government are with respect to the responsibility for various dependency groups in this society, the way in which Canada's population should grow over the 10 to 50 year period, is really to have no kind of demographic policy at all.

I was shocked, quite frankly, when the minister was asked on February 1 by my colleague, the hon. member for Provencher (Mr. Epp), whether or not, in line with the recommendations of the special joint committee, there would be a basic statement on the government's demographic policy. He asked whether the minister would table the government's demographic studies on which its well-hidden national population policy is based, in order that the information might be at the disposal of the House during second reading of Bill C-24. The minister replied "I will consider it." That was over a month and a half ago, and I presume the minister is still considering it. I say quite frankly, Mr. Speaker, that is not very good.

Mr. Baker (Grenville-Carleton): Perhaps he is still looking for it.

Mr. MacDonald (Egmont): Maybe that is true. I will be happy to send him some of the documents that we on the standing committee received some time ago. But if that is the best the minister can do he has little justification in asking the House or the Canadian people to accept the measure before us.

We have before us a proposal which calls itself an immigration act. It has no definite policy attached to it. We have been given no hint whatsoever as to what regulations will apply or be enforced. We have the experience of the special committee to know how difficult it has been in the past to obtain a full and frank insight from the minister's own officials into how our immigration procedures operate on a day-to-day basis. As I said at the outset, this is one of the most important pieces of legislation which we will have to consider in this parliament. The minister has really shortchanged this House and the people of Canada in providing us with so little information on the basic question behind the establishment of this new Immigration Act.

● (2020)

I want to close by reading two brief quotations which I take from appearances before our committee, and which I repeated in my own minority comments at the time of the tabling of the report. The Council of Religious Sisters of the diocese of Charlottetown, Prince Edward Island, said this:

> What we need in Canada is a people policy, a policy that gives greater priority to the welfare of human beings than to material resources. We need a new economic order based on justice which is concerned about the people of our own country, and those of others.

Finally, I agree with the Young Progressive Conservatives of British Columbia when they stated before our committee:

> If we look at the long range problem of immigration, we believe that our general principles governing policy-making should be generally unselfish and world-wide in context.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in speaking to Bill C-25 may I say at the outset that it is not a question of what the bill says but of what the bill does not say. I have either heard or read what other speakers on this bill have said, and every one of them have said that, after all, this country has been made up of immigrants from all parts of the world. So far as western Canada is concerned, they came from all European and Asiatic countries and settled there.

When we first developed the west we were a rural-oriented area; now we are like the rest of Canada and have become fairly urban. It was people who came from the Ukraine, Hungary, Germany, France, and the United Kingdom who settled on the land, and the first and second generations of these immigrants became professional and business people and built up our towns, villages and cities.

We are dealing here with a very important piece of legislation, one that sets the tone for the kind of culture that is going to prevail throughout Canada. I suppose that when in the early days la Verendrye, a French Canadian, and his sons forged out west, up various rivers, and saw the foothills of the Rockies for the first time, even he with all his imagination had very little idea how that particular area was going to develop into ranching, farming, cities and towns. I also suppose that when Cook and Vancouver came to the Pacific coast a little later, they too did not have the vision to see the great city of Vancouver and what has developed on Vancouver Island.

Let me come immediately to what concerns me about this bill. I have done a considerable amount of work on it, and perhaps when I am finished most members will agree that this will probably be one of my drier speeches in that I want to document what is in this bill. I feel it should be documented. As I say, this bill is to set the tone. All it does is build a house which has no siding, no roof, no shingles—nothing. Everything is left to orders in council.

It has been said before, but nevertheless I remind the House that in 1976, 3,326 orders in council were passed, of which only 653 were published in the *Gazette* so that Canadians would know about them. This means that there were 2,673 orders in council, pieces of legislation, about which Canadians had no opportunity to know. As we all know here, ignorance of the law is no defence, but how in the world can a person determine whether he is breaking the law if the law is not published anywhere?

This is why the hon. member for Peace River (Mr. Baldwin), and Senator Forsey in the other place, are doing such an excellent job in regard to confidentiality and secrecy of government. Even Hitler, bad as he was, published his decrees so that the people there knew what was happening. But this government—and perhaps all governments, federal and provincial are moving in this direction—is administering the law by order in council, not by the passage of an act.

A former prime minister set the tone when he said this:

> Let us come to another point which I wish particularly to stress. I refer to the right set out in Magna Carta that no man shall be dispossessed of his rights without the lawful judgment of his peers under the law of the land; not the law as made by the Governor-in-Council, not the law as made by some unnamed and as yet unexisting body, but the law of the land as known to everyone.

I have already pointed out that 2,673 laws were passed in one year about which no one knew except those who drew them up, someone in the public service. He continued:

> It is an essential principle of liberty and freedom that the law of the land should be known, that it should be so known that every man as he runs may read. The law should not be something which is to make its appearance in the *Canada Gazette* after some board or Governor-in-Council, not Parliament, has passed a regulation; it is something that should appear in the statutes of the country.

Surely that is a fundamental principle. The late William Lyon Mackenzie King said that during a debate in 1934, and what he said then is just as true today. However, at that time we had not reached such complexity of government as today, when most legislation is passed by order in council.

I want to tell the House a story, a very simple story, to illustrate what the danger is here. Back in the 1970's a Chinese girl by the name of Pui Chan Inoue came to Canada. She was granted permanent residency, or landed immigrant status, as it is called. While in Canada she met a Japanese and they were married. They lived in Vancouver for a considerable length of time, had three children, and then went to Japan. When they got to Japan she found that he already had a wife, so she packed up her belongings, took one or more of the children and returned to Canada. She landed in Vancouver, but no sooner had she done so than she was arrested because she did not have a visa. She could not get one from Japan, she could not get one from Communist China, the only passport she ever had was from Taiwan and she had never seen that country. As a result she was thrown in jail.

It fell to my lot, Mr. Speaker, to do something about this case, and I did not realize until I looked into the matter and worked with a number of young students how complicated was the Immigration Act at that time, as indeed, the proposed Immigration Act will be complicated. I want to ask the question: if once you are given landed immigrant status, can you leave the country and return still retaining it?

An hon. Member: No.

Mr. Woolliams: My hon. friend says no. My next question is: if you give up your permanent status, have you the right to appeal before the Immigration Appeal Board? The answer to that question is, of course, no. I want to tell hon. members about something that developed at the beginning of this case. When some people come to Canada from other countries—a lot of people cannot leave communist countries because they will not let them out—to visit their relatives, if they do not want to return they make an application. This is why the Immigration Appeal Board had a backlog of some 10,000 cases. In fact the backlog reached 18,000 cases. Orders in council were passed; then the courts ruled against them. On July 28, 1973, after the government had said, "Look, things are getting so bad that we must straighten them out with an act of parliament" parliament passed the requisite act. The new act, being chapter 28, of July 27, 1973, said in part:

● (2030)

> 1. For greater certainty, subsection 28(1) of the Immigration Regulations, Part I, expressed to have been made pursuant to Section 57 of the Immigration Act by Order in Council P.C. 1972-2502 on November 6, 1972, shall be deemed for all purposes to have had, and to continue to have, the same force and effect as if it had been made on at day pursuant to an Act of Parliament that authorized the making of that subsection and, without restricting the generality of the foregoing, that subsection shall be deemed to have been applicable to any person who reported to an immigration officer as an immigrant in accordance with subsection 7(3) of the Immigration Act on or after November 6, 1972, and to be applicable to any such person who so reports to an immigration officer on or after the day this Act comes into force.

The government passed orders in council under the old act. Finally, realizing that was not legal, the government passed another law.

An hon. Member: You don't know what you are talking about.

Mr. Woolliams: If the hon. member is not interested in what I am saying, that is fine by me. Section 5(t) of the Immigration Act, Chapter I-2 reads in part as follows:

"(t) persons who cannot or do not fulfil or comply with any of the conditions or requirements of this Act or the regulations or any orders lawfully made or given under this Act or the regulations. R.S., c. 325 . . .

The government discovered that that law did not work. The point I am dealing with is whether a person who has been given permanent residency and leaves the country, can come back. Is he entitled to come back now, under the present law? According to the Immigration Appeal Board, "permanent resident" means a person who has been granted lawful admission to Canada for permanent residence under the Immigration Act. That is clear. Next I look at the Immigration Act, and it has this to say on the point:

"admission" includes entry into Canada, landing in Canada, and the return to Canada of a person who has been previously landed in Canada and has not acquired Canadian domicile;"

Please note the words "has not acquired Canadian domicile."

I submitted to the board, on the basis of the law quoted, that once you were a permanent resident you could leave Canada and return, without needing a visa. Despite my arguments, the lady in question was thrown in jail.

Let me tell you what happened. Mr. Speaker, I have placed on record definitions concerning permanent residency and admission. What did the government do? In October, 1974, it passed an order in council which said that "permanent resident" means an immigrant who has been granted lawful admission, for permanent residency under the act, and has maintained his place of domicile in Canada since that admission. Please remember what I said about residency, as defined in the Immigration Appeal Board Act. I ask Your Honour to bear in mind the words previously quoted "has not acquired Canadian domicile." Clearly, the order in council totally contradicted the definition in the act. This should be apparent if one compares the two sets of definitions previously quoted. But the consequence was that the girl went to jail. She finally got out and we went before the appeal board, but the point is that this is typical of what has happened.

We all know that an order in council is not supposed to contradict an act of parliament. Parliament passes the act. Regulations flow from the act, and as lawyers in this House well know, if regulations flow from two separate acts of parliament, the first set of regulations cannot apply to the administration of the second. The point I want to drive home is this: under the old Immigration Appeal Board Act, and under the Immigration Act, the department thought that not only did it have power to pass rules and regulations, but that it had power to contradict parliament.

Mr. Alexander: Shame!

Mr. Woolliams: The law said this was wrong. It was wrong. Unfortunately a person was denied her freedom for a short time owing to the shortcomings of the law.

[Mr. Woolliams.]

This is a dangerous bill, too. Let us examine what it can do. I ask, what orders in council can be passed pursuant to Bill C-24? Clause 38(2) provides among other things that:

. . . the governor in council may authorize the landing of any person not described in subsection (1) who at the time of landing has resided continuously in Canada for at least five years . . .

In other words the department can, by order in council, create substantive law affecting people who have lived in Canada for five years. Does that mean that somebody who has sneaked over the border, is here illegally, and gets somebody like Hal Banks to intervene with the minister, can stay in this country? Can this be done by order in council? Does parliament want to pass that sort of law?

An hon. Member: Oh, don't be so partisan.

Mr. Woolliams: Clause 40(4) says that after procedural requirements regarding reports on a person are fulfilled, the governor in council may make a deportation order under this section. In other words, there is to be power to contradict the act, even to make an order in council for deporting people, as the department sees fit. Then, clause 41(1) says that the governor in council can appoint the three-member special advisory board. There is nothing wrong with that. That is to be done by order in council.

Under clause 41(2) the governor in council is required to designate one of the members as chairman of the special advisory board established under clause 41(1).

Under clause 43(2), pursuant to the Citizenship Act, the governor in council designates a member of the Privy Council as minister for the purposes of that act, and it is to this person that questions concerning claims of Canadian citizenship are referred. Therefore by order in council it will be possible to make certain sections of the Citizenship Act relate to the new Immigration Act and the new rules which will be passed thereunder.

Under clause 59(2) the governor in council is entitled to appoint up to 18 members to the Immigration Appeal Board. Under clause 60(5) he may remove any member of the appeal board for cause.

Under clause 61(1) the governor in council designates the chairman of the appeal board, and up to five members as vice-chairmen of the board. The governor in council is also to establish the remuneration of members of the board, and also living and travel expenses.

Under clause 64 the governor in council has discretion to designate what members of the board shall live in the national capital region, which extends beyond Ottawa, as described in the National Capital Act, or within 40 kilometres thereof.

Clause 67 provides that, subject to the approval of the governor in council, the board may make rules "not inconsistent with this act", concerning the board, practice and procedure in appeals, applications for determination, and applications for release.

Clause 109(2) provides that, with the approval of the governor in council, the minister may enter into agreements with the

provinces for the purpose of facilitating the formulation, co-ordination and implementation of immigration policies and programs. If that is not playing at politics, I do not know what is. In other words, the clause says that the federal government may make deals with the provinces. If a politically hot situation arises, say, in Quebec, Alberta or British Columbia, the federal government is allowed to make a deal with the provincial government with respect to matters of immigration, even though immigration under the British North America Act falls under the jurisdiction of the federal government. I suggest that the reasoning behind this clause stems from our make up as a people, that is to say, we are all supposed to be Canadians, period. We are not French-Canadians, English-Canadians, German-Canadians or Ukrainian-Canadians. We are Canadians. Hyphenated Canadians never had a place in this country. We are all Canadians. But that is put in there for a purpose, and I do not need to outline what the purpose is.

● (2040)

Clause 115(1) to (2) deals with extensive regulatory discretion given the governor in council to establish immigration selection standards. This is supposed to give equal opportunities to all people applying to enter Canada, whether they come from the Ukraine, Germany, Japan, China, the U.K. or France.

Let us find out what the bill says. It establishes immigration selection standards as regards education, family relationships, language, skills, occupational experience, personal attributes and attainments, demographic considerations, and labour market conditions. What we are really doing tonight is assigning to the public service, to officials of the Department of Manpower and Immigration and of other departments, the right to make the law for Canadians regarding what people we will allow to come to this country. Worse than that, we are putting it in the field of politics, because when you give public servants the right to make rules and regulations such as these, you give that right to cabinet ministers who might want to play a little politics by playing one province against another. This is playing politics with the most important thing in the nation, namely, the kind of people we will have here in the country, a right which is laid down in our constitution.

An hon. Member: We have been doing this for years.

Mr. Woolliams: Then they should be told they are wrong.

Mr. Peters: But it keeps them elected. Surely they will not change that system.

Mr. Woolliams: It is because people do not know what is in the act. I thought my friend would say that reading is dangerous. It is dangerous for some people.

The bill prescribes the classes of immigrants who may be sponsored by Canadian citizens or permanent residents. That is the very essence of the law. If you can do that by order in council, why can we not have one section in the act saying we will have a new immigration policy to be administered by the government of the day, and rules and regulations designating what kind of people we will bring here, how many of them, what language they will speak when they land here, what culture they will have, what standards they will have, and what labour requirements they will fulfil, instead of having this verbosity, this rhetoric, this big act which says nothing because all these things can be done behind our backs?

The bill exempts particular members of "the family class" from any requirements and regulations; and substitutes "special regulations" for such individuals. They even go further and make a regulation setting up a standard. Then they make a regulation to administer the standard, and finally they administer by regulation. That is what this act is all about, and that is why it should be scrutinized and carefully studied before being passed.

The bill designates the classes of persons referred to as refugees. If that does not enter into the field of politics, I do not know what does. I can imagine my friends to the left preferring left-wingers to come to the country, and my friends to the right preferring right-wingers. It would depend on what kind of government we have. They would pass regulations and choose the refugees that would suit the government of the day. As my friend says, we will elect that government and perpetuate its right to govern, which its members think is their divine right.

The bill would establish a system of priorities for applications. In other words, if you wanted to have people from the United Kingdom here, or if you wanted people from another country, you could give them priorities. You could set up your own priorities. If that is not dictatorial legislation, I do not know what is. Is that what the human rights bill is all about, or is the human rights bill a piece of window dressing to cover up the dust on the window, to cover up the fact that there is discrimination based on race, language, creed, etc.?

The bill prescribes the universities, colleges and other institutions for the purposes of academic, professional or vocational training, and prescribes the courses at these institutions for visitors granted entry for the the purposes of study. In other words, as soon as you land in Canada they tell you what university you will attend, where you will study, whether you will be an accountant, a lawyer, or a doctor. If they do not want you to be any of those, you can be forced to go to a vocational training school to be a carpenter or a plumber. And if you are not the kind of person who will bend that easily, you will not be admitted to Canada because a regulation will deny you the right to be here even though you have the qualifications spelled out in the act.

The bill prescribes the requirements for a returning resident permit. I suppose this means that if you wish to visit your brother in Chicago and you have landed status in Canada, you might be allowed to go to the United States and return here and retain your permanent residence in Canada.

The bill specifies the documentation that will be required of visitors. It prohibits aliens from engaging in employment in Canada, and also specifies the type of employment such persons may engage in. Imagine that! You pass an order in council and you tell these people, whom you call aliens, that

they will be prohibited from engaging in employment in Canada. You tell them that now they are here, they cannot get a job. "You cannot work, but if you have the right to work, we will tell you what you should do, and then we will tell you in what province you will be, and in what village you will live." All that is done not through approval by parliament but by order in council.

The bill determines health and public safety factors in relation to the admission of a person, and whether such a person could become a charge on the health or social services of a community. I suppose that an American who takes saccharin will be denied the right to come to Canada. I do not know, but you can do that by order in council. Just think about it.

The bill requires health examinations of persons outside Canada to determine whether they will be admitted to Canada. I thought the human rights bill protected those who have some physical or other disability to enable them to function in society like the rest of us, without discrimination. This bill totally contradicts the human rights bill. In fact, if I had my way—and I do not have it because there are 264 members here—I would throw this bill out.

It is a horrible bill. It requires persons leaving Canada to report to an immigration officer before leaving the country, and prescribes the information required, the manner in which the report is to be made, and sets out fingerprint, photographic or other identification requirements for those seeking admission to Canada or for persons already here. That sounds as if it came from the U.S.S.R., and I talked to some of my Ukrainian friends who are trying to get their sisters and brothers over here for a visit.

I agree with members who have criticized the Communist countries for not allowing their citizens to leave and for their denial of international agreements. This bill is as bad as anything that has been put together by a dictator. Surely our friends, brothers or sisters who come here should not be subjected to fingerprinting before entering this country. All that can be done by order in council, and when we pass this bill we will be giving public servants the right to do that.

● (2050)

The bill would determine removal and detention costs and expenses. It would require that transportation companies ensure that immigrants and visitors have visas. The little Chinese girl about whom I argued did not need one. The board upheld my argument. In other words, if they do not have visas, Air Canada takes people to the RCMP, and they are either put into a motel room or locked up for the night.

The bill will establish procedures for inquiries, establish the procedure for re-determination of convention refugee status, and prescribe the duties of the special advisory board. These boards will be told what powers they will have. As I see it, the Immigration Appeal Board no longer has the right to hear an appeal unless the person appealing has already obtained or has at the time permanent status to remain in Canada.

The bill would authorize the making of loans to immigrants. They cannot go to a bank, even if they have security, because an order in council will tell them from whom they can borrow money, how much they can borrow, and at what interest rate they can borrow. And we advertise that Canada is the freest country in the world! That is quite a panic; it is hypocrisy of the worst kind. The bill would require licensing by a provincial bar before any person, except a member of the bar, can appeal before the board as counsel. If they do not like the Alberta bar, an order in council can be passed saying that counsel has to come from some other bar. I am talking about bars to which lawyers belong, not the ones they visit. The bill would authorize issuance of visas to representatives of foreign governments and international organizations, and prescribe almost any matter. I have read what it can do. I picked out the highlights.

Then there is a catch-all clause. It is a basket clause whereby public servants can pass orders in council prescribing any matter required by the legislation. Last year 3,326 orders in council were passed of which only 653 were published in the *Canada Gazette*. Most people do not read the *Canada Gazette*; however, 2,673 were not published.

I conducted the defence of Mrs. Inoue when she went before an inquiry officer. She was supposed to know the law of Canada. Even though she was a student she could not determine the law of Canada if there were some 2,600 laws which were never published or made known. If ever there was a bill which should be taken back and put on the tracing board, or at least taken into a committee, this is it. I am glad to see the hon. member for Peace River here because we are talking about government secrecy and confidential information. I never thought the situation was as bad as it is with regard to orders in council. You would have to be a Philadelphia lawyer to prepare appeals and to know how to present a case to the Immigration Appeal Board.

Mr. Baldwin: We have a government of pack-rats; they hide everything.

Mr. Woolliams: I think that would make a great headline for what I have said. In light of what the bill says, in light of what I have outlined, and in spite of the fact that the Immigration Appeal Board Act and the Immigration Act produced regulations which contradicted the substantive law of the two acts, we are now asked to give the government the full power to create its own immigration policy and to do what it wishes with people seeking admittance to Canada.

The committee should do the same thing as the committee dealing with the gun control bill did. Representing my party and as chairman of its justice caucus I demanded that Bill C-83 not move past the committee stage unless the regulations which were to be passed thereunder were laid before the House so that we could debate them the same as we could debate the clauses of the bill. That is what should be done now. This bill should be held up and stalled until the government comes forward with its package of regulations. And the way I see it, without any exaggeration, we may need a wheelbarrow to wheel in all the regulations which could be passed under this

legislation and which will likely be passed. The government changes the law from Wednesday to Thursday, and from Thursday to Friday, and Canadians do not even know it happens. It will happen while aliens are here with permanent status, and it will happen before they get here. If that is the way this parliament is going to operate, it seems to me we have reached a sorry day and a sorry state.

Some hon. Members: Hear, hear!

Mr. Ron Huntington (Capilano): Mr. Speaker, I am grateful to have the opportunity to make a few comments in the second reading debate on Bill C-24, the proposed immigration act of 1977.

I want to say at the beginning that the first over-all impression I get from this legislation is that the manpower requirements for the evolving Canadian community are now to become secondary to the principle of family reunion.

I would like to draw attention to page 19, Volume 1, of the green paper on immigration which says that in 1966 the white paper on immigration set out more thoroughly than ever before the government's appreciation of the economic determinants of immigration policy. The white paper emphasized, and I quote:

> Immigration policy must be consistent with national economic policy in general and with national manpower and social policies in particular ... It must be related to the conditions of national and international life in 1966 and the years ahead rather than to past events.

Although this was written 11 years ago, according to the green paper, it capsulizes several ideas basic to sound thinking about immigration policy, and serves as a good introduction to an examination of the impact of labour market considerations on immigration planning.

The green paper states:

> First, the statement is a reminder that immigration is intimately linked to economic realities. Immigration policy must be shaped by the same general aims as national economic policy of which, from the manpower viewpoint, it is a constitutent element.
>
> Second, it stresses that policy on immigration must be forward-looking. The international and domestic setting is subject to such rapid change that the relevance of past assumptions and the effectiveness of yesterday's techniques are continually exposed to obsolescence. Both demand constant reassessment to prevent policy from becoming outmoded, and to ensure that the immigration process as a whole remains a national asset. There is no room for entrenched doctrine or rigidity in managing a program that must be geared to economic and social change.

I agree with the principle that Canada needs immigration, and I subscribe to and support the reasons given in the second reading debate by the hon. member for Provencher (Mr. Epp). I also agree that a consideration of manpower requirements in our immigration policies is fundamental to the quality of life and the survival of the welfare system that makes Canada so attractive to so many people from other countries of the world. I therefore have to express my surprise that Bill C-24 seems to move away from this fundamental fact of life, contrary to statements in the 1966 white paper and more recently to the conclusions and recommendations of the special committee of this parliament which placed emphasis on a points system geared to our work and demographic needs and problems.

Today in Canada we have some one million without work, and I note that the special committee of parliament, which held 50 public meetings, heard some 400 witnesses, received 1,200 letters and read some 200 briefs, recommended that the limit for immigration annually should be around the 100,000 level. I am therefore puzzled at the minister's continuous insistence on the figure of 140,000 to 150,000 immigrants annually. I remind hon. members that this figure does not include refugees who, by the way, have accounted for one immigrant in ten since World War II. I drew that figure from the green paper. I also remind hon. members that, with the trend toward increasing instability of governments throughout the world, this figure will increase drastically in the years to come. I agree with the rationale for the 100,000 average as recommended by my colleagues on the committee, and urge the minister to lower his plateau of 140,000 to 150,000.

● (2100)

If one can assume the accuracy of statistics contained in the green paper on immigration and population, then I refer the minister to page 26 which shows that at a fertility rate of 2.2, and with an annual net international migration of 60,000, the population of Canada in the year 2001 will be 30.6 million. I also urge the committee of the House to hear the call of my colleague from Provencher, and insist that the quota for immigration be brought to the House each year for approval and discussion by the Standing Committee on Manpower and Immigration.

Although our joint committee of parliament favoured special treatment be given to families and refugees, it also recommended that the nominated category be dropped. It is on this point that we now find the minister and his advisers playing political games, to their everlasting shame.

As I understand it, the parliamentary committee recommended that the nominated category be dropped and that the family category, formerly the sponsored category, be expanded to include parents under 60. This recommendation reaffirmed the principle of "reunification of families", with which we all agree. However, the committee also recognized the need to protect the independent category which brought in the skills and attributes important to the economy of Canada. Paragraph 56 of the immigration committee's report to parliament lays out this concern in very clear and precise terms. I quote from it:

> The committee is concerned that over time the present classes of sponsored and nominated immigrants, given substantial advantages because they have relatives in Canada, would absorb an increasingly larger share of places available each year in Canada. To ensure that this does not happen and that "new seed" immigrants continue to find a way to enter Canada, all committee members except one recommended that the present class of nominated immigrant be dropped and that the ties between members of the non-dependent extended family be recognized in a different way.

Then it went on in that paragraph and the last sentence said:

> Of course such persons could still come to Canada but they would have to be assessed on a more equal basis with independents.

This parliament, to its credit, has gone to a lot of trouble to obtain the views of the Canadian people toward a new immigration policy and act.

When a recommendation by the parliamentary committee on a matter as important to the manpower requirements and future economy of Canada can be overruled by a minority of one, and when the minister and his advisers allow this minority view to show up in Bill C-24, then one surely can be allowed the conclusion that the democratic parliamentary system in Canada is not only degraded but its very survival as a meaningful arm of government is threatened. I urge the minister and the Standing Committee on Labour, Manpower and Immigration to give urgent priority to this point in their deliberations.

At this time may I ask why the bill mentions nothing about the sickening abuse of our concepts of family life through marriages of convenience for the purposes of circumventing the immigration laws. By allowing sponsorships based on non bona fide marriages we are, as a result, allowing prostitutes and the financially destitute to select immigrants for Canada's future. Mr. Speaker, on this point I am aware of a document outlining 102 cases of what appear to be marriages of convenience in the city of Toronto. In 70 out of 102 cases the sponsors were women of questionable reputations in that many had been convicted of prostitution or other charges and/or were considered mentally sick or retarded. In many cases large fees were paid. The married couples spoke different languages, and there are examples of 40 to 50 year age gaps. There are examples where the couples are divorced as soon as the sponsored person gains landed status. In most cases that were investigated, the couple never lived together.

In the Saturday, March 19, edition of the Ottawa *Citizen* I note that the 102 cases that I have been aware of have now expanded to some 250 such investigated cases in Canada, where bigamy has also been alleged. A Crown attorney, Dave Gorrell, told the court that so-called marriage brokers recruit Canadian women and pay them $1,000 to $1,500 to marry illegal immigrants to gain them permanent admission to Canada. The husband and wife in these situations do not live together. They do not intend to do so. They have no idea of each other's lifestyle, and usually the marriage is not consummated. He points out that there were more than 250 such marriages in Canada since January 1, 1976.

In these cases I know of, there was one where the registrar of marriages in the city of Toronto overheard the argument of a couple as to how much was to be paid. The woman was age 36. She was Jamaican and English speaking. She did not speak Hindi. The man was age 18. He was Indian and spoke Hindi, and could hardly speak English. Many are admitted illegally because the act does not provide for the discretion of immigration officers to deny entry in such cases.

I have another case that illustrates the problems that the immigration officials are facing. I will call them S and M. S was landed and married M. M received immigrant status on January 14, 1976. M was sponsored. M got a divorce on March 31, 1976, 2½ months later. M's lawyer handled the landing, handled the divorce, and S's sponsorship. All this happened in less than a year.

In committee consideration of Bill C-24 I urge that the following points be given serious consideration with regard to marriages of convenience:

First, that the minister allow immigration officers to refuse to approve sponsorships of questionable bona fides.

Second, where a bona fide marriage is doubtful, that the person be placed on a minister's permit for five years. In five years the department could again check if it is bona fide and, if it is, landing can be granted at that time. In the United States and in New Zealand sponsored people must wait a considerable length of time before they are granted landed status.

Third, that sponsorships be refused if either party is of poor character, i.e. has a criminal record, is a public charge, or made previous sponsorships where the marriage was not considered bona fide.

My fourth point is that an index of maiden names of wives who sponsor should be kept at every Canadian immigration centre and at immigration headquarters. At the present time women can make an infinite number of sponsorships using a legal name each time, because every time a woman marries she has a different legal name.

My fifth and last recommendation is that if a confession is made that it is a marriage of convenience, immigration officials should be allowed to proceed with enforcement action immediately. Under the present system, immigration headquarters approval must be obtained for withdrawal of sponsorship, which takes approximately eight weeks. Where a confession has been obtained and they have waited for immigration headquarter's approval to proceed, in almost 100 per cent of the cases the applicants have disappeared before approval has been received. What a spinning of wheels this exercise is!

• (2110)

I would now like to offer some comments on the refugee aspects of Bill C-24. As I mentioned before, one out of ten immigrants enters as a refugee, and the numbers are increasing. In the 20 years between 1947 and 1967 there were 45,267, which averages out at about 2,260 per year. In the five years between 1968 and 1973 there were 16,327 refugees, plus 7,000 Ugandans, or a total of 23,327 which averages out at 4,665 per year.

The point is that due to government instabilities in today's world, it is reasonable to expect that these figures are going to accelerate. The terms of the U.N. Convention on Refugees are such that it is almost impossible to prove that those entering under this category are in fact refugees. This leaves our immigration procedures open to abuse. Under the new act they can apply for refugee status from within Canada, and it has come to my attention that many people are now applying for refugee status after having their visitors' visas renewed several times.

If one reads the United Nations convention, page 103 of the green paper entitled "The Immigration Problem", one can see that it would be all but impossible to control the refugee status or category other than on an offshore basis.

I am told that traditionally we have processed refugees abroad. They were examined outside of Canada and this assured Canadians that basic criteria for entry were met and that the applicants had a chance of fitting into the Canadian mold.

Due to the very complicated and extensive appeal system contained in the new act for refugees, and the fact that they can apply from within Canada for refugee status and can only be deported if they have committed an extremely serious crime, we are losing our selection control, and risk a complete jamming of our appeal system. As I look at the critical path of the appeal chart, this could become constipated in a period of months.

I support the refugee status and intent of the act, but seriously question the mechanics that are being set up under Bill C-24. I would urge the minister and the committee to examine the hazards and re-examine the possibility of returning to offshore processing in order that we may retain a degree of selection control. Why has the minister ignored the two-year recommendation of the committee of parliament and opted for six months' service in areas in Canada that are labour short? How can a person get established or be meaningful in six months? I can remember when I was in the farming community and involved on the farms. We had people who were grateful to come to this country and remain on the farm or in the area of need for up to three years. These people today are the landowners and farmers of this country. What is this six months' business? It serves nothing. It is just one more of the minister's games.

On this point I would remind my colleagues again that if we keep the nominated category over and above the new expanded family category, there won't be enough room in our immigration quota to serve the work needs of Canada with immigrants from the independent category to whom this demographic work demand applies.

I also note that the act makes provision for entry-exist card controls, which I think are a great step forward, and, which make me wonder where we have been all these years. However, I have been informed that there is no rush within the department to implement this, and I suggest the committee examine this point.

In conclusion, Mr. Speaker, I commend the minister on removal of restrictions on epileptics and retarded people. This is a very much needed and humanitarian situation. Both the minister and I have seen examples of the great relief his compassion in this area has given families.

I have dwelled on what I have considered to be serious shortcomings within Bill C-24. I urge both the minister and the committee of the House to give these points very serious consideration.

There is a balloon in the Canadian labour force that will pass through their productive work period and who will consider themselves entitled to the welfare and retirement benefits that they have paid for and supported for others. This expanded call on our tax resources will have to be carried by the productive work force of the future. Unless we enhance the skills of tomorrow's work force by protecting the independent category, we will have a welfare burden that will crush tomorrow's taxpayer.

We must have a balance in favour of productive work in our immigration policies and laws. We should do everything possible to clean up our act so that people will have respect for, not play games with, the laws of our country.

Some hon. Members: Hear, hear!

Mr. Stan Schumacher (Palliser): Mr. Speaker, Bill C-24 is one of the most important pieces of legislation that has been presented to this House since I became a member of parliament, and that says a lot for a Chamber filled with crises from unemployment, inflation, separation, and scandal. In all of these other areas we are dealing with matters that can be changed later. In all but immigration we have a second chance.

In immigration there will be no turning back. What we do today will, for better or for worse, determine what we will become in the future. It will determine the kind of Canada we will pass on to our children, and the standards and the culture under which they and their children will live.

If there was ever a time for statesmanship, this is it. The members of this House must put aside their narrow personal interests, stifle their natural political instincts, and place the nation first. If we fail to do this we will have misplaced the trust that the people have given us. We will have become the self-seeking politicians we are sometimes labelled.

How many times have we heard the backroom boys tell us to go easy on immigration or we may lose those precious ethnic seats in Toronto or in other areas? I have always thought that such advice was spurious and false, but even if not, it is better to lose such seats than to compromise the nation and its future.

Members on all sides of this House should put aside party politics, personal interests, and other narrow, partisan considerations. Let us make sure that what we do here with this bill in the weeks ahead represents our best effort. In the years to come, let it be said of this parliament that they were honest men and that they did their best. After all, legislation like this does not arise very often. The last amendments were made in 1952. This time we must be very careful about getting on the right track. The last time we got off the track and this caused serious problems to the country, something we have been aware of for the past five or six years at least.

First, let me say a word about the way this bill has been written and presented. I do not want to belabour points that have already been made, but the real meaning behind many of the clauses is obscure, and unless we gain access to the regulations we really won't know what we are being asked to

approve. Different words mean different things to different people, and parliament cannot, and should not, be expected to make laws without knowing precisely what those laws mean.

I feel a little like the fellow who goes in to buy a car and is shown the paint job and the interior trim, but is not permitted to look at the engine or take the vehicle for a test run before making a decision on whether to sign on the dotted line. I would not want to buy a car in that way. I am sure I would not want to buy a used car from the minister. I am not sure I would even buy a new car under conditions like that. Not one of us would accept such an absurd situation, and yet this is what the government is asking us to do. The minister should tell us why he is taking this approach.

We are the representatives of the people. We have been charged with the responsibility for deciding how Canada's affairs will be managed. Why have we not been given the facts? Is it because the minister and his departmental officials do not know? This may sound absurd, but I wonder.

Several weeks ago, in preparation for this debate and the meetings that will follow, I asked the government to give me some routine information on the organization and management of the immigration branch. There was nothing unusual about it. I just wanted to know how the immigration branch was organized, who the people are, what they are supposed to do, and how the work flows through the department. These were questions that should have been answered in a few days. It was information that had to be available or the department could not function or prepare its financial estimates. A few days later I got a telephone call from an agitated departmental officer who told me it would be impossible to provide this information. When I insisted, I got nowhere. Then another person 'phoned and said that they would try, but it would be difficult. Of course I have not received any of the information I need.

● (2120)

It is difficult to feel much confidence in the department if their officials cannot even tell us how they are organized or how they operate. It doesn't exactly give me confidence that they will be capable of administering the vague legislation now being proposed.

There is only one area in which the minister gives us a slight glimmer of his intention. The underlying assumption in the proposed legislation seems to be that the country and parliament should accept, without question, the principle that our immigration program should be non-discriminatory, and racially and culturally colour blind. Let's cut away this politically oriented nonsense.

About 25 per cent of our people are of French-speaking origin, and their spokesmen have consistently maintained that their share of the immigration flow be designed to sustain and enrich French-Canadian culture. This has even been emphasized in the proposed legislation. When these spokesmen give lip service to the pious platitudes contained in this bill, they are thinking of the rest of Canada, not Quebec. And let us not be fooled by the notion that this suddenly occurred after the election of the Parti Québécois. This has been going on for years, and it has been supported from external sources with questionable motives.

And what about the rest of Canada? Do hon. members really think we can accept the introduction of large numbers of culturally different people without changing our whole way of life? Of course not, and I doubt very much if such a view would be supported by the average Canadian from any ethnic background if he really knew what was going on.

Let us take a look a little further down the road and see where all of this may lead. Obviously the government will continue to cater to Quebec, so we will end up with a double-headed immigration policy. One head will be racist and narrow. That head will be for Quebec. The other will be middle-headed and damaging. It will be for the rest of Canada. Quebec will end up united and strong. The rest of the country will become divided and weak. It is not a pretty picture.

Our immigration policy must be based on our ability to absord needed workers at rates consistent with productivity requirements, and without endangering or changing our cultural balance.

Let us use some common sense for a change before we become balkanized and lost. My parents came to this country because it provided us with a wonderful heritage of freedom and opportunity. I will not stand idly by and see this great society destroyed by short-range political greed and ambition.

Some time ago the government decided it would no longer record national or racial origin in its immigration statistics. Prior to this decision we were told how many people were entering Canada from various countries, but we were also told where they originally came from. For example, 5,000 immigrants might arrive from, say, Sweden. But this group might contain Englishmen, Italians and Ugandans, so this was broken down again to give us a clear picture of where our immigrants were originating. Suddenly this system was changed, and now we only know about the last country in which our immigrants were living before they set out for Canada.

What was the purpose of this change? The minister may say it was done because we do not discriminate, and because details about countries of origin or racial background are discriminatory. Surely this is the height of nonsense. Is anyone ashamed of his origins? Is a Scotsman ashamed of being a Scotsman? Is a German ashamed of being a German? Are Chinese, Phillippinos or Greeks ashamed of their national origins? Of course not.

These statistics were changed so that established Canadians would not really be aware of where immigrants were originating, and this was deceptive and unwarranted. When we are told the majority of immigrants originate in this or that country, the information is meaningless. How many of the last 50,000 immigrants who came here from the United Kingdom were English, Irish, Welsh or Scottish? And how many were West Indians, Pakistanis, or East Indians? We have a right to

know, and no democratic government should withhold such information.

Now I wish to turn to the ugly questions which surround appeals, deportations, and illegal immigrants. I am seeking the minister's advice and assistance. I have trouble understanding the functions of the Immigration Appeal Board. I am told that it reviews appeals against deportation orders issued by the department. But what is the extent of its authority? It has been said it may not only quash deportations, but that it can also instruct the minister to give the appellant permanent residence in Canada without further immigration or medical examinations. If this is true, and I want the minister to put his cards face up, then the Appeal Board has taken over a function which belongs to the government and parliament. To have a quasi-judicial board review these cases is one thing, but to have it make management decisions outside of the law is quite improper.

The minister should tell us whether he, or any member of his staff on his behalf, has ever instructed his officials to accept these appeal board directives without question. He should also explain what happens in cases where it is later discovered that the immigrants in question have communicable diseases that would otherwise have barred them from entry. When we, as members of parliament, decide that people with highly infectious and dangerous diseases should not be permitted to enter the country, no Immigration Appeal Board should have the authority to overrule us.

If what I suspect is true, then this appeal board system is really designed to assume political responsibility and shift the onus for decision-making in awkward cases away from the minister and the government. It is a neat trick, but it is hardly consistent with the national interest.

The minister should provide the House with a list of all cases handled in the last five years where the Immigration Appeal Board has quashed deportations and instructed the department to grant permanent residence without further examination. The list should include the names, backgrounds, criminal records, dates, names of authorizing officers, and details of representations that may have been made on behalf of these undesirables.

It would also be helpful for the minister to provide us with the names and locations of the Immigration Appeal Board members. I hear that some are former secretaries to ministers, some are the widows of deceased Liberal politicians, and some are simply out-of-work politicians. To avoid any misunderstanding it would be useful for the qualifications and backgrounds to include details of any judicial experience these people may have had before being appointed to the appeal board.

● (2130)

The hon. member for Dauphin, (Mr. Ritchie) has asked some important questions about illegal immigrants. I endorse what he has said and urge the minister to answer his questions promptly. But there is another aspect of this terrible situation which requires explanation. There have been persistent stories about the possibility of immigration officials being directly or indirectly involved in illegal immigration activities. I suppose this is not very surprising as many of the illegal entrants are connected with criminal syndicates and other forms of crime. But it is of paramount importance that the immigration officers who handle these cases be clearly above suspicion. Will the minister tell this House if there have been any cases of this type in the department during the last five years? If so, what has been done about them?

I am not suggesting that the officers who may have been involved be named, because I am sure that we would all wish to protect innocent members of their families. Nor am I calling for some kind of a witch hunt, so let me give the minister a few leads that might help him to seek the answers to my questions.

We have heard about illegal immigrants being apprehended by the police as they attempted to jump bail while they were awaiting trial for criminal activities, and in connection with these cases there were indications that the actions of the bail jumpers had been known to immigration officials and had not been reported to the proper authorities. We have also heard about cases where immigration officials may have been blackmailed. There were others where police documents may have been found in the improper possession of illegal immigrants awaiting deportation proceedings, and it has been suggested that these documents were given to them by departmental officers. There have even been rumours that some illegal immigrants, while incarcerated in Canadian jails, have received official correspondence from immigration officials that may encourage them to think they will obtain permanent residence in Canada after they have served their sentences. I will not go on, to avoid becoming repetitious, but this does give the minister a sample of my concerns and I hope I receive prompt and satisfactory explanations.

There is one other thing that concerns me deeply. I have heard that the minister has deferred deportations for a number of people with criminal backgrounds and later it was decided that he could not reverse these deferments after it had become obvious that the deportations should be carried out. Perhaps in this case I should give a more specific example. Was Paolo Violi or any member of his family—and I mean his real family, not his criminal associates—ever given ministerial permission to remain in Canada, and later provided with permanent residence in spite of his criminal record? And in this connection, was there ever a time when a deputy minister of immigration was issued a permit to carry a revolver for self-defence after being threatened by any member of the Violi family?

The purpose of these questions is to determine how the present act has been administered so that we can have a better appreciation of the advantages and disadvantages of Bill C-24. We must be able to judge whether it will be wise for parliament to give this government a blank cheque to continue in the same pattern.

I am very uneasy about the entire immigration situation, and although I have dealt with only one or two aspects of the

problem, I share our spokesman's concerns and the concerns that have been expressed by other members of our party. I urge all members to withhold their support for this bill until all the facts are available and the minister has been more forthcoming about what he really intends to do by letting us see the regulations that will be issued under the authority of this bill.

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, in view of the importance of the subject currently under discussion I appreciate the opportunity of making a few comments on the question of immigration. Since there is some disposition, I believe, to conclude this part of the debate this evening, I shall try to govern myself accordingly so that second reading stage is concluded.

Canada has never had what one could term a long-range or far-sighted immigration policy. Rather, our immigration policy could quite correctly be called a short-term reactionary policy moulded by relatively short-term interests and pressure. The government traditionally has responded to these social and economic pressures by changing the regulations governing entry and residency in Canada.

In this debate we have heard the word "haphazard" used to describe the government's approach to immigration policy. We have also heard the term "government by regulation" to describe this approach. This is particularly disturbing because we had been expecting a piece of legislation on immigration that would deal with statute law rather than simply regulations. As I have pointed out, our history in immigration within the last few decades has been that of immigration by regulation, and now we find when we examine this bill that, when you strip away the rhetoric and facade, we really have a continuation of that arbitrary system where everything of import is decided by bureaucratic decision.

My understanding of the report of the joint committee on immigration that held meetings all over Canada was that there ought to be a better balance between statute law and regulation. From reading the speeches so far in this debate I gather that a number of other hon. members interpreted the committee's report in the same way. What are we presented with, however? We are presented with a piece of legislation that has no effective balance between principles enshrined in law and regulations. In this sense it is no better than the 1952 act.

In fact, as far as delegation of ministerial authority to the bureaucrats is concerned, this bill is even worse than the present act. The minister may, under this proposed new act, delegate authority to "such persons employed in the Public Service of Canada as he deems proper". My hon. colleague from Hamilton West called this "a complete abdication of powers to persons unknown". I agree with that analysis and I would submit that it is dangerous for any matter of such importance to be so lightly dealt with as to provide for its administration and implementation in such anonymous, abstract, and unclear terms.

The regulations must be made available for debate and, as other speakers from my party have stated, we will continue to push for this information until the government comes clean. As well, I think it important for the minister to be absolutely clear about who will be delegated authority, as the bill says, "to exercise or perform any of the powers, duties and functions that may or are required to be performed by him". What is this line of authority? Who are these persons employed in the Public Service of Canada that clause 123 talks about? Surely the people of Canada have a right to know this line of authority.

To the extent that this legislation has incorporated most of the recommendations of the special joint committee on immigration policy, the government is to be congratulated. To the extent to which it has changed those recommendations and corrupted them, however, it is not to be congratulated. The government has a facility for taking good ideas, twisting them around and implementing them so that the least amount of good can come from them. I am afraid that is the case with the recommendations from the special joint committee.

It is a positive step to lay down in relatively clear terms in statute law, first, what the objectives of Canadian immigration law should be. Presently there is no such enunciation of intention, and possibly the instability of our immigration policy, or non-policy, is a result of that fact. If we do not really know what we want to achieve by immigration it is almost impossible to develop a coherent, useful immigration policy. I believe that the fundamental objectives of our immigration policy should be formulated in terms of what could be called enlightened self-interest. We should proceed from the premise that immigration is a privilege, not a right. It cannot be otherwise. This is not to imply that immigrants ought to be second-class citizens, or that they are somehow not as good from now on as were previous immigrants. On the contrary, we ought to make it clear to those emigrating to our country that they are privileged persons.

• (2140)

In the past, and there are some who would argue this way now, immigration to Canada has sometimes been looked on as a right, especially if that immigration had political overtones to it. Refugees, for example, are a special class of immigrants, and so they should be. However, I have received letters, as have most hon. members I am sure, from people lobbying for the admission of certain individuals to Canada from the standpoint that we "ought" to admit them.

Let us be clear on this point: Canada is not "obliged" to admit anyone other than Canadian citizens and established residents. Every one else who is in this country is here by privilege, or is here illegally. And at this point let me reiterate what was said last week by my hon. colleague, the hon. member for Provencher (Mr. Epp), that an amnesty program to make legal that which is illegal will not receive support from this side of the House.

In 1972 when the amnesty program was announced, we supported it because of the uncertainty caused by the change in regulations implemented by the government. We felt that there ought to be a time lag whereby people who were living in the country illegally could make their residency legal. There is

now no excuse for people who are in Canada illegally. Our regulations governing this have been in effect for some years now, and I submit anyone living here as an illegal resident is doing so deliberately and knowingly in contravention of our laws.

We are happy and, as I said, consider it a positive step to have enunciated in statute the fundamental objectives of Canadian immigration law. These objectives are family reunification, non-discrimination, concern for refugees, and the promotion of Canada's economic, social, demographic, and cultural goals. I think these are consistent with a position of enlightened self-interest and we commend the government for laying down our national objectives in such terms.

I feel that family reunification must continue to be a priority in our national objectives, and we should take every opportunity through diplomatic channels to achieve this end. I think every member of this House would applaud the minister's efforts to reassure those Canadians with relatives living in eastern Europe that, to use his words, "We shall continue our efforts to reunite their families and will apply our rules and procedures with compassion and flexibility." The family is the basic unit of our social system, and the condition of the family in our society is reflected in the condition of society in general. It is a natural, reasonable, and predictable response for people who come to Canada to want to bring their family here at some future date. Because we believe in the importance of the family, we must encourage and promote the reunification of our immigrant families.

A concern that is foremost in the minds of all Canadians, and I am sure is a concern of all members of this House, is that our immigration policy be non-discriminatory. A further concern should be that it be perceived as or believed to be non-discriminatory. The plain facts are that no immigration policy can be completely free from all discrimination, that everyone in the world, for example, has equal opportunity for making application to come to Canada. This was pointed out quite aptly by my colleague, the hon. member for Hamilton West (Mr. Alexander), in his speech on Tuesday, March 15, 1977.

As well we know that extra points have been given for educational level, special training, expertise in certain areas, personal assets, and so on. In a sense we are discriminating against individuals who do not have these certain characteristics. However, we do not call this process of selectivity discrimination, and the important thing we try to keep in mind and adhere to is that within the guidelines of educational status, special training and so on we do not favour one race more than another, or one language group more than another.

While it remains to be seen how the minister will interpret and administer the act and regulations, I feel most Canadians would be encouraged to see the principle of non-discrimination enshrined in statute law. I think that, on the whole, most Canadians would agree that in the past our policy in this area of non-discrimination has been fair and that those seeking to come to our country have been accorded reasonable and equitable treatment. I hope it will remain that way in the future.

I do not want to take too much time to discuss refugees, because other members from this side have covered the topic quite well. I want to say, however, that since Canada is a signatory to the United Nations Convention on Refugees, it is about time our nation did something to formalize our commitment in this direction. Canadian statute law has never confirmed this principle in any way relating to immigration policy. The government may consider claims for refugee status on the basis of fear of persecution due to race, religion, ethnic origin, or membership in a particular social group or political opinion. This is as it should be, and the government ought to have a certain amount of flexibility in handling refugee situations as they arise.

In recent times, and here I think of the emigration to various parts of the world of refugees from Vietnam and Chile, there has been some controversy over what a refugee actually is; and, further, what role political affiliation ought to have when consideration is being given to asylum in Canada. My understanding is, as well, that provision is being made by this legislation for the establishment by regulation of special selection standards for refugees, to modify the criteria applicable to normal immigrants so that special assistance can be made available within Canada to assist in the refugees' successful establishment.

I now come to the discussion of the area that is of direct enlightened self-interest to Canada, the promotion of Canada's economic, social, demographic, and cultural goals. The other areas I have spoken of are in Canada's interest, but really in an indirect way. The demographic goals and the lack of government direction in reaching those goals were well dealt with by my colleague from Provencher when he spoke for the Official Opposition the day this bill was introduced.

I think that the provision to steer immigrants away from our already crowded urban areas like Montreal, Toronto, Vancouver, Winnipeg, and Ottawa is a positive one. My feeling is, as I stated earlier, that immigration is a privilege and that it should not be unreasonable to expect people coming to Canada to help us achieve our economic and demographic goals. The bill provides for a period of service where the immigrant's abilities could be used for six months. I think the hon. member for Palliser (Mr. Schumacher) said that it should be longer. I agree. It could be extended. Some choice could be provided within particular types of categories. In other words if, for example, dentists are needed for rural areas of Canada, give the immigrant dentist a choice of rural Manitoba, rural British Columbia, or rural Quebec. I suggest that the government should provide incentives for immigrants to settle in certain areas. Canada is certainly large enough and diversified enough to allow some choice of location under this particular requirement for residency for six months in a specified area.

Another part of our social, economic, demographic and cultural goals involves the participation of the provinces. I believe in the principle enunciated in this legislation that consultation with the provinces will take place. I hope this

means meaningful consultation, not the type of consultation this government is used to carrying on. All too often, for this administration, consultation means announcing or informing the other party of a decision after it had been made unilaterally by the federal government. I hope this will not be the case under this legislation.

As I said, I think the provinces should have a major role in decisions involving immigration, especially in the decision-making involved in matching incoming personnel with manpower or demographic needs. There has been a real need in the past for some rationalization of our immigration with respect to manpower and employment needs. I hope the government will make full use of the provincial resources available to determine areas or communities requiring available immigrant skills.

In conclusion I want to say a few words about unemployment. There are presently some one million people without work in Canada. That is a national tragedy. We are projecting an immigration flow of about 125,000 people for next year. The minister thinks the figure will be between 140,000 and 150,000, but I think that is too high in view of our present unemployment.

• (2150)

I know that immigrants bring capital to the country, I know they set up businesses; I know they have made a tremendous contribution to the development of the Canadian way of life. But I believe we must understand the fact that there are many Canadians who are unable to obtain employment, and I believe that careful consideration should be given to the level of immigration so that it does not contribute toward increasing the rate of unemployment.

Some hon. Members: Shame!

Mr. Patterson: It does not make sense to permit immigrants to come to our country when there are a million people who cannot find jobs. We let them in and then say, "Sorry, boys, we do not have anything for you to do. You will have to sit on the shelf. There is nothing open for you, and therefore you will have to go on welfare". I do not think that is helping the immigrants, and it is certainly not helping Canada.

Mr. Gilbert: This must be Tory policy.

Mr. Patterson: It is Tory policy; it is sensible; it is sane. I reiterate that we would not be doing the immigrants a kindness by bringing them in if we are not able to provide them with work and to allow them to make a contribution when they come here.

I see that time is moving quickly to the zero hour. I thank all hon. members. I appreciate the opportunity to make these comments.

Mr. Deputy Speaker: Is the House ready for the question?

Some hon. Members: Question.

[Mr. Patterson.]

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, having heard the representations from all hon. members, for which I am most grateful, let me say that I think we can deal with them more adequately and in some detail in committee. There is not too much that I should say at this time. Let us get the bill into committee where we can deal with it in some detail.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

Pursuant to the order made Thursday, March 17, 1977, a recorded division stands deferred on this question until Wednesday, March 23, 1977, upon calling of orders of the day.

* * *

BUSINESS OF THE HOUSE

Mr. McCleave: Mr. Speaker, it was originally understood that the motion on the report of the Standing Committee on Regulations and Other Statutory Instruments would be called upon the conclusion of this part of our proceedings. We have had an all-star cast around all day. I think they could be persuaded to come back another day, as I am sure nobody would want me to take to the ice for about two minutes before ten o'clock is called. I wonder, therefore, if we could retain our place under motions rather than being shifted to government orders so that House leaders could pick another time for our deliberations to enable us to deal with this very important report.

Mr. Goodale: That is a very good suggestion, Mr. Speaker. I am sure the House leaders will want to get together shortly to select an appropriate time when this important debate can be commenced and given the scope it deserves.

Mr. Baker (Grenville-Carleton): If I may explain, so that all hon. members, as well as the hon. member who has spoken, are made aware of what has occurred, there have been preliminary discussions with respect to finding an appropriate time. It has been our understanding—and I hope it is the understanding of the House—that the matter, if it is not proceeded with today,

will not lose its place, as suggested by the hon. member in whose name the motion stands.

Mr. Knowles (Winnipeg North Centre): That is our understanding, also.

Mr. Deputy Speaker: In the opinion of the Chair, the matter not having been brought up for debate, it retains its present place. To make sure this is clear, let us make it an agreement of the House that it is understood that the House leaders will get together to find the appropriate time for this matter to be debated. Is that agreed?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

FINANCE—REQUEST FOR INCREASED FINANCIAL SUPPORT FOR HOUSING FOR LOW INCOME GROUPS

Mr. John Gilbert (Broadview): Mr. Speaker, on Wednesday, March 16, in the absence of the Minister of State for Urban Affairs (Mr. Ouellet) I directed some questions to the Minister of Finance (Mr. Macdonald) relating to the CMHC budget which had been tabled the day before.

I indicated that the CMHC budget showed a massive swing away from funding for rental housing for low and moderate income people. In view of the high number of unemployed construction workers and the low apartment vacancy rates in large cities across Canada, I asked the Minister of Finance whether the government would reverse this incredibly regressive and unfair policy, and increase financial housing support for low income Canadians, because this matter affects Canadians with an income of less than $10,000 who are forced to rent apartments.

The Minister of Finance, in his usual glib way, stated that there had been a record number of houses built last year, particularly low income houses, and he cited AHOP as being the salvation for all low income people.

What is the record of the government with regard to housing for low income people? What is the housing policy for Canadians? Most houses are well beyond the financial capacity of most Canadians. For example, a three bedroom house in Toronto last year cost $76,000. With a down payment of $6,000 it would leave a mortgage of $70,000. At an interest rate of 11 per cent, a person would have to pay $673.78 for principal and interest on a 25 year basis, and the total amount would be $202,134, which indicates that on principal of $70,000 a person has to pay $132,134 in interest. This indicates the record of the government with regard to building affordable houses across the country.

• (2200)

What is the CMHC record on low income or social housing? The CMHC budget for 1976 indicated that 16 per cent of its capital or money was for social housing. That 16 per cent amounted to only 2 per cent of all the new housing starts across the country. Mr. Speaker, only 2 per cent of more than 250,000 homes were built for low income people. That gives an indication of the minister's save-all policy for AHOP.

What has the Canadian Council of Social development said with regard to the attitude of CMHC towards those people who are trying to develop social housing, third sector housing? There has been an indication that it has been indifferent and difficult. It has built up all the necessary walls to prevent social housing from moving forward in Canada. In fact, there has been a far different approach to people who are interested in social housing compared with those who develop homes by way of private enterprise.

What is the result of all this? The result is that there is a crisis across the country as a consequence of CMHC budget cutbacks for rental housing. There is going to be a crisis of available apartments, and there is going to be a crisis of increasing rents across the country.

The House should not take my word for it; it should take the word of the experts as recorded in the Toronto *Star* no later than March 12 of this year, and I quote:

> As far as rental apartment construction goes, senior citizens and low-cost public housing is the only game in town.
>
> The number of private condominium and rental apartment units built in Metro last year dropped to 5,508 from 10,650 in 1975, according to a recent study by A. E. LePage Ltd., one of Canada's largest realty firms.

The following is the important line:

> Even fewer apartments are expected to be built in 1977.

Is it any wonder that we talk about a rental crisis developing right across the country? Here we have CMHC in its capital budget cutting back on rental housing. This indicates to me that the new minister is in the clutches of developers, builders, speculators, and financial institutions, and that he has spent little or no time on the housing needs of most Canadians, otherwise he would not cut back on the CMHC budget for rental housing. More money is needed for rental housing, not less. More money is needed for non-profit and co-operative housing.

Instead of the slight increases which were set forward in the CMHC budget, which did not even cover the inflation we experienced in the last year, it seems to me that the minister should spend more time on housing needs. If he spent more time on housing than he does preparing lists of separatists in Radio Canada, he would direct money to rental housing to meet the needs, we would overcome the apartment shortage which prevails across the country, and we would allay the fears of most Canadians about rent increases. It is for this reason that I bring this question to the attention of the House this evening.

Adjournment Debate

Mr. George Baker (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, in the absence of the Minister of Finance (Mr. Macdonald) and the Minister of State for Urban Affair (Mr. Ouellet) I will attempt to answer the hon. gentleman.

The hon. member is correct in his assessment of some reduction in certain of the housing program allocations in CMHC's 1977 capital budget. It should be noted, however, that in the public housing area, where the amount of money allocated for 1977 shows the greatest reduction, the number of additional households assisted during 1977 will not be reduced but will be slightly increased. This is to be done through a couple of mechanisms that have been added to this program, and which do not entail capital costs. These mechanisms were devised because of the negative reaction given by the provinces to this type of housing assistance.

In the other programs specifically mentioned by the hon. member, the co-operative and non-profit housing programs, he should know that although the allocations have not been increased for 1977 there have been, however, substantial increases since the inception of these programs in 1973, and a number of low income Canadians have already been assisted under these arrangements. I would like to add that the Central Mortgage and Housing Corporation 1977 budget, as designed by the Minister of State for Urban Affairs, reflects a re-ordering of priorities in the light of the large proportion of housing built in 1976, as mentioned by the Minister of Finance last week, a large portion of which was moderate or medium cost housing. It also takes into account the desire on the part of the government to limit the increase in government expenditures in 1977-78.

I would also like to point out that in trying to assist the very low income people the government has substantially increased the number of households to be assisted through the residential rehabilitation program. It is estimated that some 22,000 units are likely to be assisted in this manner during 1977. This represents a substantial increase over the 1976 figure. The program is aimed at helping people in the very low income groups. This program also has a substantial employment generation element which should be very well received in light of the present climate.

EXTERNAL AFFAIRS—SOVIET ACTION AGAINST SYMPOSIUM OF JEWS IN MOSCOW—POSSIBILITY OF CANADIAN PROTEST

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, on January 25, 1977, I asked two questions in the House concerning the Jewish symposium in the Soviet Union. My questions were, first, what steps has the Canadian government taken to indicate its dismay to the Soviet government of the stifling of the December symposium in Moscow, the symposium which was organized by Jews who wished to discuss the present state and possible future of Jewish culture in the U.S.S.R., and second, what effect this action will have on the intent and the meaning of the Helsinki accords?

[Mr. Gilbert.]

The minister answered in a letter to me which reads:

As discussed in our exchange of correspondence of November and December last concerning the emigration of Soviet Jews, the Canadian government's approach to the issue of human rights in the U.S.S.R. relies heavily on the Final Act of the Conference on Security and Co-operation in Europe. I think those who are sincerely concerned about the implementation of the Helsinki Final Act and the promotion of human rights throughout the world will regret that action was taken to prevent what appeared to have been a serious effort to discuss a subject of concern to Jews in the Soviet Union.

The minister went on to say:

This is one of the subjects that will have to be looked at during the Belgrade meeting this summer that has been called to review progress in the implementation of the Final Act.

In a recent speech to the B'Nai Brith in Toronto on March 13, 1977, the minister stated:

The issue of human rights is commanding significantly greater attention on a global scale.

Then the Secretary of State for External Affairs (Mr. Jamieson), on March 16 in a speech to a seminar sponsored by the Canadian Council of Churches and the Canadian Council of Catholic Bishops, stated:

The Universal Declaration of Human Rights is not a binding legal instrument, and other covenants and conventions which may have enforcement provisions are binding only upon their signatories.

These are conflicting statements. This disturbs me somewhat.

I would like to bring a number of individual atrocities to the minister's attention which I feel he should bring up at the Helsinki Final Act meetings that are going to be held this summer. One of the particular cases is an Ida Nudel, who is under 30 years of age and has been waiting six years to emigrate to Israel. She has been subjected to vicious harassment by the K.G.B. She cannot leave her home because K.G.B. agents follow her everywhere.

Another case is that of Dina Zlotver and her husband, Isaac. They are living in the city of Sverdlovsk. Both are elderly and both have cancer. They applied to emigrate to Israel but were turned down by the Russians. Their children were allowed to immigrate. This is inhumane. Also, Mr. Speaker Mr. Zlotver was a World War II hero. Why is he receiving such treatment?

● (2210)

Another case I would like the minister to raise with the Russians is Joseph Mendelovich. He is 29 years of age and is serving the seventh year of a 12 year strict regime sentence at Vladimir prison east of Moscow because he wanted to emigrate to Israel. He is in poor health and should be released and allowed to emigrate.

Why will the Russians not let Jews emigrate to Israel or elsewhere? These are issues the minister should raise with the Russians at the meetings that will be held this year in Europe.

On January 22 of this year the Russian government produced and displayed a film entitled "Traders of Souls", a government inspired film on anti-semitism. Why are the Russians going to such extremes and using such inhumane methods against the Jews in Russia?

These are examples of individual cases which the Canadian government should discuss at the Belgrade meeting this summer on the Helsinki Final Act.

I wrote to the minister with regard to the treatment of Mr. Leib Khnokh, a Russian native who was sentenced to ten years for trying to escape. He still has four years to serve in Vladimir prison east of Moscow. The report is that he has become very ill, suffering from internal bleeding and has not received any medical attention.

The Toronto Group of 35, a Jewish group working to assist Jews in Russia who are being harassed, stated that Soviet policemen are beating and kicking Moscow Jews. An article in the Toronto *Star* reported:

MOSCOW (AP)—Twelve Soviet Jews said last night that auxiliary policemen kicked and beat them after they enquired about visas to leave the country.

The Jews, all previously denied visas, said they visited the public reception office of the Soviet parliament yesterday and asked for written statements on when to expect their exit documents.

After waiting all day for an answer, they told Western reporters at a news conference, about 30 men wearing red armbands of auxiliary police ordered them into a bus and drove them about 28 miles out of town to a wet, snowy field.

But they refused to leave the bus, said journalist Arkady Polishuk. "We said it was very dark, we didn't know where we were and we are afraid. Then they started to throw us out of the bus by force and were beating us powerfully at the same time, hitting us with their fists and feet, and striking us in our faces."

They did not know if the policemen had intended to beat them, or only did so when they refused to leave the bus. Although some of the group wore blood-stained clothes none appeared to be seriously injured.

These are the atrocities being committed in Russia against the Jewish community. These are the issues which the Secretary of State for External Affairs should be discussing with the Soviet government when its representatives appear at the Helsinki meetings in Europe.

The Toronto Group of 35 is a women's activist organization working on behalf of Soviet Jewry. They ask us to read the article which appeared in the Toronto *Star* on Wednesday, October 20, 1976, which I just quoted.

Mr. George Baker (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, I am sure that the minister is interested in the cases that the hon. member has just mentioned.

The hon. member quoted from a letter in which the minister has said that he believes those who are sincerely concerned about the implementation of the Helsinki Final Act and human rights throughout the world will regret that action was taken to prevent what would appear to have been a serious effort to discuss a subject of concern to Jews in the Soviet Union.

It is our understanding that the Soviet government regarded the organization of such a symposium as illegal. That is not for us to comment on. It does, however, seem on the surface to be inconsistent with the undertaking in the Helsinki Final Act to facilitate the contribution which national minorities or regional cultures within their territory can make to co-operation among the CSCE participants in various fields of culture.

This is one of the subjects which will have to be looked at during the Belgrade meeting next year that will be called to review progress in the implementation of the Final Act. We think that this would be the most appropriate place for any Canadian comment.

INCOME TAX—POSSIBILITY OF CHANGE IN TREATMENT OF REVENUE EARNED BY INDIAN BANDS—GOVERNMENT POSITION

Mr. John A. Fraser (Vancouver South): Mr. Speaker, on February 18, as reported at page 3190 of *Hansard,* I raised a matter of considerable concern to Indian bands throughout Canada, especially the Musqueam Indian band which is in my constituency of Vancouver South. I asked the minister if she could inform the House whether there was going to be a change in the policy which has existed until recently, that is, that Indian bands with a certain status have been treated for taxation purposes as Canadian municipalities.

The minister did answer. She stated as follows—and I am reading from *Hansard:*

Concerning the specific point raised about the eventual change in the interpretation bulletin IT-62 which is the one to which the hon. member refers, I can assure him that the Indian band councils on Indian reserves are considered as Canadian municipalities. Should any change be envisaged in the future, consultations will take place.

That answer was very satisfactory—until it is viewed in the light of a letter dated November 25, 1976, from the minister's department and directed to the solicitors of this particular band council. That letter reads in part:

It is our position that Musqueam is not a municipal corporation pursuant to paragraph 149(1)(d) as the council of the Musqueam Indian Band does not qualify as a Canadian municipality pursuant to paragraph 149(1)(c), despite the fact that the band council, pursuant to sections 81 and 83 of the Indian Act performs in respect of the reserve many of the functions provided to communities elsewhere in Canada by municipal governments. It is our view that the term "Canadian municipality" contained in paragraph 149(1)(d) of the Income Tax Act refers to an incorporated body.

It is our understanding that Interpretation Bulletin IT-62 dated August 18, 1972 will be amended in the near future to reflect this view.

Until now the interpretation bulletin referred to in that letter and referred to by the minister has amounted to a statement by the government, if I can put it that way, that these particular enterprises on Indian reserves will be treated in the same way as those of Canadian municipalities for tax purposes. Since it now appears that certainly as long ago as November, 1976, departmental officials were stating that this policy is being changed, why is it that the minister should have stated as recently as February 18 that it will not be changed? If she had stopped at that point, I would be satisfied, but the minister went on to add:

Should any change be envisaged in the future, consultations will take place.

My question, therefore, to the government and to the parliamentary secretary, is this: what confidence can Indian bands have in a minister's answer when they find that only a few months earlier departmental directives were stating exactly the opposite? Does the minister's answer mean that the matter is still under review and that it may well be changed—but only after the Indian bands have been spoken to? I use those words

wisely, because the word "consultation" can mean many things.

What the Indian bands need is a measure of certainty. I would ask the parliamentary secretary to clear up this point once and for all so that the bands, especially this particular one in my riding, can get on with the planning they must do if they are to serve the people on their reserves.

● (2220)

Mr. George Baker (Parliamentary Secretary to Minister of National Revenue): Mr. Speaker, the minister was asked on February 18, 1977, by the hon. member for Vancouver South (Mr. Fraser) if there was to be a change in policy relating to the treatment under the Income Tax Act of band councils on Indian reserves. The minister replied briefly that "a key group of officials" of her department had been established and was working in conjunction with officials of the Department of Indian Affairs and Northern Development and with representative of Indians "on a better and more fair application of the Income Tax Act on matters of great concern for the Indians".

Regarding any possible change in the status of Indian band councils, she indicated that interpretation bulletin IT-62, dated August 18, 1972, was still in effect; that if a change is to take place, there will be consultations.

A change has been under consideration, but any new policy relating to the question had not been determined when the question was asked; in fact there has not yet been a final determination of a change. And the minister clearly promised there would be consultations before any change took place.

The interpretation bulletin to which I have referred deals in paragraphs 7 to 14 with the department's treatment of band councils, and generally provides that Indian band councils on Indian reserves are considered as Canadian municipalities. But, as the hon. member would be aware, that policy is extended only to certain band councils. Paragraph 11 reads:

> The powers exercised by Band Councils that have reached the advanced state of development required by Section 83 of the Indian Act and the powers exercised by other Canadian municipalities are so similar that such Band Councils will be regarded as Canadian municipalities for purposes of subparagraph 110(1)(a)(iv) and paragraph 149(1)(c) of the Income Tax Act.

The fact of a band council being a Canadian municipality within paragraph 149(1)(c) does not concern us greatly if that is all that is implied. The problem that arises is this: a band council might so qualify and acquire a municipal corporation within paragraph 149(1)(d), and hope to shelter its income no matter the nature of the corporation's activity or its source of income.

However, there is a legal view that a band council, not being an incorporated body, cannot be a Canadian corporation. Thus, a corporation it controlled could not be a municipal corporation within paragraph 149(1)(d). That is where the matter stands at the present. As the minister has stated, if a change is to take place there will be consultations.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at two o'clock p.m.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Tuesday, March 22, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

AGRICULTURE

PROPOSED REVIEW OF SEASONAL TARIFFS ON IMPORTED AGRICULTURAL PRODUCTS—MOTION UNDER S.O. 43

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, a little delayed but nevertheless under the provisions of Standing Order 43, I rise on a matter of urgent and pressing necessity relating to the signs of spring, which unfortunately are not all that evident in the capital today but which do manifest themselves in the fresh daffodils from my riding of Esquimalt-Saanich, and which are available in the lobbies to all hon. members.

In view of the growing unemployment across the country and particularly in my riding, in view also of the unfair competition under which Canadian agriculturalists and horticulturalists in the west suffer from cheap products from abroad in the form of vegetables, cut flowers, shrubs and fruits, some of which are almost certainly dumped on to the Canada market from overseas, I seek the unanimous consent of this House for the following motion, seconded by the hon. member for Okanagan Boundary (Mr. Whittaker):

That the Minister of Agriculture (Mr. Whelan) in consultation with his colleague the Minister of Finance (Mr. Macdonald) undertake a review of the regulations relating to the seasonal imposition of duties on vegetables, cut flowers, shrubs and fruits from outside our borders, in particular recognition of the early maturing stages of these natural products in British Columbia, so that agriculturalists in the garden riding of Esquimalt-Saanich shall be able to continue their commercial operations, provide employment, and provide their customers in the east and in the west with garden fresh fruit, vegetables and flowers for many years to come.

Mr. Speaker: The presentation of such a motion pursuant to Standing Order 43 requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

FINANCE

SUGGESTED REJECTION OF PROPOSALS FOR ECONOMIC POLICY BY GOVERNOR OF BANK OF CANADA—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I too rise under the provisions of Standing Order 43. In view of the latest forecast of the Conference Board of Canada indicating that the economy is showing "a generally poor performance" and that the seasonally adjusted unemployment rate will rise to 8.3 per cent by the fourth quarter of this year, and in view of the statements made by the governor of the Bank of Canada in his report tabled yesterday in the House suggesting that 1976 was a good year despite the fact that one million Canadians were unemployed, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House urges the Minister of Finance (Mr. Macdonald) to reject the totally regressive and thoroughly erroneous policy suggestions by the governor of the Bank of Canada on what is required for the Canadian economy at this time.

Mr. Speaker: The presentation of such a motion can be done only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

CRIMINAL CODE

PROPOSED AMENDMENT TO MAKE HOSTAGE-TAKING AN OFFENCE—MOTION UNDER S.O. 43

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I rise on a matter of urgent and pressing necessity to move a motion under Standing Order 43. In light of the fact that hostage-taking in Canada is occurring with such frequency as to be commonplace, and as such criminal activities are connected with violent crime, and further, as such crimes are a total curtailment of the rights and freedom of law-abiding citizens, I therefore move:

That the government bring forth an amendment to the Criminal Code of Canada making hostage-taking a crime calling for a minimum sentence of imprisonment for five years.

Mr. Speaker: The presentation of such a motion for debate pursuant to the Standing Order can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ADMINISTRATION OF JUSTICE

COMMENDATION OF TORONTO POLICE ON SUCCESSFULLY DEALING WITH HOSTAGE-TAKING INCIDENT—MOTION UNDER S.O. 43

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, I rise under the terms of Standing Order 43 to seek the unanimous consent of the House to move a motion about an important public matter. As members of the House will be aware, last night in Toronto at about 11.30 p.m. a hostage-taking incident involving 13 hostages came to an end peacefully. The successful conclusion of this incident, which ended without any injury, gave yet another example of the courageous and dedicated service given all Canadians by the police forces of this country.

Some hon. Members: Hear, hear!

Mr. Beatty: I would ask the unanimous consent of the House to move, seconded by the hon. member for Provencher (Mr. Epp):

That this House commends the members of the metropolitan Toronto police force for their courage and efficiency in bringing the hostage-taking incident of March 21, 1977 to a peaceful conclusion and it recognizes with appreciation the daily contribution of the police forces from across Canada whose bravery and dedication help to preserve the lives and safety of all Canadians.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I have some reservations about the urgent and pressing necessity of using the Standing Order in this way to extend these kinds of congratulations. It puts a very invidious choice upon the House as to whether such a motion should be debated or passed without debate. Nevertheless, under the circumstances I will put the motion. The unanimous consent of the House is required for the presentation of such a motion. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

● (1410)

UNEMPLOYMENT INSURANCE

SUGGESTED MAINTENANCE OF CRITERIA TO QUALIFY FOR BENEFITS—MOTION UNDER S.O. 43

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I rise in accordance with Standing Order 43 on a matter of urgent and pressing necessity. In view of the harmful effects of Bill C-27 and the proposed changes to the Unemployment Insurance Act, and in view of the new opposition to the requirements that jobless people work 12 weeks a year instead of the present eight, to qualify for unemployment insurance benefits, which will have a drastic effect in all parts of Canada, and in particular the Atlantic provinces, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

[Mr. Speaker.]

That this House do urge the government to amend or withdraw Bill C-27 in order to maintain the present criteria in qualifying for unemployment insurance benefits.

Mr. Speaker: The presentation of such a motion for debate pursuant to the Standing Order can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

AGRICULTURE

SUGGESTION MINISTER NOT ESTABLISH MARKETING BOARD FOR BEEF PRODUCERS—MOTION UNDER S.O. 43

Mr. Arnold Malone (Battle River): Mr. Speaker, I rise under the provisions of Standing Order 43 to move a motion of urgent and pressing necessity. In view of the fact that beef producers in the province of Manitoba, by the way of a referendum on March 18, 1977, overwhelmingly denounced the concept of a beef marketing board, a position that underscores the petition containing 5,000 signatures that I tabled in the House of Commons on December 14, 1976, I move, seconded by the hon. member for Medicine Hat (Mr. Hargrave):

That this House requests the Minister of Agriculture to refrain from dictating the marketing board concept in the face of such obvious producer resistance.

Mr. Speaker: The presentation of such a motion pursuant to the standing order can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

PUBLIC SERVICE

SUGGESTION GOVERNMENT NOT ACT ON RECOMMENDATION TO INCREASE SALARIES OF SENIOR EXECUTIVES

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is to the Prime Minister. It concerns the report the Prime Minister tabled yesterday of the government's advisory group on executive compensation. Given the restraint program to which the government says it is committed, will the Prime Minister give the House of Commons an undertaking now that the government will not allow senior civil servants' salaries to rise to the levels recommended by the advisory group on executive compensation?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not think it would appropriate to give that undertaking. I want to bring the report on executive compensation to cabinet, discuss it with my colleagues and consider the very serious arguments that are always put forth by this committee of private entrepreneurs and managers who have always given very sound advice to the government.

Mr. Clark: Mr. Speaker, the Prime Minister must realize that once again the reputation of his government on the question of the seriousness of its commitment to restraint is at issue here. What I am asking for, and what the House would like to have, is a commitment by the Prime Minister now on the principle that in a period of restraint there will not be an acceptance by the government of the very substantial increases recommended by the advisory group on executive compensation. Can we have that commitment of principle now?

Mr. Trudeau: No, Mr. Speaker. The Leader of the Opposition seems to forget very readily that the senior executive service has been frozen for one year. They, with members of parliament, are I believe the only people in the economy who have—

Mr. Blackburn: They are starving.

Mr. Trudeau: You do not look as though you are starving.

Some hon. Members: Hear, hear!

Mr. Trudeau: I am not prepared to take the easy route of trying to find one group in the economy whom we can control directly and make scapegoats out of them as the Leader of the Opposition is suggesting.

Some hon. Members: Hear, hear!

Mr. Clark: Mr. Speaker, it would be encouraging to the elderly, the unemployed and other Canadians if the Prime Minister would show the same degree of concern for them as he shows for senior public servants who have enjoyed what must be regarded as a very comfortable freeze. I would like to ask the Prime Minister now in relation to the fact that we have seen in this country, particularly during the years of his leadership, a growth in the power of the public bureaucracy compared to the power of the cabinet and parliament, for an undertaking that the treatment given by his government to this report will rebut the assumption that the direction and management of government lies with civil servants and will instead underline the principle of parliamentary democracy in this country, that the people who are to make the decisions in this country are those who sit in this House and not the highly paid elitist group who are the beneficiaries of this most recent recommendation.

THE CANADIAN ECONOMY

ALLEGED ABDICATION OF GOVERNMENT FROM RESPONSIBILITY FOR ECONOMIC POLICY—FISCAL RESPONSIBILITY OF PUBLIC SERVANTS

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is also addressed to the Prime Minister. I was wondering whether the Prime Minister has ever considered that the frequent recommendations made to him in recent months by the Auditor General, the Conference Board, the Economic Council of Canada and now the Lambert report are in essence an indictment of the government's capacity to accept full responsibility for the financial problems confronting this country and its preparedness to hand over that responsibility to the public service?

Right Hon. P. E. Trudeau (Prime Minister): I am not quite sure what the hon. member means, Mr. Speaker, but I am sure the answer must be no.

Mr. Munro (Esquimalt-Saanich): My question is again to the Prime Minister. In view of the fact that his government is consistently talking about the need to hold the public service accountable and the difficulty under our parliamentary system of making them accountable to this House, does the government not even envisage the need to ensure total fiscal responsibility from its public servants so that in turn parliament can require accountability from those who, in the final analysis, must accept responsibility for these acts, namely, the ministers on the front bench?

Some hon. Members: Oh, oh!

Mr. Trudeau: Mr. Speaker, I remain confused about what the hon. member means by "fiscal responsibility". It seems to me that every citizen in this country has to be totally fiscally responsible. So what?

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FINANCE

RECONCILIATION OF POLICY OF REDUCTION OF EXPENDITURES WITH RECOMMENDATION FOR SALARY INCREASES FOR SENIOR PUBLIC SERVANTS

Mr. Donald W. Munro (Esquimalt-Saanich): This time I will address my supplementary question to the Minister of Finance. If I cannot get answers from the Prime Minister, I can at least try to get them from the Minister of Finance. On page 8 of the Lambert report the advisory group refers to the deception in the public mind of the government's undertakings to restrain and reduce public expenditure. In the light of this comment, can the Minister of Finance explain how he will reconcile that particular comment with the recommendations made later in the report on page 20 concerning substantial increases in executive compensation in the public service?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, it seems to me that what the commissioners were

referring to was the fact that the public has been under some misapprehension with regard to reduction in public expenditures. I might point out to the hon. gentleman that the rate of increase of expenditures for the financial year which will end next week will be below that of the gross national product and indeed below our anticipation for the year, and for the forthcoming year the rate of increase of expenditures will be half of what was earlier anticipated.

ECONOMIC POLICY RECOMMENDATIONS OF GOVERNOR OF BANK OF CANADA—GOVERNMENT POSITION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I too have a question concerning another well paid public servant. Can the Minister of Finance tell the House whether he has met recently with the governor of the Bank of Canada and, if so, did he make it clear to him that the government totally rejects both his foolish suggestion that 1976 was a good year economically for Canadians and his equally foolish view that we do not need a stimulus in the economy at this time to provide jobs for the more than one million unemployed Canadians?

Hon. Donald S. Macdonald (Minister of Finance): I have, of course, been in conversation this week with the governor of the Bank of Canada. The hon. gentleman finds himself in difficulty with the viewpoint he has been trying to sell to the Canadian public not according with that of the governor of the central bank. Between the two of them, I would have to take the governor's viewpoint.

POSSIBILITY OF TAX CUTS IN FORTHCOMING BUDGET

Mr. Edward Broadbent (Oshawa-Whitby): Given the past performance of the governor, and indeed his predecessor, I would be very concerned if we had similar views. I would like to ask the Minister of Finance, who did such a superb job in managing the economy in 1976, if he would confirm for the House a newspaper report that when he was visiting the U.S. he informed the U.S. secretary of the treasury that he would not be bringing forward any tax cuts in his forthcoming budget to stimulate the economy.

● (1420)

Hon. Donald S. Macdonald (Minister of Finance): No, Mr. Speaker, I did not indicate to the secretary of the treasury the direction of our budget at all.

FORECAST OF UNEMPLOYMENT RATE FOR COMING YEAR

Mr. Edward Broadbent (Oshawa-Whitby): Can the minister inform the House whether his department received the latest forecast of the Conference Board of Canada which projects an 8.3 per cent unemployment rate for Canada for the coming year, and if so, would he confirm whether his own departmental estimates coincide with that very rosy picture?

[Mr. Macdonald (Rosedale).]

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the Conference Board of Canada, which is representative of many major foreign multinationals operating in Canada, does present a rather gloomy viewpoint of the economy. As the hon. gentleman may have noticed, that particular viewpoint which apparently he espouses is not espoused by some of the other private concerns.

Mr. Broadbent: Name one.

* * *

[*Translation*]

FISHERIES

MEASURES TO KEEP LARGE TRAWLERS OUT OF GULF OF ST. LAWRENCE

Mr. Eudore Allard (Rimouski): Mr. Speaker, my question is directed to the Minister of Fisheries.

Since fishing operations in the Gulf of St. Lawrence will not begin before the end of April and that last year fishermen of the Gaspé Peninsula, the Magdalen Islands and northern New Brunswick faced serious problems caused by large trawlers from ports outside the gulf, could the minister tell the House what steps he has taken to ensure that the same conditions are not repeated so that fishermen will improve their catch and meet their needs?

Hon. Roméo LeBlanc (Minister of Fisheries): Mr. Speaker, several members, especially the Parliamentary Secretary to the Minister of Public Works, the hon. member for the Îles-de-la-Madeleine and others, have made representations to that effect. We have banned large trawlers from the gulf, except in the northern reaches where cod stocks are satisfactory.

Finally, for trawlers which cannot go elsewhere we have reserved the stocks of the gulf which unfortunately are not so abundant as we would like, especially Atlantic redfish.

* * *

[*English*]

AGRICULTURE

MINISTER'S VIEW OF NEED FOR NATIONAL FOOD POLICY

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker—

Some hon. Members: Hear, hear!

Mr. Grafftey: —my question with regard to the need for a national food policy is directed to the Minister of Agriculture. Responding to a question in this House on Friday the Minister of Finance said that this government sees a need for a new national food policy. Many weeks earlier the Minister of Consumer and Corporate Affairs said we do not have a national food policy, that we need one and that the government is studying it. On many occasions the Minister of Agriculture has said we need no new national food policy because we already have one. I would like to ask the Minister

of Agriculture who is speaking for this government, the Minister of Agriculture, the Minister of Finance or the Minister of Consumer and Corporate Affairs?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the hon. member has said something I did not say. He said that I said we need no new food policy. I have never said that. I said we have a food policy, and I welcome any improvements to it.

Some hon. Members: Hear, hear!

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AIRPORTS

PRINCE ALBERT—APPROVAL OF EXPENDITURES FOR IMPROVEMENTS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I would like to direct a question to the Minister of Transport. I endeavoured to find this out from the President of the Treasury Board on Friday. Has the Minister of Transport made any recommendations to the Treasury Board with regard to the expenditures necessary at the Prince Albert airport, to which reference was made during the recent by-election but which has apparently been forgotten by the minister ever since?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I am delighted that the right hon. gentleman at last asks the question when I am in the House after twice attempting to ask it when I was not here.

Some hon. Members: Oh, oh!

Mr. Lang: That compliments exactly the deceit of the right hon. gentleman in appearing to imply here in the House that it was not completely clear in Prince Albert that the agreement signed was an operational agreement with regard to the airport. When I announced the plans for Prince Albert, I made it clear, in Prince Albert, that Treasury Board approval was being sought for those items. That approval is being sought. It was clear to the right hon. gentleman; he was in Prince Albert, and it was in the Prince Albert *Herald*. I think, therefore, that he owes an apology to me and the people of Prince Albert.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Mr. Speaker, I raised this question in the absence of the minister. If I were to wait for when he returns from one of his many jet trips in Canada made for political purposes, I would never get the chance to ask him questions.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I am delighted to hear he made the recommendation finally. Clearly, it was made as a result of pressure from the opposition.

Mr. McGrath: Mr. Speaker, I have a question supplementary to the one raised by the hon. member for Brome-Missisquoi, and I direct it—

Mr. Diefenbaker: Mr. Speaker, I meant to raise a question on the word "deceit" used by one who understands what it means.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

* * *

CONSUMER AFFAIRS

SUGGESTION SEMINAR ON FOOD POLICY BE OPEN TO PUBLIC—GOVERNMENT POSITION

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. Yesterday the minister sponsored a seminar in Ottawa on food policy, a seminar in which food industry people as well as the government participated. In view of what the Minister of Finance said on Friday about ongoing discussions for a national food policy, notwithstanding what the Minister of Agriculture said today, discussions which would take into account the interests of consumers and the viability of the agricultural industry in Canada—and I congratulate the minister on his initiative—is he prepared to re-open this seminar to the public so that the public which has a vested interest, obviously, in the food policy can provide some input? At the same time, if such a seminar were open to the public, perhaps the Minister of Agriculture could participate as well.

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Mr. Speaker, the research study which has been recently initiated by the Bureau of Competition Policy has to do with the effect of government regulation on competition in selected agricultural industries. The seminar was sponsored by the bureau to obtain working level input to this study from qualifed industry and academic representatives. The seminar is being carried on by the director of investigation and research under the Combines Investigation Act. However, the study is not part of my department's work on food policy.

Mr. McGrath: A supplementary question, Mr. Speaker. I thank the minister for his answer. May I ask if we can conclude that the minister has now assumed, rightfully, responsibility for co-ordinating discussions within cabinet on food policy?

Mr. Abbott: Mr. Speaker, I thank the hon. member for his confidence. The fact is food policy discussions are continuing. As I just said, a separate study is being carried on by a certain branch of the department. I hope it will produce some useful information.

Oral Questions

PUBLIC SERVICE

LAMBERT REPORT—POSSIBILITY OF ROYAL COMMISSION TO INQUIRE INTO SOME RECOMMENDATIONS CONCERNING PERFORMANCE OF PUBLIC SERVANTS

Mr. Walker Baker (Grenville-Carleton): Mr. Speaker, my question to the Prime Minister arises out of the Lambert report with respect to executive compensation in the public service, particularly from that part of the report which speaks of the advisory board wishing to emphasize the need for establishing principles of accountability which can be practically applicable for the measurement of executive performance on the one hand. On the other hand, that same report recommends the provision of better incentives for the efficient management of public funds, and that a system of rewards for such efforts should be established. These ideas have been around for some time, elaborated on and commented on in early reports produced by Mr. Lambert and his colleagues. In view of this repetition with respect to obviously necessary changes in terms of the performance of senior levels of the Public Service of Canada, will the Prime Minister do more than merely refer the report to his cabinet colleagues? Does he intend to appoint a royal commission to examine, in effect, a royal commission, or are we to see some progress on this matter, particularly with respect to incentives for maximizing the use of public funds by senior levels of the Public Service of Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I point out to the hon. member that the government has taken action on the aspects recommended, in so far as we have assessments of performance in order to slot those in the executive branch of the civil service within certain ranges. Therefore, we have been doing exactly what the advisory board recommends. They are concerned with the area of the public service not falling under order in council appointments and, indeed, those observations are well taken. We are enjoining deputy ministers, within their jurisdiction as managers of departments, to show the same kind of exactness as cabinet has shown in classifying those order in council appointees within the ranges of their duties.

Mr. Baker (Grenville-Carleton): A supplementary question, Mr. Speaker. The Prime Minister spoke of performance ratings. Speaking of performance ratings, let me add that Mr. Lambert and his colleagues indicated that it was difficult to accept the results they found. In other words, there was a condemnation of what the Prime Minister says he introduced in the Public Service of Canada. Indeed, that condemnation of performance records in the public service has been felt by other levels in the public service—I have in mind the foreign service secretaries branch, a much lower level, and it indicates—

● (1430)

Mr. Speaker: Order. If the hon. member has a question, will he please put it?

[Mr. Abbott.]

Mr. Baker (Grenville-Carleton): Would the Prime Minister re-examine his answer with respect to the first question that a system of performance ratings has been introduced, particularly with respect to its adequacy because this is important not just to senior public servants but to the morale of the whole of the public service?

Mr. Trudeau: I would prefer that the hon. gentleman re-examine my answer rather than I should do so. I can assure him that the public service compensation board is not criticizing the cabinet for the way in which it rates performance. We have done this in a way which meets their approval. Their criticism is directed to the level of those appointments which do not come under cabinet, those which are public service appointments. In this area, I agree with the hon. member that the deputy ministers will have to exercise a bit more vigilance to make sure that performance ratings are more close to a norm rather than having too many people bunched in the superior performance category. In this respect, I agree with the hon. member and I agree with the advisory board. More vigilance will have to be shown by the deputy ministers. But I cannot help repeating that as far as cabinet is concerned our order in council appointments have the type of performance ratings of which they approve.

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HEALTH

SACCHARIN—SUGGESTED USE OF EDUCATIONAL PROGRAM AND WARNING LABEL

Mr. F. A. Philbrook (Halton): Mr. Speaker, my question is for the Minister of National Health and Welfare. It has to do with the proposed ban on certain consumer products containing saccharin due to the discovery of a research link with cancer. Is the minister considering a general public educational program covering all sweeteners, including sugar, as well as a requirement that a prominent warning label be placed on both saccharin tablets and permitted saccharin-containing products?

Hon. Marc Lalonde (Minister of National Health and Welfare): There are various techniques by which this subject may be approached. I made public recently a report on cardiovascular diseases in which there was some advice with regard to diet. I think the point raised by the hon. member is an important one since it deals not only with sweeteners but with all aspects of nutrition. This is part of a general strategy we have developed in terms of informing the public about nutrition. Various techniques are used for this purpose, such as inserts with family allowance and old age pension cheques. We hope to develop other techniques to improve this type of public education program as funds become available.

ADMINISTRATION OF JUSTICE

CONFERENCE ON PROPOSED YOUNG OFFENDERS' ACT—POSSIBILITY OF REPRESENTATION BY NORTHERN TERRITORIES

Mr. Erik Nielsen (Yukon): A question for the Solicitor General, Mr. Speaker. Will there be a federal-provincial conference held to discuss the proposed amendments to the Young Offenders Act, a discussion paper concerning which was tabled by the minister yesterday? If so, when will that conference be held and will the two northern territories be represented by elected members of their assemblies?

Hon. Francis Fox (Solicitor General): The documents tabled in the House yesterday will be the subject of discussion in Regina this week in the course of the continuing meeting of deputy ministers of the provinces responsible for correction services. Subsequently, it will be my intention to request a meeting with my provincial counterparts to consider this subject. I shall, of course, bear in mind the suggestion of the hon. member that the territories be represented at these meetings.

Mr. Nielsen: Might I ask the minister whether or not the territories are being represented by elected members of their respective legislatures or by bureaucrats from one or more of the government's departments in Ottawa?

Mr. Fox: As far as the meeting in Regina this week is concerned, I believe the representatives referred to have been designated by the commissioners of the territories. It is my intention to get in touch with the commissioners before extending invitations to the provincial ministers to attend the further conference which should follow shortly.

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INDUSTRY

LEARSTAR PROGRAM—REASON FOR ALLEGED USE BY CANADAIR OF ITALIAN ENGINEERS

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. It concerns Canadair and the building of the Challenger Executive Jet aircraft, formerly called the LearStar 600. Can the minister inform the House why approximately 45 Italian engineers from the Air Italia Manufacturing Company of Italy are now in Canada? Are they here to cope with structural problems which Canadair is experiencing with the Challenger?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I cannot provide the hon. member with a definite answer just now. I am aware that the corporation is hiring more staff and it may have sought the services of experts from foreign countries. I shall try therefore to provide the hon. member with a more definite answer.

[*English*]

LEARSTAR PROGRAM—POSSIBILITY PARTS MANUFACTURED IN ITALY

Mr. Dan McKenzie (Winnipeg South Centre): Will the minister find out whether parts of the plane are to be manufactured in Italy and whether these are parts which could be manufactured by Canadian firms? Further, has Italy placed any orders for the Challenger?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I do not know whether some components are to be manufactured in Italy. I know, however, that this program provides for the creation of over 1,500 new jobs in the Montreal area and some 1,500 more elsewhere within the industry in Canada. Certain components may have to be imported. In the case of engines, for instance, we have negotiated a number of purchases to even off our balance of payments.

[*English*]

LEARSTAR PROGRAM—AVAILABILITY OF EXPORT DEVELOPMENT CORPORATION FINANCING

Mr. Dan McKenzie (Winnipeg South Centre): Is Canadian Export Development Corporation financing in jeopardy, and are export orders in doubt because of lack of Canadian content in the manufacture of the Challenger? In other words, are most of the component parts being manufactured outside Canada, thereby restricting availability of CEDC financing for foreign buyers?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): That is not absolutely correct, Mr. Speaker. Most of the plane components will be built in Canada. Some components will certainly have to be imported, but I believe 70 per cent of them will be built in Canada.

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[*English*]

UNEMPLOYMENT INSURANCE

CHANGE IN PERIOD TO QUALIFY FOR BENEFITS—GOVERNMENT POSITION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, my question is addressed to the Minister of Manpower and Immigration. In view of the opposition from all quarters of the House to the minister's proposal in Bill C-27 to change the period allowed for qualifying for unemployment insurance benefits from eight weeks to 12 weeks, can the hon. gentleman inform the House whether he will consider amending that requirement in the legislation?

Hon. Bud Cullen (Minister of Manpower and Immigration): I think this is a subject we shall be dealing with at the committee stage.

Mr. Orlikow: In view of the fact that changing the benefit requirements would have a catastrophic effect and increase substantially Canada's unemployment problem, and bearing in mind the statement of the former minister of manpower, Mr. Mackasey, that the proposed change "removes the whole spirit of human dignity—a man's right to be protected by the government when he wants to work but cannot", will the hon. gentleman consider amending the proposed requirement to which I have referred?

Mr. Speaker: Order. The hon. member surely realizes he is raising a matter of debate on an item which is before the House, anyway.

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BILINGUALISM

STUDENT EXCHANGE PROGRAM—REQUEST FOR PARTICIPATION BY ALL PROVINCES

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, my question is directed to the Secretary of State. The federal government has announced a bilingual program for student exchanges under which some 8,000 or 9,000 students from Ontario and Quebec will be exchanged. As there are eight other provinces and two territories whose young people would like to enjoy the benefits of such a bilingual exchange program, what are the eligibility proposals for young people from provinces other than the special status provinces of Ontario and Quebec who want to enjoy this program?

● (1440)

Hon. John Roberts (Secretary of State): Mr. Speaker, I shall be making a detailed statement on this area of activity to the House within a few days' time.

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TRANSPORT

COMMISSION OF INQUIRY INTO PROBLEMS IN NEWFOUNDLAND—TERMS OF REFERENCE AND DATE OF COMMENCEMENT

Mr. John C. Crosbie (St. John's West): Mr. Speaker, I have a question for the Minister of Transport. The minister announced last December that the government was going to appoint a royal commission to examine all modes of transportation in Newfoundland and to report thereon, as had been suggested by the president of the CNR, before the end of 1977. Have the terms of reference now been put in final form; have they been agreed to by the government in Newfoundland; is it a three-man commission chaired by Dr. Arthur Sullivan, or by whom; and when will this announcement be made and the commission start to function?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, we have been discussing these questions with the government of Newfoundland and others. We are now nearly at the stage of having the matter in final form and I would expect an announcement within perhaps one week.

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ATOMIC ENERGY OF CANADA LIMITED

SALE OF SECOND CANDU REACTOR TO ARGENTINA—INQUIRY AS TO USE OF AGENT

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In view of press reports this morning that Argentina is seeking a new construction partner, as is AECL, in regard to Argentina's desire to obtain a second CANDU reactor, I would ask the minister whether there is any agent—promotional agent, commercial agent, or any agent—involved in any way in the second CANDU reactor sale anticipated by Argentina?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): No, Mr. Speaker, because at the present time there is no negotiation for a second reactor sale. The hon. member is correct when he says that the Argentinian agency has expressed an interest in having a German firm join with AECL in providing a CANDU reactor. It is also true that the German firm has shown interest in such an arrangement, which is yet further testimony to the international reputation of the CANDU reactor.

Mr. Lawrence: A supplementary question, Mr. Speaker. Is the German firm to which the minister refers Kraftwerk Union A.G. of West Germany, and is any agent involved in any way in any past, present or future association between that firm and AECL?

Mr. Gillespie: Mr. Speaker, I know of no past, present or future association between AECL and that corporation. I do know that that is one corporation that has been mentioned as a possible partner with AECL in providing a second reactor to Argentina, but I would emphasize that we have not offered to sell a second reactor to the Argentine.

Mr. Lawrence: A final supplementary question, Mr. Speaker. Can the minister inform the House whether any agent is involved in any way in any future dealings with Italimpianti, whether in Argentina or anywhere else in the world?

Mr. Gillespie: I know of no ongoing relationship with Italimpianti anywhere else in the world.

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HEALTH

BAN ON USE OF SACCHARIN BECAUSE OF LINK TO CANCER—REASON FOR FAILURE TO BAN USE OF TOBACCO

Hon. Herb. Gray (Windsor West): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Recently the government announced that it is proceeding to

ban the use of saccharin because of the results of a study indicating its danger to human health. Will the government be instituting a ban on the use of tobacco similar to that recently announced for saccharin and, if not, will the government explain why it is not taking such a step, even though there has existed for some time studies which indicate not only danger but in fact harm to human health caused by the use of tobacco?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, to the first part of the question the answer is no. To the second part of the question, I have already answered this question in the House and I will be quite happy further to elaborate on the matter when my main estimates are considered before a parliamentary committee this week.

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INCOME TAX

MEAL ALLOWANCE FOR TRUCK DRIVERS—POSSIBILITY OF CHANGE

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, my question is directed to the Minister of National Revenue and has to do with the problem faced by long distance truck drivers and their ongoing conflict with members of her department. As the minister is aware, many of these drivers spend up to 200 days a year in their cabs, which is not the most conducive place to conduct office procedure, yet they are allowed only $7.50 per day for meals without receipts, whereas members of her department receive an allowance of up to $15. Is there any plan in her department or on her part to change the present requirement for truck drivers and allow at least $12 per day?

Hon. Monique Bégin (Minister of National Revenue): Mr. Speaker, as far as I know the $3 per meal, which means $9 per day, deduction against expenses by truck drivers or similar employees is to help them administratively when they do not want to keep receipts for their expenses. Any charge for a meal backed by an actual receipt will, of course, be deducted in the full amount.

ALLEGED DISCRIMINATION IN MEAL ALLOWANCE FOR TRUCK DRIVERS

Mr. Jake Epp (Provencher): A supplementary question for the same minister, Mr. Speaker. Can the minister explain why truck drivers for oil companies who work 10 hour shifts are only entitled to one meal per day, and why is there a discrepancy across Canada regarding the amount per meal which the department is presently granting?

Mr. Speaker: Order. I have serious reservations whether this precise kind of information ought not to be sought from the minister before the committee.

ENERGY

ALLEGED BREAKDOWN OF ARRANGEMENTS FOR SAFEGUARDS FOR NUCLEAR REACTORS

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, I should like to refer to the report mentioned by the hon. member for Northumberland-Durham and to ask the Minister of Energy, Mines and Resources about the statement in that report that talks between Argentina and Canada as well as between Argentina and West Germany regarding acceptable nuclear safeguard arrangements for other related nuclear projects recently broke down. What safeguards are referred to in this report, and how do they relate to the nuclear installation which is already being built by AECL in Argentina?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I believe that that part of the report is quite erroneous.

* * *

TRANSPORT

REASON FOR FAILURE OF RAIL WEST TO RECEIVE ORDERS FOR HOPPER CARS

Mr. John Fraser (Vancouver South): Mr. Speaker, my question is for the Minister of Transport. According to press reports in the Vancouver papers last week the provincial economic development minister, Mr. Phillips, was to meet with the minister yesterday in connection with trying to obtain for Rail West, a British Columbia corporation, some orders for rail cars, especially in view of the fact that the 2,000 hopper cars which were contracted for and which this company bid on were not included in any contract with this company. Can the minister inform the House what happened at these discussions yesterday and whether there is any chance whatever of Rail West getting any orders or work through the federal government so that over 200 men will not be laid off?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, we have looked very sympathetically at the position of Rail West and had indeed invited them to participate in the construction of a limited number of the hopper cars in the previous order of 2,000. We were willing to make some quite significant sacrifice in terms of price per car, but they were unable to meet even that price for only a 100 car order. I did indeed meet Mr. Phillips and we did discuss the situation further. We will be looking at the question of car supply and such other matters as the cars which CN and CP may require, so as to determine whether we can find ways of offering additional employment to this plant.

Mr. Fraser: A supplementary question, Mr. Speaker. Can the minister tell the House whether the difficulty that Rail West is having in meeting the unit cost of central Canadian and eastern manufacturers relates to the fact that Rail West must buy its steel from central Canadian or eastern Canadian

producers and is unable to bring in steel at a cheaper rate from offshore?

Mr. Lang: Well, Mr. Speaker, even allowing for the steel cost differential between—

Mr. Fraser: Yes or no?

Mr. Lang: No, in the sense that, even allowing for the differential in steel costs in that region compared to other regions, the price quoted by Rail West was considerably higher than the prices of other plants. We offered something above the differential, but that was the price Rail West was unable to meet.

Mr. Fraser: Mr. Speaker, this is a matter of grave concern to a lot of people and I should like to ask this final supplementary question. Can the minister then confirm that there are discussions going on between the government of British Columbia and his own department to see whether this particular operation can put in bids and possibly get some work in the coming months? The matter is very crucial for well over 200 people.

● (1450)

Mr. Lang: Mr. Speaker, it is very much appreciated by both ourselves in this government and the provincial government that it is crucial. As a result, as I have said, those discussions are going on. I did meet with Mr. Phillips yesterday. Rail West did bid in relation to this order so it should be clear to the hon. member what has already happened. The provincial government indicated its interest in terms of looking at the total price picture at the time of a subsequent tender. We will obviously be looking at that question.

* * *

HEALTH

POSSIBILITY OF BANNING PRODUCTS IN ADDITION TO SACCHARIN THAT MAY BE DANGEROUS TO HEALTH

Mrs. Simma Holt (Vancouver-Kingsway): Mr. Speaker, my question is for the Minister of National Health and Welfare. In view of the fact that excessive amounts of saccharin have been found dangerous to rats and it is to be banned for human consumption, and it should be noted that humans have built-in protection in that they would drown before contacting cancer using comparable amounts, will the minister advise the House whether we can expect his medical researchers to push ahead to ban chocolate, ice cream, cheese, liver, milk, eggs, coconut, sugar, salt and all other products that induce high cholesterol and heart disease to humans, even though we are not sure if it is safe for rats?

Some hon. Members: Hear, hear!

Mrs. Holt: Further, will he also consider banning cars, also dangerous to humans although we have no statistics on rat mortality.

[Mr. Fraser.]

Some hon. Members: Hear, hear!

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I want first to thank the hon. member for her useful contribution to this highly scientific debate. I invite her to look at the statements made by the officials of my department before the committee of the House considering the supplementary estimates of my department during the course of the last week. She will find a very worthwhile explanation of the whole study and will realize that, in particular, the World Health Organization put the safety level of one part per 5,000 as a minimum safety level while in this particular case we found cancer-producing agents at one part per 800. In that respect, the danger found in this case on the basis of those studies was indeed very real. I hope that consideration of this matter will be given in a scientific and responsible way and that people who are interested in further knowledge on the scientific aspects of this matter will come when my main estimates are considered next week, at which time my officials will be quite happy to provide further information on this subject to those who are interested.

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PUBLIC SERVICE

SALARY INCREASES FOR SENIOR EXECUTIVES—GOVERNMENT POSITION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. In view of the Prime Minister's concern that Canadians not live beyond their means and in view of the government's desire to dampen the rising expectations of Canadians, will he reconsider the position he has taken during the question period today with reference to recommendations for salary increases for deputy ministers and others in high positions. In particular, will he take into account that the recommendation is that there be two increases, one retroactive to last April and another effective this April, the two of which amount to a considerable sum for persons who, like myself, are not starving?

Mr. Alexander: I don't know about that, Stanley.

Mr. Munro (Hamilton East): You sure look like it.

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe the hon. member is misreading the report. It is not recommending a retroactive increase, certainly not the way I read it. It is indicating a range and moving the range in two periods of one each year. It is not recommending that the salaries go up this year after having gone up last year. On the contrary, the report recognizes there has been a one-year freeze of senior executives. It takes that into account. As I told the Leader of the Opposition, not many people in this country, certainly not the labour movement which are supported by the hon. member's party, have accepted a one-year freeze as did we in this House and public servants at the senior level.

Mr. Knowles (Winnipeg North Centre): I recognize that the tables in the report are not recommendations as to salaries but recommendations as to ranges. But in view of the fact that two new ranges are being proposed, one for last year and one for this coming year, will the Prime Minister seriously consider the suggestion from this side of the House that increases actually granted within those ranges should be held down? I ask this in view of the concern of the Prime Minister that Canadians not live beyond their means and that something be done to prevent our people from getting expectations that are too high?

Mr. Trudeau: Mr. Speaker, I told the Leader of the Opposition earlier that the report was just tabled yesterday and that it had not been considered by Cabinet. Cabinet will consider the report. I will look at the suggestion of the hon. member. I will not espouse his prejudices that we should show our courage by penalizing one particular group when the whole country would be permitted to go on without restraint.

* * *

REGIONAL ECONOMIC EXPANSION

PARTICIPATION BY FEDERAL GOVERNMENT IN COST OF MODERNIZING SYDNEY STEEL PLANT

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. Since the management of the Sydney Steel Corporation is considering several options with reference to modernization of the present steel plant at Sydney, can the minister advise what part officials from his department are playing in these considerations?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, there has been some consultation between Sysco and my department. However, I am not in a position at the moment to inform the hon. member as to the details of those consultations. We will undoubtedly have to wait a few more weeks before we can really address ourselves to what plan or strategy would be the best for Sysco and the department.

Mr. Muir: I thank the minister for his reply. In view of the fact that one of the options being considered is that, with an investment of $200 million to $250 million in the present plant, it could be modernized, diversification of products could take place and employment provided for over 3,000 workers, can the minister advise or give some encouragement as to whether his department or the government will assist the province of Nova Scotia in funding such a project?

Mr. Lessard: Mr. Speaker, if the project is as described by the hon. member, we will certainly look into it and evaluate the whole proposal. If in our view it is a good project, we will give sympathetic consideration to it.

FISHERIES

PLANS FOR REPLACEMENT OF ICNAF—REQUEST FOR REPORT

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Fisheries and the Environment and at the same time welcome him back from his discussions with Brigitte Bardot.

Some hon. Members: Oh, oh!

Mr. McGrath: Romeo, Romeo, wherefore art thou Romeo?

Mr. Crouse: Discussions are being held in Ottawa until March 25 to consider the development of a framework for future multilateral co-operation which will replace ICNAF. Up to the present, ICNAF set the quotas inside and outside the 200-mile limit. What steps does the minister plan to take in 1978 and beyond for the international management of our fisheries, both within the 200-mile limit and the fisheries area immediately adjacent to it, and what steps will be taken to undertake scientific co-operation in the area as a whole?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, with regard to the first part of the hon. member's question, Madame Bardot did not come to Ottawa to get the full information which could have been made available to her if she had wanted to have that information.

● (1500)

On the other point the hon. member mentioned, the meetings on the future of ICNAF are going on at this time and I think it would be premature for me to offer the type of long-term answer that the member is requesting. When the meeting is over, I will make a point of briefing him either through the Standing Committee on Fisheries and Forestry or in the House.

* * *

[*Translation*]

INCOME TAX

REQUEST FOR EQUAL TREATMENT OF DEDUCTIONS ALLOWED TRUCK DRIVERS

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to put a question to the Minister of National Revenue.

The minister certainly knows that truck drivers working for companies whose main activity is transportation can deduct for tax purposes a certain amount for meals and accommodation and that all other truck drivers working for companies whose main activity is not transportation do not enjoy the same privilege. In view of this flagrant injustice, does the minister intend to review her department's policy, thus allowing all truck drivers working more than 10 hours a day and driving more than 200 miles a day to benefit from this tax relief?

Mr. Speaker: Order, please. I regret but this question has already been put earlier today.

Telecommunications Act

AIR TRANSPORT

POSSIBILITY OF SEPARATE BARGAINING UNIT FOR QUEBEC AIR CONTROLLERS

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to ask a question to the Minister of Transport.

Can the minister tell the House whether he still intends to keep the promise he made a while ago to the *gens de l'air,* namely that he would present an amendment to the Public Service Staff Relations Act authorizing first, the disaffiliation and second, the accreditation of independent associations of air controllers from Quebec?

[*English*]

Hon. Otto E. Lang (Minister of Transport): The actual wording of the understanding between us is different from the words used by the hon. member, and this would come forward not under my jurisdiction but under that of another minister. But I can assure the hon. member that all the promises that have been made by this government in relation to the matter concerning *les gens de l'air* will be kept.

ROUTINE PROCEEDINGS

[*English*]

ANTI-INFLATION ACT

REFERENCES TO ADMINISTRATOR

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I would like to table the references to the administrator, under the Anti-Inflation Act, concerning the corporation of the town of Dryden, school district 60, Peace River north, Health Sciences Centre, Winnipeg, and R. Angus, Alberta, Limited.

* * *

[*Translation*]

TELECOMMUNICATIONS ACT

MEASURE RESPECTING TELECOMMUNICATIONS

Hon. Jeanne Sauvé (Minister of Communications) moved for leave to introduce Bill C-43, respecting telecommunications in Canada.

Motion agreed to, bill read the first time and ordered to be printed.

[*English*]

Mr. Diefenbaker: Mr. Speaker, I have a question of privilege regarding the statement made by the Minister of Transport. I ask Your Honour to read the allegations in the statement of the Minister of Transport to the effect that it is not unparliamentary. If it is so, then I have been misled for 37 years.

[Mr. Speaker.]

Mr. Speaker: Order, please. The right hon. member for Prince Albert made a brief reference earlier to the answer of the Minister of Transport. I caught the word "deceit" in that answer. I was not able at that time to determine the manner in which the word was used and to know in that quick instant whether there was anything offensive or unparliamentary in the way in which it was used. Upon the invitation of the right hon. member I will examine the language used and endeavour to determine tomorrow whether I should invite further argument on whether a question of privilege exists.

Some hon. Members: Withdraw now.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I rise on a point of order. I am afraid my question was misunderstood. The question I put to the Minister of National Revenue during the oral question period was not the same as that of one of the former speakers. I was speaking of the people who, contrary to what the minister said, have already asked for income tax deductions and whose request was denied by the Department of National Revenue. I should like to have the privilege of bringing up the matter again since it was not in any way a repetition of a question asked previously.

Mr. Speaker: Order. I listened very closely to the details of the question put this afternoon by the hon. member for Lotbinière, with the intention of accepting it if at all possible, but felt it was exactly the same as the question put previously. If I am wrong, after having examined the specific terms of the question, I shall certainly give the floor to the hon. member for Lotbinière tomorrow so that he can put the question again.

* * *

[*English*]

FISHERIES

ANNUAL REPORT OF FRESHWATER FISH MARKETING CORPORATION

Mr. Cecil Smith (Churchill): Mr. Speaker, it was my understanding that the annual report on the Freshwater Fish Marketing Corporation would be tabled today. Would the minister make a comment on that?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, I am very pleased to inform the hon. member that I signed the transmission copy and sent it to the Clerk of the House just before the question period.

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QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following ques-

tions will be answered today: Nos. 1,054, 1,494, 1,740, 1,787, 1,815, 1,925, 2,011, and 2,063.

[*Text*]

OSHAWA HARBOUR COMMISSION

Question No. 1,054—**Mr. Broadbent:**

1. Has the Oshawa Harbour Commission (OHC) filed with the Department of Transport or Ports and Harbours an application for expansion of the Oshawa Harbour and, if so, on what date will the environmental studies be undertaken through EA, EPS, EARP, RSCC and what will be the cost?

2. Has the Department of Transport fully exercised a site-selection process to determine the best location for a harbour in Oshawa in view of the economic constraints and environmental considerations?

3. Has DOT given the OHC full authority to preside over marshlands and does this conform with the Harbour Commissions Act?

4. Is it accepted policy for harbour commissions under DOT to engage in land-banking, real estate, industrial planning for municipalities, lakefront planning for municipalities, etc. and, if DOT has given the OHC such authority (a) on what date was it given and by whom (b) what are the limits of the authority?

5. Did OHC have permission to construct an earthen dyke across the natural outlet of the marsh in the fall of 1974 and, if so (a) on what date was such permission given and by whom (b) for what purpose was permission granted (c) who was consulted before permission was granted (d) does such construction violate any sections of the Fisheries Act (e) was the opinion of the Department of Justice or the Department of the Environment sought and, if so, what were their recommendations (f) were any environmental studies done (i) prior to the construction of the dyke to determine the environmental change and/or damage that would occur (ii) after the construction to assess the damage and, if so, what were the results of these studies and will they be made public?

6. Does OHC forbid entry to the marshland to naturalists, the public and the provincial government and, if so, for what reason?

7. Will access to the marshlands be granted to (a) concerned conservationists so that nature studies and educational programmes may continue (b) Ontario Ministry of Natural Resources and Canadian Wildlife people to continue with the waterfowl banding under the Migratory Birds Act and, if so, on what date?

8. (a) Will the dyke be removed and the outlet restored to its natural condition and, if so, on what date (b) what was the agreement between federal and provincial personnel with OHC?

9. (a) Will the public have input into the decision-making process prior to any announcement about harbour expansion (b) can the public be assured that full environmental impact studies will be undertaken before any such decision is reached (c) will DOT make public its intentions for future harbour expansion, and will it justify the intentions with appropriate documentation (d) are studies and testings being conducted at other sites along the Oshawa lakefront, or has the decision been made to proceed with expansion into the second marsh (e) are there any studies that demonstrate a need for expansion of the present harbour into the second marsh?

10. Will DOT and OHC open their files on the issue so that the public will have full knowledge of all facts pertaining to OHC, the harbour expansion proposals and the future of the marshland?

11. Did DOT and DPW complete studies and testings in 1975 and, if so (a) what was their purpose (b) will the results be made public and, if so, on what date and in what form (c) will the results remain confidential and, if so, was this requested by OHC?

12. (a) Are DOT and OHC willing to accept full responsibility for any damages that have occurred as a result of the dyke construction (b) what action does DOT intend to take to correct such damage (c) what action will DOT take to insure that such things would not occur in the future?

13. (a) Does OHC have permission to divert the Oshawa Creek as it flows into the present harbour (b) is the Creek subject to provincial act and regulation (c) did the OHC allow dumping of waste materials into the harbour in 1975 after the federal government paid for dredging operations in Oshawa Harbour and, if so, for what reason and is this contrary to government policy and to NWPA?

14. Does the DOE intend to take action against DOT if any infractions of federal laws are indicated and, if so, on what date?

Order Paper Questions

15. Will DOT and/or DOE make the Johnston Report on the environmental importance of the Second Marsh public?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Transport, Public Works and the Environment as follows: 1. No.

2. No.

3. Yes.

4. The Oshawa Harbour Commission is established under the Harbour Commission Act 1964 which authorizes the commission to acquire or sell land as required for harbour development purposes. A harbour commission does not however engage in industrial planning or lakefront planning etc. for municipalities.

5. No. (a) N/A; (b) N/A; (c) N/A; (d) N/A; (e) N/A; (f) (i) No. (ii) No.

6. Limited entry is now allowed to approved bird watchers on a permit basis.

7. Controlled access to the marsh has been extended.

8. (a) Department of the Environment has advised that the dyke is not causing the high water levels in the marsh. The marsh is being drained adequately by the present outlet, hence removal of the dyke would be an imprudent expenditure. (b) No agreement.

9. (a) and (b) The public can be assured that full environmental impact studies will be undertaken in conjunction with economic and engineering studies for development of the harbour and full opportunity will be given for public response. (c) Yes. (d) No. (e) Economic studies are being undertaken.

10. Any proposals for expansion of the harbour and the future of the marsh land will be fully documented in studies which will be made public before any action is taken.

11. Preliminary engineering studies remain incomplete. Soil tests were completed in 1975. (a) Oshawa Harbour Commission requested Department of Public Works to provide necessary engineering service to enable the commission to complete an overall long range plan for harbour expansion, including conceptual layouts with related costs. (b) As Department of Public Works was providing a consultant service to the Oshawa Harbour Commission, it will be the responsibility of the commission to make the results of the studies and tests public. (c) Further to (b), the Oshawa Harbour Commission formally asked Department of Public Works to refer any information requests from public or other government agencies to the commission, who would treat such requests on their individual merit.

12. (a) There is no indication that any damage has occurred. (b) No action is indicated. (c) No action required.

13. (a) There is no intention to divert the Oshawa Creek from the present harbour basin. (b) No. (c) In 1975 the Oshawa Harbour Commission used stone and concrete from local construction projects as shore protection against erosion in the northeast corner of the harbour. This did not affect any dredging operations and is simply good practice for shore

protection. It was not contrary to policy nor to the Navigable Waters Protection Act.

14. It is not the practice of the Crown to initiate action against itself.

15. This report is available to interested parties from the Department of the Environment.

GRANTS TO READER'S CLUB OF CANADA

Question No. 1,494—**Mr. McKenzie:**

1. Did the Reader's Club of Canada, 35 Britain St., Toronto, Ontario receive a financial grant from the (a) Department of the Secretary of State (b) Canada Council in (i) 1975 (ii) 1976 and, if so, in what amount?

2. What were the conditions under which such grants were made?

3. Is it government policy to give financial aid to private organizations and what was the rationale in giving such aid to the Reader's Club of Canada?

4. What was the purpose and aim of giving financial aid to the Reader's Club of Canada?

Hon. John Roberts (Secretary of State): Department of the Secretary of State: 1. (a) Nil.

2, 3 and 4. Not applicable.

Canada Council: 1. (b) (i) $75,000. (ii) $50,000.

2. The instalments were to be paid upon receipt of satisfactory financial and progress reports.

3. The majority of Canada Council programs exclude profit-making organizations. The Council however supports the translation and publication of Canadian books through grants to publishing houses. The Readers' Club of Canada was given aid under a new program, established in 1975 by the Secretary of State and administered by the Council, designed to encourage the promotion and distribution of Canadian books and periodicals. It is the only Canadian-owned general interest book club in the English-language community and its purpose is to make Canadian books available to readers who might not otherwise hear about them or be able to acquire them.

4. The grants were awarded to enable the Readers' Club to carry out a promotion campaign in Canadian periodicals.

CANADA COUNCIL—SUBSIDIZATION OF THE "LIVRE D'ICI" TEAM

Question No. 1,740—**Mr. Laprise:**

Is the Canada Council subsidizing the *Livre d'ici* team and, if so (a) in what amount (b) for what period of time?

Hon. John Roberts (Secretary of State): I am informed by the Canada Council as follows: Yes, under a new program, established in 1975 by the Secretary of State and administered by the Council, designed to encourage the promotion and distribution of Canadian books and periodicals. (*a*) and (*b*) $88,000 to prepare and offer without charge, in 1975-76, to over one thousand newspapers a weekly information page on French language Canadian books; $96,000 to continue this press campaign in 1976-77 and $30,000 to prepare and distribute during this period a weekly radio information tape on French language Canadian books.

[Mr. Goodale.]

EMPLOYEE PENSION AND MEDICAL PLANS

Question No. 1,787—**Mr. Herbert:**

With reference to the answer to Question No. 1,083, what is the estimated amount of monies contributed by (a) employees under the Public Service Staff Relations Act (b) public service employees not under the Public Service Staff Relations Act (c) members of the defence forces (d) members of the RCMP?

Hon. Robert K. Andras (President of the Treasury Board): In 1974-75 employees contributed the approximate amounts listed below to the various employee benefit plans, (a) Pension Plans (i) Employees under the Public Service Staff Relations Act, $170,000,000; (ii) Public service employees not under the Public Service Staff Relations Act, $11,900,000; (iii) Members of the defence forces, $56,700,000; (iv) Members of the RCMP, $11,900,000; Total, $250,500,000. (b) Death Benefit Plans: (i) Public Service Death Benefit Account, $15,200,000; (ii) Regular Forces Death Benefit Account, $2,800,000; Total $18,000,000. (c) Canada and Quebec Pension Plans (i) employees under the Public Service Staff Relations Act, $33,500,000; (ii) public service employees not under the Public Service Staff Relations Act, $2,500,000; (iii) members of the defence forces, $8,800,000; (iv) members of the RCMP, $1,500,000; Total $46,300,000. Public Service Insurance The totals of employee contributions to the various insurance plans are not identified on a separate basis, since by the very nature of such plans, the accumulation of those contributions on an individual employee or plan basis is neither required nor necessary. The premium rate structures vary within each plan, and although the total employer contributions are identifiable by virtue of the fact that such expenditures must be charged to Treasury Board Vote 20, the employee contributions are remitted direct to the insurers, or provincial authorities. Subject to the above qualification, however, public service employee contributions to those plans have been estimated in the undermentioned approximate amounts for the year 1974-75. (d) Surgical-Medical and other Insurance Plans: (i) Employees under the Public Service Staff Relations Act, $26,285,000; (ii) Public service employees not under the Public Service Staff Relations Act, $4,825,000; (iii) Members of the defence forces, $4,020,000; (iv) Members of the RCMP, $776,000; Total $35,906,000. (e) Unemployment Insurance (i) Employees under the Public Service Staff Relations Act, $22,766,000; (ii) Public service employees not under the Public Service Staff Relations Act, $4,303,000; (iii) Members of the defence forces, $4,862,000; (iv) Members of the RCMP, $972,000; Total $32,903,000. (f) Hospital Insurance (Outside Canada) Plan (i) Employees under the Public Service Staff Relations Act, $717,000: (ii) Public service employees not under the Public Service Staff Relations Act, $134,000: (iii) Members of the defence forces, $151,000: (iv) Members of the RCMP, $2,500: Total $1,004,500. (g) Health Insurance Plans for Employees Engaged Locally (Outside Canada), $16,000.

NEWFOUNDLAND—AID PROGRAMME TO STUDENT ATHLETES

Question No. 1,815—**Mr. Marshall:**

Have any applications been received from the Province of Newfoundland under the expanded aid programme to full and part-time student athletes, as announced in May 1975, for (a) student grant-in-aid (b) supplement to the grant-in-aid (c) training allowances?

Hon. Iona Campagnolo (Minister of State (Fitness and Amateur Sport)): (a) Grants in aid

Academic year	Number of applications received	Number eligible for grants	Amounts awarded
1975-76	48	20	$18,800
1976-77	61	19	$16,200

(b) and (c) Supplements and training allowances are available only to game plan (Olympic sports) athletes, of which there are none from Newfoundland.

CBJET TV STATION AT CHICOUTIMI, QUEBEC

Question No. 1,925—**Mr. McKenzie:**

1. What is the total potential English viewing population of CBC television station CBJET of Chicoutimi, Quebec?

2. What is the viewing audience of CBJET in prime time and what is the lowest viewing audience?

3. What was the total cost for the establishment of CBJET?

4. What is the total annual salary of all employees at CBJET?

5. How many people are employed at CBJET?

Hon. John Roberts (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. According to the 1971 Census official language figures, there are 2,000 people who speak English only and 23,800 who are bilingual (English/French) for a total potential viewing audience of 25,800 within the A and B contours of the CBJET transmitter. In the Census, 4,800 people claimed English mother tongue.

2. First audience surveys have not yet been completed.

3. Capital costs $192,400.

4. Nil.

5. None. The transmitter is unattended.

DR. NOEL HALL—MEDIATOR OF DISPUTE BETWEEN TREASURY BOARD AND CANADIAN UNION OF POSTAL WORKERS

Question No. 2,011—**Mr. Dinsdale:**

1. With reference to the answer to Question No. 1,486, what amount was Dr. Noel Hall paid for his services and what were his terms of reference?

2. Was Dr. Hall presented with any papers of government origin?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): For the Public Service Staff Relations Board: 1. Dr. Noel Hall was paid $9,900 as fees for his services as mediator. The terms of reference given to him by the Chairman of the Public Service Staff Relations Board were to confer with the parties and endeavour to assist them in reaching a settlement of their dispute.

2. Dr. Hall was not presented papers of government origin. However, a variety of information and papers were furnished to him on a confidential basis by officials of the bargaining agent and officials of the employer.

MRS. MARY ALICE MULLALLY

Question No. 2,063—**Mr. Cossitt:**

1. Is Mrs. Mary Alice Mullally employed at 24 Sussex Drive and, if so (a) in what position (b) at what annual salary (c) on what date was she hired?

2. Was Mrs. Mullally married at 24 Sussex Drive and, if so (a) what were all the costs to the taxpayer, if any (b) on what date did the wedding take place?

3. Was Mrs. Mullally employed in any capacity at 24 Sussex Drive at any time prior to her wedding and, if so (a) in what capacity (b) what were the duties of her employment?

4. Was Mr. Mullally appointed or employed by the government at any time and, if so (a) on what dates (b) in what positions (c) what were the duties of the positions (d) what was his annual salary?

Right Hon. P. E. Trudeau (Prime Minister): 1. Yes. (a) Household Co-ordinator; (b) $6.31 per hour, 40-hour week; (c) present duties commenced November 25, 1976 (see part 3).

2. No. (a) Reception was held at 24 Sussex Drive at no cost to the taxpayer. (b) Private (see *Beauchesne's Parliamentary Rules and Forms, Fourth Edition,* Citation 171 (dd).

3. Yes. (a) and (b) September 20, 1972 to July 12, 1974, Maid October 1, 1976 to November 24, 1976, Senior Maid (see part 1(c).

4. Government of Yukon Territory, September, 1974—September, 1976. Federal Government: (a) appointed on December 6, 1976 by Minister without Portfolio under section 37(1) of the Public Service Employment Act. Ceased employment March 15, 1977. (b) and (c) Special Assistant; (d) $19,542—$22,168.

[*English*]

Mr. Goodale: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

Mr. Brisco: Mr. Speaker, if there were some difficulty with question No. 506 which was placed on the order paper on October 14 last, I would understand the problem the government might have in responding to my question. However, in view of the fact that it is a straightforward and simple question I would think someone within the Post Office Department should be able to answer it, and I would like to register my concern.

Mr. Speaker: Before proceeding with orders of the day, may I say that hon. members are aware that yesterday a very important point of order was raised concerning the use of items in the estimates, particularly the supplementary estimates and particularly $1 items in supplementary estimates to achieve legislative purposes. I had hoped I would be in a position to make that ruling at three o'clock this afternoon, and I almost made it. I have some finishing touches to put on

the ruling which, I expect, will take about one hour. I hope to return at about four o'clock this afternoon to make that ruling.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—ONE DOLLAR ITEMS USED IN ESTIMATES

Mr. Don Mazankowski (Vegreville) moved:

That in the opinion of this House the government's use of dollar items further diminishes the proper control of the House of Commons over expenditure, and additionally, circumvents the right of the House to fully discuss the creation of new policies, programs and agencies.

He said: Mr. Speaker, the purpose of this motion is to highlight what appears to be a deliberate, calculated subversion of the parlimentary process through the abusive use of $1 items in supplementary estimates, in this case supplementary estimates (D). I want to illustrate the inadequacy of the present form and content of the estimates and also to outline some of the questionable tactics which this government has seen fit to employ in the administration of public funds.

● (1510)

When we look at supplementary estimates (D) we find that these estimates expose a wide variety of practices which, when taken in totality, can only be seen as a systematic effort to obscur, to misrepresent and to hide the spending practices of this government. The information which is contained in the estimates—and this has been confirmed by known authorites, one being none other than the Auditor General—is quite inadequate, misleading and often contradictory of the data contained in the main estimates. Moreover, when we consider the constraints of the parliamentary process and the current parliamentary rules which govern the proceedings of this chamber and the proceedings of committees—the time limitation or the guillotine rule, so to speak—neither committees nor this House are given sufficient opportunity to question, to analyse thoroughly, to examine or, indeed, to challenge some of the spending practices of this government.

We are debating this issue at a time when it is, indeed, unfortunate that there prevails throughout the country some reservations about the institution of parliament and its ability to exercise control over the public purse. There is no question that there is in the country a serious decline of confidence in parliament, yet we have a government which contributes deliberately and in a dedicated way to usurping the role of parliament and chipping away its authority. Hon. members on this side of the House take very grave exception to that practice.

I believe that supplementary estimates D clearly demonstrate how and why it has become increasingly difficult for parliament to assert control over public expenditures. The President of the Treasury Board (Mr. Andras) has stated his concern about the lack of parliamentary control. Last week in the House he stated that he was not happy with the current use of $1 items and suggested that this was a matter which fell within the aegis of parliamentary procedure; that it was really a procedural matter rather than one about which the government should concern itself.

I find that very strange, because when we read the Auditor General's report we find that many improvements could be made in the form and content of the estimates. The government has only to act and accept some of the recommendations which have been advanced. I find it strange, also, that the President of the Privy Council (Mr. MacEachen), a very distinguished parliamentarian for whom we all have high regard, spoke the other day in eloquent terms about the deep concern he has about the importance of preserving and, indeed, enhancing parliament and making it relevant to today's needs. I wonder, then, why he is party to the tactics this government uses systematically to undermine the authority of this chamber and the fundamental purpose for which this institution was established, namely, to debate legislative proposals and amendments thereto.

Why does this government refuse to act? Why does it refuse to accept some of the major recommendations of the Auditor General? One can only suggest that there are probably two reasons. Perhaps it is because attempts to improve the form and content of the estimates and the manner in which they are presented would reveal a degree of incompetence in the government to effectively plan and to allocate funds. On the other hand, it could be that this practice is an effective device for hiding unpopular or questionable expenditures. Whatever the reason, the methods being used with regard to supplementary estimates, particularly the abuse of $1 items, to me highlights the fact that this government is interested in expediency and convenience and does not have much concern about the traditions and privileges of this institution.

We know that the Auditor General is very concerned and unhappy about the present set-up. He has made it very clear that he considers public funds to be, in effect, trust funds held on behalf of the people of Canada and that they should be treated as such. Until effective systems of budgetary control are introduced and followed, no one will know accurately whether funds are being spent for the purposes for which they were provided. Proper control over federal spending lies with the ability of parliament effectively to exercise that control, and parliament has not been able effectively to discharge that responsibility under the practices we currently employ—indeed, the practices we have employed since 1968. This cannot be achieved over-all without an informative plan for the accounting of funds entrusted to the government. The Auditor General stated in testimony before the Public Accounts Committee that accountability for expenditure of government funds starts with accountability to parliament. There is no question about that.

Some hon. Members: Hear, hear!

Mr. Mazankowski: The Auditor General stated, further, that the instruments used to provide that accountability and to provide parliament with meaningful information with which they can control expenditures are the estimates. That is the essence of the debate under our motion today. The unfortunate fact is that there is ambiguity and lack of certainty. Financial disclosures, both in the estimates and in the public accounts, are now inadequate for parliament to establish the accountability of the government. We know, of course, that if there is a devious technique in the books to circumvent, evade, or subvert, this government will seize upon that technique without hesitation.

Mr. Baldwin: They wrote the book on deviousness.

Mr. Mazankowski: In our view, there is no question that the government is engaged in practices which are beyond the scope of being legal and proper as far as the parliamentary traditions of this institution are concerned. As I said earlier, it may be expeditious for the government to proceed this way, but it is not proper. It may be shrewd from a parliamentary point of view, but there is a fundamental principle involved here and we say this practice should not continue. As a matter of fact, we strongly urge the government to discontinue the practice in the name of preserving the supremacy of this institution.

Yesterday, during the debate on the point of order raised by the hon. member for Grenville-Carleton (Mr. Baker), many items were singled out which we in the opposition consider to be clearly questionable. In our view, these items constitute an abuse of the use of $1 votes. I shall not recite once again the many items to which we take objection. I think the hon. member for Grenville-Carleton and, indeed, the hon. member for Winnipeg North Centre (Mr. Knowles), clearly outlined many of the areas about which we have serious reservations.

We hope the ruling of the Chair will uphold the previous ruling made by Mr. Speaker Lamoureux. He considered the abuse of amending legislation through $1 votes totally contrary to the privileges and traditions of this House. There are 52 $1 items in supplementary estimates D, but in reality we are being asked to approve a practice which $1 votes would authorize in 65 cases. Some are acceptable, some are not. Some, in our view, clearly constitute a subversion of parliamentary authority.

● (1520)

We feel very strongly that amendments to legislation should be dealt with in a proper manner, namely, by the introduction of a bill whereby they can properly be debated and considered by parliament, and not by such slick, devious methods as the employment of the $1 item. The expenditure of moneys, notwithstanding certain provisions of an enabling piece of legislation, is contrary to everything for which parliament stands. It should be considered in a manner other than that in which we approve estimates under existing rules. We will soon have another set of items in the supplementary estimates which will be classified as "notwithstanding" items.

Dollar Items

In the area of amendments to non-money legislation or regulations there are as many as 12 instances where supplementary estimates D use $1 votes in this manner. These $1 items are used to fill three main purposes: first, to change the legal status of a government entity; second, to exempt a government entity from the application of a law; and, third, to amend legislation without recourse to a bill. Each of these seeks to circumvent parliament. All these changes should be accomplished through amendments to appropriate legislation or regulations. Through the use of a $1 vote in place of a bill, this government is able to avoid Commons debate on a particular change. Because of current procedures which govern us in dealing with estimates, there may be no opportunity—or, at best, one opportunity in committee—to vote down a particular $1 vote. Thus, the government is able to remove at least two opportunities for members to vote on a change and it removes the opportunity to state reservations, objections and suggest amendments on the floor of the House. This is tantamount to administration by edict.

An hon. Member: Hear, hear!

Mr. Mazankowski: Turning to Crown corporations, we take very grave objection to the establishment of a Crown corporation under the use of the $1 item, as in the case of Via Rail Canada. Our concern is not with the substance, but with the method. While we may have some reservations about the principle of the establishment of Via Rail Canada, that is not what is in issue at this time. It is the method which the government has employed to bring about the establishment of Via Rail Canada. It authorizes the expenditures of up to $240 million under the provisions of vote 52d, which can be found at page 120 of supplementary estimates D. This, in our view, is a major transportation policy decision and should be considered in this House in the form of a bill, rather than by back-door coercion. This action constitutes a clear contempt of parliament which has to be of the most blatant degree. One might even question the politics of the establishment of Via Rail Canada at this time, since the CTC is still in the process of studying the rail passenger service in this country and has not yet brought down its recommendation.

An hon. Member: It is a clear fraud.

Mr. Mazankowski: When we consider the powers which are going to be delegated to the minister under the provisions of the new transportation bill, that constitutes ministerial overkill in the most unorthodox proportions. We see the minister taking advantage of the powers which have yet to be passed on to him through the very questionable use of the $1 vote in establishing a Crown corporation of this magnitude. Simply by the stroke of a pen, under vote 52d Via Rail Canada will be deemed to be a railway company incorporated pursuant to section 11 of the Railway Act.

This is not the first time this has occurred. The House will recall last year when the former president of Treasury Board, now the Minister of Industry, Trade and Commerce (Mr. Chrétien) established Loto Canada through supplementary

estimates. On that occasion, sir, you found that the practice was procedurally acceptable. As far as we are concerned, to be procedurally acceptable, and to be proper and morally correct, are two different things. It is very interesting to note that in your decision, as reported at page 14795 of *Hansard* of June 22, you stated:

—it would have been preferable for such a matter as this, which involves not only money but a question of principle, to have been brought before the House in the form of a bill in order to allow hon. members to address themselves at one and the same time to the question of whether or not money should be voted to set up a lottery, and, further, to whether or not in principle the federal government should be involved in a scheme of this sort at the present time.

This is the salient point:

Nevertheless, what I have to decide is not whether it is a desirable course, but whether it is a legal course in terms of our procedures.

You, sir, have recognized the impropriety, perhaps not the illegality, of proceeding in that direction. The creation of Crown corporations by a $1 vote is exceptionally dangerous. We already have a proliferation of Crown corporations in this country. When we couple that with the ability to convert Crown corporation debts into equity, the present administration has obtained the power to create a corporation, grant it a loan and then write off the loan by converting it into equity, all without any legislation and without the matter ever coming before this House. Power of this extent is not only a licence for abuse: it is, indeed, an enticement to abuse.

Mr. Baker (Grenville-Carleton): Hear, hear!

Mr. Mazankowski: Is it any wonder that we are now in the process of reviewing very thoroughly the operations of Crown corporations? Some of them are, indeed, undergoing a penetrating examination. The Auditor General has stated that the control and managerial practices of some Crown corporations are weak and in many cases inadequate. The whole question of accountability comes to light. Is it any wonder, when we consider the attitude of this government in terms of its accountability to parliament? Is it any wonder that we have Crown corporations behaving in a less than acceptable fashion? What they are doing is following the standard that has been established by this government. How can we expect AECL, or Polysar, to behave any differently from the government of Canada?

I could go on and cite other areas of concern—the question of loans, loan authority, guarantees, and the treatment that is provided to Eldorado Nuclear, something tantamount to a blank cheque. There are many questions which come to light in connection with that particular vote, and my colleagues will be dealing with that. There is the question of write-offs and debt deletions, the question and the principle of employing $1 item to write off the massive debt of the St. Lawrence Seaway. We witness the creative use of the $1 vote. The government has, in effect, written off a $625 million debt by deeming, with the wave of an accountant's wand, the debt to be equity. The danger is that by allowing this kind of conversion it is conceivable that any government entity owing money to the consolidated revenue fund could arrange to have its debts cancelled in this same way.

At the outset I said that the estimates were misleading and in some cases constituted misrepresentation. When we look at the estimates, it is stated that the amount requested is $929,675,111. This does not reflect the potential cost to Canada of all items included in supplementary estimates D. When one considers all contingent liabilities which could be established under these estimates, clearly the total commitment will exceed $2 billion. For example, I think of contingent liabilities established in votes to do with the Eldorado Nuclear, to do with Industry, Trade and Commerce vote 1d, of subparagraphs (b) and (c) of the export development guarantee, and of the item governing Via Rail Canada.

● (1530)

We are concerned about this government's practices and the continuing erosion of parliamentary authority in voting funds for government expenditures. The increasing practice of avoiding parliamentary approval through misuse and abuse of the estimates has raised deep concern about parliament's ability to carry out its traditional function and remain an effective guardian of the public interest and controller of the public purse. As I said earlier, at this time in our history when public cynicism and mistrust for our institutions is growing, this government's actions in running roughshod over the principles of representative democracy shock most Canadians.

Unless there is an honest and open demonstration that parliament has the capacity to control and properly account for government spending, the cynicism will not decrease—it will grow. If the cynicism grows, it will foster unrest and discontent in this country, with devastating effects on our nation.

Mr. Munro (Esquimalt-Saanich): It is already doing this.

Mr. Mazankowski: As my colleague says, it is already happening. Mr. Speaker, the institution of parliament and of government will no longer be able to command respect and attention in leading the fight for national unity and social and economic stability. Parliament should be the focal point of national unity.

Some hon. Members: Hear, hear!

Mr. Mazankowski: Parliament should be the major device for controlling the public purse. It should be the key to the preservation of individual freedom and our democratic process. The systematic undermining of the roles, responsibilities and duties of parliament will ensure that the institution cannot perform those tasks so vital to our future. That is why we condemn the government and its actions with all our vigour. We condemn it for its deliberate misuse of the practices, prerogatives and traditions of this institution.

Hon. Mitchell Sharp (Eglinton): Mr. Speaker, yesterday the hon. member for Grenville-Carleton (Mr. Baker) rose on a point of order to protest the inclusion of $1 items in the estimates. As a former leader of the government, I understood this very well. I have had serious misgivings about the use of those items and was not at all surprised that again, on this

occasion, the leader of the House for the Official Opposition raised the question. The point, Your Honour will recall, was debated in the House for some 2½ hours. A great many members took part in the debate.

Mr. Knowles (Winnipeg North Centre): No, it was debated 1½ hours.

Mr. Sharp: It was debated 1½ hours, I am sorry.

Mr. Knowles (Winnipeg North Centre): From 3.15 p.m. to 4.45 p.m.

Mr. Sharp: There was a long, detailed discussion on the point; some new points were raised, and some repeated which had been raised previously. I would have thought that for the opposition, having raised this question as a point of order yesterday, would be enough. As it is, we are in a peculiar position today. At the conclusion of yesterday's discussion on the point of order, Mr. Speaker reserved his judgment until today. Hon. members will recall that a few minutes ago Mr. Speaker said that he had not quite concluded writing his opinion and that it would be transmitted to the House perhaps this afternoon. Now, as a result of the action of the Official Opposition, we are discussing again the matter raised yesterday. I question the wisdom of doing this. Mr. Speaker made it clear that he considers the matter to be of some importance and intends to give his opinion, to which we look forward, if not with bated breath at least with interest, for this question has concerned us all for many years.

Today we are debating a motion on the same subject and I suggest that the opposition is not being fair to the House or to the Chair in raising the question again today. Certainly, it puts the Speaker in a peculiar position.

An hon. Member: Mr. Speaker doesn't think so.

Mr. Sharp: I am expressing an opinion. I am not saying Mr. Speaker considers that he is in that position; I am saying that we have put him in a peculiar position. He is to give an opinion on the propriety of $1 items in the estimates on the very day when the House is to be asked to vote on a motion the outcome of which might be inconsistent, if not contrary, to the view put forward by Mr. Speaker. This, I think, should have been avoided, and I seriously fault the opposition for having raised the question in this form while Mr. Speaker was in the midst of deciding on the propriety of including $1 items in the estimates.

The second question one must ask is perhaps even more serious: Why would the opposition choose, on one of its six days when it can ask the House to express an opinion, to debate $1 items in the estimates? When I think of the debates of this session and the questions the opposition claims it has not had any opportunity to debate, I ask myself "Why have they decided to select a question of form, not substance, essentially a question of what should be in the estimates, as the subject for the motion before the House at this time?"

Mr. Mazankowski: Because it is fundamental.

An hon. Member: Because of the state of the economy.

Mr. Sharp: Exactly: as the hon. gentleman opposite just said, because of the state of the economy. I would think that might have been a better subject for debate in the House, and I think all members, whether on the opposition or the government side, would have welcomed the opportunity to talk about the state of the economy.

Mr. Mazankowski: We did that on Thursday.

Mr. Sharp: There is a great deal of information available. There is no denial of information; hon. members have full access to it. Press reports are available, and Statistics Canada material is available. There is a great deal of material for debating some of the leading issues of the day. But what does the opposition decide to debate? It decides to debate $1 items in the estimates. I say to my friends opposite that the people in my constituency will not understand. They will want to know why the opposition did not raise matters that are on their minds, questions such as unemployment and national unity.

Mr. Mazankowski: They should know how the government absconds with their funds.

Mr. Sharp: The opposition has been clamouring for the opportunity to discuss these important issues and when they get the opportunity, what motion do they put down? They put down a motion which is superfluous and unnecessary, because they raised the question yesterday on a point of order. I know that the people in my constituency consider such a question as being rather esoteric, a question of form. I suggest that the opposition, in selecting this subject for debate today, have wasted the time of this House, time which might be used to discuss questions of national importance and concern for the whole country. There could be debate about the propriety of $1 items: I have initiated such debates. But they do not go to the heart of the matters which concern the people of this country.

• (1540)

An hon. Member: We want to know where the money is going.

The Acting Speaker (Mr. Ethier): Order. The House listened courteously to the previous speaker, and I suggest we should extend the same courtesy to the hon. member for Eglinton (Mr. Sharp).

Mr. Sharp: The other day my former colleague, the President of the Privy Council (Mr. MacEachen) referred in his speech to the malaise which pervades the House. As a backbencher now, I observe our proceedings with more objectivity, perhaps, than when I was sitting on the treasury benches, and I must say I find myself in agreement with the view of a great many people that our proceedings are too much concerned with trivialities. We have failed this session to come to grips with the great issues. We have spent far too much time on matters of secondary importance. Unless we get back to

subjects which are of serious importance to the people, this institution and all its members will suffer in consequence.

I shall not try to attribute all the blame to the opposition. But when I see a day like this, a day which might have been devoted to subjects which are on the minds of the people, being devoted to the consideration of the propriety of $1 items in the estimates, I find myself questioning the judgment of the opposition.

Some of us heard John Drewery on the news the other evening when he was talking about what was going on in parliament. Perhaps I might read some of the things he said at that time. John Drewery is a senior member of the press gallery and he has reported the proceedings of the House over many years. He is a man who does not engage in extremism, a man of moderation and sound judgment. He said this:

> Politically related events outside Parliament Hill have been stealing the thunder of the Commons during recent months ... René Lévesque has not dropped the other shoe on the future of confederation ... Ministers of the Crown have been breaking tradition by announcing policies to newsmen rather than to parliament. Opposition leader Joe Clark fought and lost a partisan battle to grab a new riding from a colleague in Calgary. The popularity polls have been bouncing up and down. Meanwhile, activities of the MPs have been slipping into irrelevance.
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> The parliamentary dedication to trivia, in the daily question periods, in the sparsely attended debates in the Commons, in committee, has never been more intense. Exercises in political gamesmanship seem to have become more important than producing public insights on the expenditure of tax dollars. Whatever the reason, MPs may find themselves answering questions about what they have done for the country lately when the spotlight returns to the activities of the House of Commons.

In this session, after over 90 sittings, only seven bills have been passed. More than 15 days were consumed by a bill implementing policies announced more than a year earlier. The bills emanating from last year's budget were passed barely in time for this year's. The government and opposition make arrangements for the conduct of business that never seem to work. Only last week, after an agreement was reached to finish the advance payments for crops bill on Friday, suddenly, when the time came, the Official Opposition refused consent to proceed with third reading because some of their members who wanted to speak were not here. Why not? The business was announced Thursday at three o'clock. Why did they leave on Thursday when business in which they claim to be interested was scheduled for Friday? Or if they were not here on Thursday—and one may well ask why they were not—why did their House leader or whip not recall them? This is typical of the total lack of responsibility on the part of the opposition—especially the Official Opposition—toward doing the business which their constituents sent them here to do. They will not plan, they will not organize, they will not discipline themselves, and when they get one of the rare opportunities to put forward a votable motion, rather than daring to deal with a matter of substance, a matter of relevance to the people, they want to talk about $1 items in the estimates. This is a subject which has been debated again and again in the House and with regard to which succeeding Speakers have given many rulings.

Mr. Crouse: We would like to know where you spent the money. That is what we want to find out. These $1 items hide billions.

[Mr. Sharp.]

Mr. Sharp: Perhaps I might go on to deal with the substance of the question, though I hesitate to do so since Mr. Speaker has already been asked to rule on it. We have been over this ground on so many occasions in the past.

One thing should be kept in mind: all estimates, whether for $1 or millions of dollars, are legislative in nature. When enacted in an Appropriation Act, an item in the estimates not only provides the amount of money, but also establishes precise purposes, terms, conditions and methods of spending the money. Under our constitution—we can find this in both the British North America Act, 1867, and in the Standing Orders of the House—such purposes, terms, etc., must be recommended by the Governor General to the House of Commons.

It is not unusual for a modern government to discover in the course of a year that, while it has had enough money voted to it, the terms of the appropriation are too narrow, or more money has been voted for one purpose and not enough for another. There are also financial actions that do not involve much more than paperwork, such as the writing off of debts or losses, the guarantee of loans or the capitalization arrangements of Crown agencies or companies. In order to meet these situations, an Appropriation Act must be amended. This is done through another Appropriation Act. All Appropriation Acts are based on estimates. Estimates must provide some sum of money. If no further expenditure is required, then rather than ask for more money than it needs, the government, for the sake of legal form, attaches the amount of $1.

In the process of legislating the amounts, purposes, terms, etc., of expenditures, it is not unusual for parliament to find that the provisions of an act other than an Appropriation Act conflict with the proposed expenditure. For example, there are many members of both Houses of Parliament who are farmers and who, as such, benefit in a direct financial manner from programs of Canada Agriculture established by items in the estimates. The Senate and House of Commons Act, however, prohibits members of either House from receiving payments from the Crown in right of Canada except their indemnities and allowances. In order to treat farmers who are members as fairly as those who are not, such items always contain verbiage suspending the relevant provisions of the Senate and House of Commons Act. This is, in effect, an amendment to that act. One can find many other similar examples where the verbiage of an item in the estimates avoids a conflict between the objects or terms of the expenditure and the provisions of statute law. This is a logical, legitimate and effective manner of keeping laws in harmony with each other while avoiding the trivialization of parliament. The government must, of course, proceed cautiously with regard to such items and the House must examine them with care. As a former government House leader, I have had the responsibility for seeing that any items with respect to which I had doubts of this character were not brought before the House.

Ample provision is made in the standing orders for the examination of estimates, whether of the $1 variety or not. All items are referred to standing committees where ministers and officials are interviewed about them. Any item or items may,

under the rules, be brought before committee of the whole. Any item may be formally opposed and voted on separately from others. Nevertheless, the business of supply differs from other business in that supply bills are rarely debated and, even on those occasions when they are, under the rules they must be disposed of at a specified time. Therefore, a great deal of forbearance is required with regard to the wording of estimates or the use of $1 items.

This is not to say, however, that the use of $1 items in any way diminishes the control of the House over expenditure or deprives the House of its opportunity to debate the creation of new programs or agencies. One dollar items, like any other items, may be considered in standing committee or in committee of the whole. When standing committees report them, the reported items may be considered by the House. Motions by the opposition may be framed in such a manner as to deal with the subject matter of any item and, ultimately, any item may be voted on separately. The opposition has not taken advantage of any of these devices. They cannot complain of lost opportunities when they do not take the opportunities available to them already. If they want to deal with substance, they can. Indeed, it would not be unfair to suggest that they would serve this country better if they would deal with matters of substance rather than attempt to cloak their absence of ideas and unwillingness to work in righteous indignation about matters of form.

As I said at the beginning of my remarks, I could quite understand the opposition raising a point of order with respect to $1 items. I can understand them pressing their point very hard. That is what they should have done. But to spend a day like today, when they could have raised other issues, having already raised that particular one in an appropriate manner, amounts to no more than wasting the time of the House.

Some hon. Members: Hear, hear!

● (1550)

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I go along with the hon. member for Eglinton (Mr. Sharp) in one respect, but in one respect only. Like him, I was a bit surprised when my hon. friends of the Official Opposition, after raising the point of order about $1 items yesterday, put down the same subject in a motion for debate and vote today. But at that point my going along with the hon. member for Eglinton ends.

I do not agree that this is an unimportant issue, that it is a waste of parliamentary time. Nor do I agree that it puts the Speaker in any kind of awkward position, whether he thinks so or not. In my view, the issue involved in this motion is an issue of decades, perhaps of centuries, namely, the whole question of the relationship between parliament and the executive. Even if some day we get this issue solved and put on a proper basis, I hope we will not forget to talk about it, because it is very important to the functioning of parliament that that relationship be on à proper basis. Therefore, Mr. Speaker, when the vote is called at 9.45 tonight we shall be voting for the motion.

I suppose that what I want to say now will lead to the charge that I am dealing in trivialities; but as one who is concerned about the fine points of parliamentary procedure and also about the fine points of the English language, I wish those in the Conservative party who draft these motions would not forever split their infinitives. But they have done it again today when they use the words "to fully discuss". Surely they could say "to discuss fully". This gives me the opportunity to say that I am delighted that my French speaking friends in the House do not split their infinitives, even if I have to say that it is because they cannot do so. That is why we have it in French in an unsplit infinitive, "discuter à fond". Despite this what some may regard as a triviality, but which I nevertheless think is important, my colleagues and I are going to support this motion.

The hon. member for Eglinton suggested that the Speaker is put in a difficult position of some kind. I deny that completely. What was raised yesterday was a specific point of order which was narrowed down precisely to eight or ten $1 items in the estimates. What the Speaker has to rule on today is whether any of those items are out of order and should not be allowed as items in the supplementary estimates to be voted on tonight. Whatever ruling he makes, there will still be $1 items which may not be illegal or improper but the use of which is an abuse of the relationship between parliament and the executive, and that is what we are talking about today.

I think we have both the right and the duty to keep this issue alive. What we are seeking to do is to maintain the control of parliament over the executive. I say to my hon. friend that even if his constituents in Eglinton and my constituents in Winnipeg North Centre are not waiting for news of this esoteric debate, it is important to them that this parliament be a place where the executive is responsible to parliament. When an executive can short-circuit and short-cut the parliamentary process by the use of $1 items, it is, in effect, downgrading parliament.

This is particularly true, and has been even more serious, since 1968 than prior thereto. I pick that date because it is the date when we made the rule changes which included the process we now follow in the passing of estimates. Prior to that date, a $1 item could be discussed in full on the floor of the House. Now, estimates are shipped off to standing committees

and they come back to the House for a pro forma vote and we have no chance of discussing these items on the floor of the House. That means that when tucked in the estimates is a $1 item which amends a statute or brings in a new policy or agency which we ought to have the right to discuss in ordinary legislation, we not only do not have that right at all, but a form of closure is imposed upon us.

I suggest that all of the things that are said about the abuse which is involved in the use of $1 items will still stand even if the Speaker in his ruling today says that some of the $1 items in the current supplementary estimates have to be cut out of those estimates. However, I am not one to make the same speech day after day, and I certainly do not intend to stand here this afternoon and make the same speech that I made yesterday afternoon. I suppose I could just say to hon. members, or to readers of *Hansard*, that they should look at pages 4159 to 4163 of yesterday's *Hansard* and there they will find my speech. Having said that, I suppose I could now sit down.

Mr. Cafik: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I welcome the applause that greeted my suggestion, but I am sorry to disappoint my hon. friend because I do not intend to sit down just yet. Every time this kind of discussion takes place it inevitably raises questions about parliament itself. I was thinking about this earlier today and thinking about some things I have heard in this place in years gone by, and I said to myself that I would use some of those recollections this afternoon but that I could use them only if the same thing is said again today. Well, I thank my hon. friend for Vegreville (Mr. Mazankowski), and I thank my hon. friend for Eglinton: both said the sort of thing that I have been hearing in all the years that I have been in this parliament.

This leads me to what I now want to say. In the course of his remarks, the hon. member for Vegreville used words something like this, that if we continue to follow the line of the present government, the institution of parliament will no longer be able to command the respect of the country. Then the hon. member for Eglinton, who did not seem to realize that he had 30 minutes to speak or did not have enough to say to fill up his 30 minutes, fell back on what the President of the Privy Council (Mr. MacEachen) said last Friday, namely, that there was a malaise, that members are bored, that this institution has lost its relevance. The hon. member for Eglinton then went on to quote what he heard John Drewery say on television the other night about parliament, that it deals in trivial things, that it is losing its importance and its relevance, and that its job is going to be taken away.

Mr. Crouse: You are quoting pretty weak authority.

● (1600)

Mr. Knowles (Winnipeg North Centre): What comes to my mind is that this sort of thing has been said for decades. In fact, it has been said for centuries. I tried to find a few quotations this morning, but I did not have time to find the ones I really wanted. However, I do know there have been statements in former centuries about the British parliament, that it was a place of all talk, of people who did not know what they were talking about, and that its usefulness to the country was just about nil. There are some choice quotations in Pepys diary about having gone into the House of Commons and wondering how in the world it could possibly survive. Gladstone, in his first speech as prime minister, cast some doubt on whether parliament could continue to exist. I did find this. In the year 1942, the year I first came here, a respected person, then the minister of finance, Hon. James L. Ilsley said this:

> In my judgment parliament is more and more on trial at the bar of public opinion. There is something wrong with this House of Commons. I am not reflecting on the House, and I do not know what is the cause. But there is something wrong with it.

On February 9, 1943, Mr. Brooke Claxton, who was still a private member representing the then constituency of St. Lawrence-St. George, made a speech. I remember it very well. He said he was going to do something unusual, that he was going to talk about ourselves. He quoted the complaints that are made all over the lot about how parliament is not relevant, how parliament is not doing its job. He joined in some of the complaints. He said, as reported at page 292 of *Hansard* for February 9, 1943, that too much was being done by order in council. That is not a new idea at all. Mr. Brooke Claxton, who was concerned about parliament, and who cited the things people were saying about it, came out with this paragraph that I read back to the hon. member for Eglinton and to the President of the Privy Council in response to what he said last Friday, and to John Drewery. As reported at page 291 of *Hansard* for February 9, 1943, Brooke Claxton, who sat in the back row over there and made the speech while I sat in the back row over here and heard it, said this:

> I would suggest—and here I think all hon. members will agree with me—that there is no more certain way of weakening parliament than to sneer at it and its workings. We can all try to improve it, but there is no point whatever in just saying, What is the good of it?

I say to the President of the Privy Council, to the hon. member for Eglinton, to the John Drewerys and all the rest of the media who try to downgrade this place, that from Pepys of centuries gone by, to others of note, the downgrading of parliament has not worked. The British parliament is still there doing its job for the people of that land, and the Canadian parliament is still here doing a job for the people of this country.

With the exception of one member of this House, the right hon. member for Prince Albert (Mr. Diefenbaker), I have seen more of it than anyone else who is here. I have lived through its frustrations, and we on the opposition side face a good many frustrations. I have seen its ups and downs, its good

moments and bad moments. I have experienced all of its moods. However, to me it is still the kind of institution that serves a country like Canada well.

I do not like it when members of the House stand up and try to say it is not relevant, that there is a malaise and that things are going to the dogs. That is not true. We have one of the best institutions we could have for the governing of a country. I admit that things are not bright, happy and glorious every day. There are days when nothing seems to get done, days when there seems to be a lot of talk and no action. If you get quite a few of such days, persons like the hon. member for Eglinton and John Drewery have a basis for saying that kind of thing, that it is irrelevant.

I want to say quite freely, as a member of the opposition, as one who does his share of talking here, that we have to consider continuously the place of debate on the floor of the House of Commons, the length of speeches, the times we spend on different subjects, and so on. I still contend that much more has to be dealt with in parliament today than was the case 109 years ago or even 34 or 35 years ago when I came here, and we have to modify our rules. But I do not think you solve anything by shortening speeches or arbitrarily, through government fiat, bringing in closure. You solve the problem by somehow coming together and making conscious decisions to debate on the floor of the House serious and important issues and not spending unlimited time on unimportant matters. The responsibility for that is just as much on our side as it is on the other side. Having said that, I want to say as strongly as I can that what is wrong with this parliament, why I think questions are being asked and all these comments are being made, is that the very thing the hon. member for Eglinton said we should be doing is not being made possible; it is not being put before us. The hon. member said we should be discussing important matters, not trivia. He called this motion today a matter that is trivial. I do not agree with him, because it involves the whole relationship between government and parliament.

However, I suggest to him that one of the outstanding questions facing the people of Canada today is unemployment. There are a million Canadians unemployed. Why does the government not bring something before us? There is nothing wrong with this parliament that would not be cured by the presenting to it of good legislation. That is where the trouble lies: we are not getting it.

What is being done about the gross inequalities that subsist among our people? Some of us have expressed the effort to minimize inequality by working very hard in the field of pensions, family allowances, and so on. I am proud of the part that my generation in this place has played in the last three or four decades in winning improvements in pensions, veterans pensions, family allowances and unemployment insurance so that we have a much better distribution of the wealth we produce than used to be the case. With all of that, however, the gap is still there. The poor may have more dollars, more goods and services than the poor had a generation or two ago, but the gap between them and those at the top is still very wide.

Dollar Items

The Leader of the Opposition (Mr. Clark), the hon. member for Grenville-Carleton (Mr. Baker) and I asked questions today of the Prime Minister (Mr. Trudeau) about the proposed salaries for top civil servants of up to $70,800 a year. We got back a laugh. And the hon. member for Eglinton wonders why there are questions about parliament! The issue of economic inequality, salaries, wages, pensions and all the rest is just as important a question today as it was when we were adopting the Old Age Security Act, the Family Allowances Act and unemployment insurance, and improving veterans pensions. A great gap in incomes is just a joke to the millionaires in the cabinet. It is really a tragedy that the Prime Minister is so insensitive to the basic needs of the people of this country.

I add to unemployment as a serious problem, and the economic inequalities that we face, the terrible question of regional inequalities in this country. It is a scandal that in a country which we want to be united there are such vast differences between our regions—three wealthy provinces, a few middle ones, and those that are terribly poor. Life in some parts of the country is five or six times better economically than in other parts of the country. Give us a government that will bring these things in here, and this parliament, without changing a single rule, will come to life.

● (1610)

Do not tell me parliament is irrelevant. Do not tell me it is dead. Do not tell me there is a malaise, that we are bored. Just bring the legislation before us that this country needs at present, and you will see that the parliamentary institutions which we inherited from Westminster and have built up here since 1867 are good.

I am not against some rule changes; I am not against some improvements. But I have been through too many committees trying to make those changes to think that that is the whole story. What is needed is a government that is relevant. Parliament will be relevant if the government is relevant to the issues that are before us. There is the question of national unity and all that is involved. What has been brought before us? Probably I have not named them all, but I have named the main concerns of Canadians today—unemployment, economic inequality, the suffering of our pensioners who do not have enough, regional inequalities, and the serious problems related to national unity.

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired. He may continue with unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Knowles (Winnipeg North Centre): I am grateful to the House for letting me carry on, but I will not abuse that courtesy. I appreciate the attention that has been given, and I should like to wind up by saying that I think Brooke Claxton was right, back in 1943, when he called on hon. members not to weaken parliament by sneering at it and its workings. I call

on hon. members not to indulge in that sort of thing, and I also call on the media to cease its attempt to make this place a failure.

I repeat what I said a moment ago because I think it is the main thing I want to say. Parliament is not a failure; parliament is not irrelevant to the needs of Canada. What is wrong here is that the government is not sensitive to what we need; the government is not bringing in legislation to deal with the problems that face this country. If the government comes to its senses and brings in that kind of legislation, we will find that parliament is as great an institution as it has always been and as, I believe, it always will be.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I would like to say, first of all, that I was surprised, quite frankly, by the opening remarks of the hon. member for Eglinton (Mr. Sharp) because, first, I believe that he has a feel for this place and that his true feelings for this place were not those which he expressed in his opening remarks; and, second, that a person who has had his years of experience in the government, his seniority in the public service, a person who unfortunately has never seen the other side of the coin from the point of view of the operations of the House of Commons—and it is his good fortune that he has always managed to sit on the government side—and a person who has dealt with estimates, should take the view that the matter of $1 items, whether as a point of order, as it was dealt with yesterday, to decide whether or not the matter can be allowed to stand within a bill because of the standing orders of the House or as a matter of principle is not substantive and does not go to the root of our parliamentary system.

I have not been here for a long time and I do not claim to have the parliamentary experience of the hon. member for Winnipeg North Centre (Mr. Knowles) or the hon. member for Eglinton, but all this motion says is that regardless of Mr. Speaker's ruling today, or whenever it should come, this practice of $1 items in principle is a tainted practice which should not be pursued by any government, even this government which is in itself a tainted government, except in an emergency when there is no other way in which this matter could be brought forward, and then only if it falls within the standing orders.

The fact is that for the former president of the privy council, former minister of finance and former deputy minister of industry, trade and commerce—

Mr. Sharp: And former minister of industry, trade and commerce.

Mr. Baker (Grenville-Carleton): —and, as the hon. member says, former minister of industry, trade and commerce, to say that this is not a matter of substance for us to discuss is—I think that upon reflection he will agree—one of the most unwise remarks that he has ever made in an otherwise distinguished career. I regret that he said it. For the hon. member to say that the hon. member for Vegreville (Mr. Mazankowski), as sponsor of the motion, and I, as opposition House leader and seconder of the motion, are embarrassing Mr. Speaker with this matter is quite beyond my comprehension.

[Mr. Knowles (Winnipeg North Centre).]

I do not want this debate to become too partisan—I really do not—but if any group has embarrassed Mr. Speaker and has embarassed parliament as well as the traditions of this place, it is this government in doing what it did in terms of $1 items, because they did it in face of the precedents of 1971 and 1973 at which time it was clearly stated that this practice is at least questionable and that in those circumstances it should not have been adopted.

This debate is far from superfluous. The hon. member for Winnipeg North Centre paid an eloquent tribute to parliament which should have come from the mouth of the former government House leader—but it did not. He chose in this debate to join the ranks of those who for short-term partisan purposes would denigrate parliament. There is not one of us who believes his job is irrelevant, whether he backs the government or whether he sits in the opposition. The great question is: Where is parliament going? As I said, I have not been here as long as the hon. member for Eglington, but a long time ago I used to sit daily in the gallery as a student and watch the late Brooke Claxton, Jimmy Gardiner, C. D. Howe, Douglas Abbott and other members of the government come into the House and make themselves available to answer questions with respect to their estimates—which, after all, are the charts of government expenditures and programs—from ordinary members of parliament, not just members of the opposition.

Do we have an opportunity to do that now in this parliament? Does anyone honestly believe that in terms of the estimates, despite the blandishments set forth by the hon. member for Eglington, the former government House leader, the average backbencher or frontbencher who is not a member of the executive has an opportunity to examine estimates? Is that honestly believed? Of course not.

● (1620)

Does our committee system work, in terms of estimates? There have been chronicles written about it and many have spoken about it—and the answer is "no". That is a fact. Nobody denies the usefulness of our committees in terms of legislative items. The system has worked well, but anyone who has looked at this parliament objectively and who has written about it, and even those who have not looked at it objectively and have written and spoken about it, has said that in terms of the examination of estimates—the only thing by which we know what a government intends to do, how it intends to do it, why it intends to do it, how much it is going to cost, and what the effect of it will be—the use of the present standing committee system, coupled with the automatic end to the consideration of estimates, has effectively removed from backbenchers and frontbenchers who are not members of the government the right to know. That is a parliamentary fact which is unassailable and, equally, regrettable.

That process which has continued through successive rule changes in this House is not set aside, changed, watered-down or made less relevant because a government decides, in addi-

tion to the position which it holds under our standing orders, to go the second mile in deceiving parliament, withholding information from parliament and withholding the opportunity to debate by using $1 items. That has not helped, and if that is not substantive, then in terms of this institution I wonder what is.

If there is a danger of parliament not surviving, it is because of what has happened over the course of the last short while. If parliament has become a difficult place for hon. members—and it has certainly changed; it is certainly not what it was before for the private member who represents at least 125,000 constituents or so—then I cannot help but say that the reason for that is we have lost the right to question, we have lost the right to examine, and we have lost what was fundamental, to a large extent, in our parliament prior to the rule changes in 1968. In other words, because of the propensity of governments wanting to legislate, parliament has become a legislative grist-mill.

I would be the last to say that governments ought not to be strong in a parliamentary system, but I hope the President of the Privy Council (Mr. MacEachen) will join me in being among the first to say that to counterbalance the weight of the executive on the parliamentary system as we are now established, there should be returned to parliament the right to make the examinations of which I have spoken. If I believed that $1 items could help, then I really ought not to be here because, in fact, $1 items further erode the process.

We have been given three secretaries each, we have research assistants, we have research offices and a host of things. Most of us are well attuned to the parliamentary system. All of us have attributes, but the question we must ask ourselves since 1968 or 1969 is, have we been better able, under our rules, to discharge our responsibilities and to counterbalance the executive? We do not want to overthrow the executive or undermine it; we do not want to stonewall the executive: but we want to deal with it in a responsible, parliamentary way. For all the facilities we have, we are not able to do so. For all the relative richness of our offices, the rights which are important to all of us who do not sit on the treasury benches but happen to sit on both sides of the House are diminished.

I think I understand the duty of a government in a parliamentary system. No rule change can be made to work if it is not recognized that the government should have sufficient authority to proceed with its program. I have never suggested otherwise. I believe the initial mistake in our parliament was made when all parties assumed that the legislative program was so important that all other business, especically the consideration of supply, should be relegated to committees.

When that happened, this parliament changed. The balance went in favour of the executive rather than in favour of parliament. The principal concern of my party—and this motion is part of it—is the fact that the House has lost control over supply. We have to give more significance to that problem in any rule changes we may deal with, and I think we also have to give more significance to the participation of private members in the House and in committee proceedings. I think it has become evident to all of us as we go along just how important is a freedom of information bill which would allow, by its terms, the knowledge which permits effective debate in this House. We should not pit, in parliamentary terms, a large bureaucracy against a small one.

We should have complete examination of the problems which affect us from day to day in terms of the knowledge which members of parliament should have available to them. We should not deal with these matters through instinctive reactions. Our reactions should be as a result of some knowledge. As the hon. member for Eglinton (Mr. Sharp) knows, I proposed to the committee that aside from the examination of supply perhaps it would be a good thing for us to consider bringing back certain departments—I have suggested six on some occasions, and the hon. member for Winnipeg North Centre (Mr. Knowles) has expressed a view like this—into the House to test the necessity of examining and our ability to examine, in an unlimited way, certain government departments.

We ought to establish—and this was my proposal to the standing committee of which the hon. member for Eglinton is the chairman—an over-all expenditure committee which can deal with the programs, the policies and the expenditures of the government in an on-going way so that in the course of a four-year parliament each of the major departments of the government could be examined in depth. Under our present system that cannot happen unless the government wills it so. I think parliament should be able to will it so.

I think the attitudes expressed by the hon. member for Eglinton were surprising. I was surprised, especially, when he said we have never taken an opportunity to debate important things. As the hon. member knows, we have asked to have set aside an occasion to debate matters involving external affairs. We have asked for time to debate economic matters. There have been discussions about white papers, and on a pre-budget basis we have wanted to discuss economic questions. The answer we always receive is that we should use an opposition day. My respectful submission to the hon. member for Eglinton is that it is not just the responsibility of the opposition to deal with these matters: the choices of days available to the opposition are limited indeed.

● (1630)

There is an important principle at stake. That is the principle that parliament is the place to discuss and to debate important issues. The use of opposition days by opposition parties indicates that to the extent we can we have used them to discuss what we regard as important matters. The fact that the government has not set aside time is an indication that they look upon this place as a legislative mill rather than a forum for discussion. Parliament is certainly not the richer for that approach.

One of the things that the government complains of is long speeches on second reading. What they call unnecessary debate is, to us, a matter deserving discussion. The former government House leader must understand that time limits do

not shorten debate too much—they help; but attitudes shorten debate. Opportunities to debate and discuss questions shorten debate.

What has happened in this parliament is that we have changed the rules one by one, undoing the balance in the parliamentary system and overweighing the system in favour of the legislative mill and in favour of the government. There is the burden of the executive on parliament. If we have allowed this, we have slowly whittled away legitimate weapons which parliament can use to examine the government on its performance, its expenditures and its policies. In the course of that whittling away, frustrations have developed and the only opportunity left now for a backbencher effectively to examine a policy as it may relate to him is in the course of second reading debate. I would like to see that change.

I suggest that this government ought to examine very closely the experience that has occurred in the legislature of the province of Manitoba, and should decide whether or not, in terms of recognizing the necessity of the government, on the one hand, to govern, and the importance of the balancing of that right of government by parliament on the other hand, is met. Not just the opposition but parliament as a whole should be adapted to meet this situation. There are no time limits in the question period in that place and there are no time limits on the speeches. There are no time limits on the examination of the estimates there. Yet that place manages to function, and it functions reasonably.

I have said what our concerns are and why we have brought this motion forward. It does not add to the dignity of a former government House leader to open his speech by attacking the good faith of the opposition in bringing to the attention of parliament its concerns for this place. All members of the government side who are not members of the cabinet must wonder from time to time when they are going to have an opportunity to debate an issue. The system which was operated before in this House, which I saw as a university student sitting in the gallery, did give that opportunity. When the rules were abused, the abusers were condemned. We do not have those opportunities today. It is in that direction that I believe this parliament ought to move. It was for that purpose we condemned, as a matter of principle, the usage of $1 items as part of the degradation of this place.

Mr. Speaker: Order, please. As I indicated earlier, I had hoped to return to the Chair this afternoon in order to attempt to rule on the very interesting point of order raised yesterday by the hon. member for Grenville-Carleton (Mr. Baker) regarding the acceptability of certain items in the supplementary estimates, particularly those $1 items which are the subject matter of today's discussion.

In the discussion that followed, contributions were made by the hon. member for Edmonton West (Mr. Lambert), the hon. member for Vegreville (Mr. Mazankowski), the hon. member for York-Simcoe (Mr. Stevens), the hon. member for Winnipeg North Centre (Mr. Knowles), the hon. member for Peace River (Mr. Baldwin), on the side of the opposition, and by the Parliamentary Secretary to the President of the Privy Council (Mr. Goodale), the Minister of Energy, Mines and Resources (Mr. Gillespie), the Minister of Transport (Mr. Lang), and the Postmaster General (Mr. Blais).

Ten specific items were placed under attack in those discussions. I will have occasion to refer to them later. Concern with the use of the $1 item in supplementary estimates is not a new problem. The very excellent ruling of my predecessor given on March 10, 1971, which was referred to so frequently yesterday, with obvious reason, because of rather clear pronouncements in this regard, begins by making reference to the history of the matter and going back to some arguments that were made many years previously. Since that time there have been three occasions when this matter has been the subject of a point of order—on December 10, 1973; on March 26, 1974; and, finally, on June 22, 1976 with respect to Loto Canada.

Much of the discussion yesterday centred around the $1 item as opposed to the regular, more substantial item. In my opinion, the distinction is unimportant. One of the most interesting precedents relates to Loto Canada, of very recent memory, in which the item was not for $1 but for $5 million, which does not, in my opinion, in any way alter the problem which is central to this argument; that is, whether or not supply items contain legislative content. The central question to this discussion is whether or not the government can obtain, through passage by parliament of a supply item in an appropriation bill, authority which it does not have under existing legislation.

In the arguments that were put forward, as I understood them yesterday, there were two central points: first, changes in legislation ought to be dealt with by legislation and not by supply items. The opportunity to debate, to consider and to discuss the two are totally different. Therefore, where changes to legislation are sought, they ought to be done in the proper way of all stages of a bill. The second point is that appropriation acts have temporary duration, being for the balance of the fiscal year. Therefore, they ought not to be used as a vehicle to finance or authorize on-going programs.

Those who supported the government indicated that what was involved was nothing more than regular and efficient administrative government practice and parliamentary practice. These items have taken on a rather special significance since 1968 because of the changes in procedure in that time. Even on a very cursory reading of the excellent ruling of Mr. Speaker Lamoureux, it elucidates that very clearly. I refer to some of his language, which reads:

> —opportunity is undoubtedly limited and depends very much on the number of allotted supply days which might still be available by virtue of Standing Order 58.

This opportunity is granted for consideration of these items. He continued:

> In other words, under the old rules there was unlimited time to consider supplementary estimates, including items intended to amend statutes. Under the new rules there may be only a limited time to consider supplementary estimates.

The ruling went on to ask if the difference between the two situations was so substantial as to warrant the disallowing of the past practice of including statutory $1 items in the supplementary estimates. He continued:

Should the very limited time allotted by Standing Order 58 be restricted to the consideration of what is strictly supply?

Standing Order 58, despite some changes, is substantially the same Standing Order. Mr. Speaker Lamoureux answered his own question later when he ruled that the items complained of were not properly before the House. He said:

—I must come to the inevitable conclusion that, in view of the situation created by the new rules, these items are not before the House in proper form.

On December 10, 1973, this ruling was upheld when he said:

—I think I have to reaffirm the principle at this time.

On March 26, 1974, he used similar language. Having been guided by those rulings, in June of 1976 I said, in commenting on the Loto Canada item:

—the desirability of this course is open to severe question, and it would certainly be hoped that where a question of principle is involved in an urgent situation, such as that which has given rise to this course and this particular situation, it would be considered an extremely singular situation, and will not be repeated in the future.

● (1640)

The last paragraph of that ruling reads as follows:

However, I do have to find and rule that in fact the legislative authority exists separate and independent from the estimates, and, therefore, what is sought in the estimates, the item before the House, is the money to support that legislative action which exists independent from it. In these circumstances I have to conclude that there is no legal bar to proceeding in that fashion.

On the other hand, Erskine May's eighteenth edition, at page 731, states that there is "no legal restraint on the discretion of the Crown in presenting an estimate" as "an adequate substitute for authorization by a specific bill." May points out simply that the Appropriation Act is not always adapted to defining the conditions, etc., of an expenditure—or is not always "appropriate for expenditure which is meant to continue for a period or indefinitely."

There is evident conflict between those two lines of reasoning, and the attempt to resolve this conflict leads to some consideration of the function of the Chair, which is not to dictate what parliament can or cannot do but, rather, to ensure that what parliament attempts to do is procedurally correct. It raises the additional matter of whether the Chair should act upon its own initiative in procedural questions or whether it should confine itself to the resolution of arguments presented.

This is a very pertinent question, in my opinion, in the present circumstances, because if the former course of action were recommended and were considered prudent it would have the Chair sorting through over 50 supply items of $1 and, indeed, if we are to be consistent with my earlier remarks, through all supply items every time they are presented in an effort to ensure their legislative foundation. I do not think any hon. member sees the Chair as under such a duty, particular since it might very well conflict with certain basic rights of parliament on occasion to alter its regular practice in order to achieve a given objective. I refer specifically to occasions in the past and, I suppose, to occasions in the future, when parliament because of some urgency has wanted to use or may well want to use some similar device or even a $1 item in supply, to do what essentially ought to be done by legislation.

Dollar Items

The point of order raised seeks the adjudication of the Chair in respect of a number of specific items, and I am prepared to see to that. However, I hope hon. members share my distress that our present procedures do not provide the kind of confrontation between the two sides which enables the Chair to make an intelligent decision after weighing prepared arguments on both sides. The nature of yesterday's discussion was very much related to the general concern about the growing use of the $1 item, and while specific references were made it seemed to me that they were made in support of the general argument rather than as attacks seeking to set aside the specific item referred to.

I will deal in a moment with those items, but first I want to stress the desirability—indeed, the necessity, if I am to be asked to set aside such items in future—that the House, first should be aware of my opinion on the general question; second, that we adopt an appropriate procedure for challenging specific items.

On the general question, it is my view that the government receives from parliament the authority to act through the passage of legislation and receives the money to finance such authorized action through the passage by parliament of an appropriation act. A supply item, in my opinion, ought not, therefore, to be used to obtain authority which is the proper subject of legislation. As an illustration of my reasoning on that subject I again refer hon. members to my language in respect of Loto Canada which I quoted some moments ago.

On the matter of a more appropriate procedure for challenging specific items, such procedure must, in my opinion, permit an adequate opposition attack and a properly prepared defence if the Chair is to hope to make an intelligent decision. Obviously, therefore, it cannot be expected that points of order would be raised at the time of tabling or referral of the supplementary estimates. Nor can it be left to the last moment of consideration of the supply bill itself, if the administration of the House is to be expected to produce for consideration by hon. members the actual supply bill before the votes are taken.

It would, therefore, appear to me that some time must be arranged, with some advance notice to ministers, when points of order can be argued. The Chair, of course, is always open to suggestions which may come forward for discussion among hon. members. But I wish to serve notice on the House that if no such suggestions are forthcoming for such arrangement or similar arrangement, it will be my intention to set such arrangements in motion with the co-operation of the House on the next occasion upon which supplementary estimates are tabled. They will be arrangements probably calling for such arguments upon the next to last allotted day in the trimester, upon some notice given to the ministers involved some time on the previous day.

Frankly, in the absence of such procedure I feel compelled to take a somewhat lenient view in respect of the specific items in issue at this time. Of those I propose to set aside only two which in their own language, in my view, admit of the necessity to amend an existing statute. These are paragraph (a), vote 1d, under Industry, Trade and Commerce, and vote 77d, also

under Industry, Trade and Commerce. Paragraph (a) of vote 1d proposes to amend section 5 of the National Design Council Act by providing for the payment of remuneration to the members of the council. Vote 77d is equally unequivocal, in my opinion. It proposes to amend sections 26 and 28 of the Export Development Act by increasing the amounts permitted under those sections.

I confess that there are at least four other items which raise grave doubts in my mind. Those are Post Office vote 1d, Supply and Services vote 27d, Veterans Affairs vote 45d, and Public Works vote 10d. Those four raise grave doubts in my mind, and if the procedures I have suggested were in place at this time I certainly would look forward with some interest to the arguments that no new legislative authority was being sought by the presentation of those items.

The remaining items are less clear, but in any case, in the absence of a procedure which allows adequate confrontation and which would allow at least the hope for the making of an intelligent decision by the Chair, I caution hon. members not to take any of these decisions as a precedent, because I lean heavily on the absence of adequate procedures which can lead to a decision by the Chair which ought not in any way to be taken as a precedent binding in future situations.

I simply hope that by endeavouring to set out a procedure which would put us in the position of being able to listen to arguments directed against and in favour of specific items in estimates in the future, I have set before the House improved procedures for dealing with those arguments and also, at the same time, set before the House a basic principle which I will endeavour to apply in resolving these arguments when they occur.

Mr. John M. Reid (Kenora-Rainy River): Mr. Speaker, I think the decision you have handed down will help hon. members greatly in attempting to determine what is a $1 item and how this dilemma can be resolved. I recall reading the decisions of Mr. Speaker Lamoureux of 1971, reading them again and not being able to find sufficient precision to be able to resolve our difficulties in trying to cope with the form of the estimates. We were concerned about what could be and what could not be included in the estimates. Your Honour's decision will be most helpful. I think the procedure you have outlined will also be helfpul. I know that hon. members, myself included, will be happy to provide Your Honour with ideas as to how appropriate confrontation tactics can be evolved and how these questions can be properly decided.

The House now finds itself in a remarkably absurd position. A decision has now been handed down by Your Honour on the question which was raised yesterday, and this really ought to dispose of the matter. Yet at the same time Her Majety's Loyal Opposition has chosen to take this opportunity to hold a vote on the question of $1 items. I am not going to read the motion, but it does put the House in a rather odd situation of voting for the motion, perhaps voting against Your Honour's decision or voting against the motion and, again, voting against your decision. I think hon. members recognize that in terms of parliamentary procedure this is an important item.

Surely, every members of Her Majesty's Loyal Opposition understood yesterday that Your Honour would be bringing down a decision today, and why they wanted to frame a motion in such a way as to put the House in possibility of being against any decision brought down is totally beyond my capacity to understand.

• (1650)

Some hon. Members: Hear, hear!

Mr. Reid: I want to make it clear, Mr. Speaker, that I take no objection to the right of Her Majesty's Loyal Opposition to bring forward the motion, but I do question their intelligence in bringing it forth at this particular time. The opposition parties get two voting days in a term, and it seems absurd to me, when we listen to the hon. member for Winnipeg North Centre (Mr. Knowles), complaining that we are not debating the issues facing the country today, that the opposition should come up with such as absurd proposition.

Members opposite cannot have it both ways. We understand the concern they feel about the rules, because we share it on this side. We are extraordinarily frustrated. Take a look at what this House of Commons has done since it reassembled. We have passed the grand number of seven pieces of legislation since we came back here in the fall. Look at the progress which has been made with other legislation: we have got hardly any legislation into committee. If one really wants to know what the House of Commons has been doing, all one has to do is examine those motions we have passed under Standing Order 43 in which we have congratulated the winners of the Stanley Cup, congratulated the winners of the skating championships and congratulated Her Majesty on the twenty-fifth anniversary of her reign. But we have not been dealing with the problems which face Canada. It is absurdities like the motion before us now, after a day on which we have taken part in a procedural debate on $1 items, which bring the House of Commons and parliament in general into the rather low repute in which it is now held by the public at large.

The hon. member for Winnipeg North Centre says he disagrees with the priorities set by the government in its program. That is his right. That is why he is on the other side. No government program will ever satisfy members on the other side of the House. Indeed, there is never going to be a government program which will satisfy all the members on this side of the House, either, no matter who forms the government. The fact is that we have limited resources. The fact is that the government must make decisions. The fact is that the government must bring down the program to present to parliament for action. But this parliament is unable to act.

I do not presume to know the reason for this. At one time I could say it was because the Conservatives were riding high in the Gallup poll and it was to their benefit to ensure that no decisions were taken in parliament. And one can argue, looking at what actually happened when the Conservatives were riding high in the poll, that very little did happen in the House of Commons. Now that they are not riding so high one might expect they would improve their performance to show that

they do have some ability. But no: we find they are doing no better when they are down in the poll, either. So one can only assume that no matter whether they are high in the poll or low in the poll, they suffer from basic incompetence.

Some hon. Members: Hear, hear!

Mr. Reid: I have gone back over the ground to look at how Her Majesty's opposition have used supply days to present their alternative policies, their program to the House of Commons and to the country, to see how they choose to use their time. The hon. member for Edmonton West (Mr. Lambert) castigated me last Monday for being a supporter of the "parliamentary sausage machine" approach. I have never made such a statement and I do not believe it. I have always argued that we should organize our time so as to be able to debate things of importance. One of the frustrations I have always felt has arisen because of the lack of courage of the opposition when it come to debating the issues of the day, since they control the only free time in the House of Commons through supply days; and they have plenty of supply days, far more free days than the government has, with its legislative program, to get through.

Let us look at some of their motions. There was one by the hon. member for York-Simcoe (Mr. Stevens) in which he moved:

That the House urge the government to discontinue its propensity to act in secret and without respecting the generality of the foregoing condemns its failure to provide for an open, public discussion of future Canadian trade policy and to report to the Canadian people on its policy and progress respecting GATT negotiations.

Then there was another. The hon. member for Rocky Mountain (Mr. Clark) moved:

That this House vigorously protest the manner in which it has been deprived of a genuine role in the discussion of estimates, fiscal and monetary policy, objects to the secrecy of economic studies and projections—

An hon. Member: You could not appreciate how important that is.

Mr. Reid: Mr. Speaker, when one looks at what Her Majesty's Official Opposition has been doing, one must ask: Have they been dealing with matters of substance? Not on your life! They have preferred to deal with matters of procedure. They would prefer not to deal with matters of substance. They would prefer not to deal with the problems facing this country. Let us be fair while we are saying these things. I exempt the NDP from that remark because they at least have the courage of their convictions and are prepared to debate their policies and put forward alternatives. But that does not apply to the official opposition.

Some hon. Members: Hear, hear!

Mr. Lambert (Edmonton West): Utter bilge.

Mr. Reid: Mr. Speaker, the House leader for the Conservative party talked a great deal about how parliament ought to operate. I dare say that if the day should ever come—and I hope it will not—when he is the government House leader, he will make precisely the same kind of speeches that House leaders make from this side, mainly because the government does have the duty to put forward a legislative program.

I want to urge the House leader for the Conservative party to consider the operations of the legislature in Ontario. It is inconvenient for him because they do not sit as much as we do; they sit much less than we do but they pass twice as many pieces of legislation. I do not hear the Liberal or the NDP opposition there complaining about being gagged or about not being able to make their points, or complaining that the government will not allow them to speak. They have learned to live and to adapt. That is something which this House of Commons has not learned.

The House leader for the opposition was eloquent on the matter of the status of the Manitoba legislature. He does not seem to realize how things work in the west. I suppose that is not unusual, considering he is a good eastern Ontario lad. Salaries are limited. Members out there must make a living. They sit in the legislature on a part-time basis. For the same reason, sessions are very limited. The amount of legislation which is presented is limited. All these factors make discipline imperative.

But what do we see in the House of Commons? We have members who are paid full-time so they are here all the time, they do not have the discipline imposed on them of having to earn outside incomes. The sessions here are not limited; we sit for 180 days. We sit too long and we have an average legislative load of about 80 bills per year. We are not going to make it this session because we have not been able to perform. Maybe the hon. member is correct; perhaps we ought to go to the Manitoba system. Maybe we ought to slash the salaries of members of parliament and go back to the old system. If members had to earn their living outside, they would certainly pay a great deal of attention to the business which had to be done and would not waste time in the way time is wasted today both in the House and in committees.

• (1700)

I just want to raise one further point, Mr. Speaker. It has been said by almost every speaker that the House of Commons is under attack. I believe that institutions have to adapt to what is going on in the real world or they will be cast aside, left behind, and deservedly so. I feel that at the present time the House of Commons, with the kind of attitudes we have and the kind of approach that parties are taking, is an institution which is not capable of serving the Canadian people in the 1970s.

Since November 15 we have had a new situation in Canada; we have not had a debate in the House of Commons. The opposition parties have not been prepared to use one of their supply days; they have preferred to avoid the issue. I do not know why they have preferred to avoid it, but when some happening of that considerable magnitude does take place, one would expect there to be a debate in the House of Commons. We have not had that debate. The government says it cannot

give the time because its legislative program is so far in arrears that it would never catch up.

Anyone who looks at the legislative programs of the past in terms of bills will find that the normal mixture has been placed before the House this session. The opposition parties have between them some 25 supply days. They have not had the courage to grasp this particular nettle. We could talk about the question of Uganda. We could talk about regional disparity. We could talk about almost any question that members wish to talk about. But during those 25 days we have not had any example forthcoming from the opposition. I would be the last to say that opposition members should debate questions of substance. Obviously, they are more at home with questions of procedure. Obviously, they are at home when they do not have to deal with issues as perceived by the Canadian people.

What that means, Mr. Speaker, is that the House of Commons is not focusing on the debates in this country. What it means is that we, as members of parliament, are writing ourselves out of national debates, that this chamber and this parliament is not participating as it ought. To me, Mr. Speaker, that is the greatest offence with which one can charge the House of Commons. We are the politicians. We are elected to participate in public debates. Yet because of the way we have lacked the courage to face up to our outmoded procedures we cannot find the time in this chamber to participate in public debates.

I have great sympathy for the proposition that has been put forward by Her Majesty's opposition in terms of $1 items. I feel that the time was not ripe for this particular debate, anticipating as it does the Speaker's ruling when it was well known to all hon. members that the ruling would come down today. It has put the House in a terribly embarrassing position, whether or not one is in support of the issue or opposed to it. It was, in short, a stupid motion.

I want to urge Her Majesty's opposition to do a great deal to bring about a better House of Commons. I do not want to personally blame the Leader of the Opposition or his House leader, but I have come to the conclusion that one of the reasons that this House of Commons is so weak is that, by and large, the parties in it are so weak. They do not have that much internal cohesion; they have little or no cohesion on issues.

I think if one is to be honest and face up to the reality that is facing the House leaders on the other side, they probably have more knife scars in their backs than any other members with the exception of the leaders of the their respective parties. I have considerable sympathy for them as they try to manoeuvre to cope in some way with the divided groups that they happen to lead. At the same time, because they are unable to impose any discipline upon themselves, I feel it is becoming necessary for the government to introduce measures which are going to provide for this necessity for discipline. I have come reluctantly to this position. It does not jell with what I have said in the past, but I invite the government to bring forth measures which will impose some form of discipline on this institution lest we wash it away with our own inability to control ourselves.

Mr. David MacDonald (Egmont): Mr. Speaker, we have been treated to a most unusual performance on the part of government spokesmen this afternoon. One of the most interesting facets of this particular performance is that it seems to be a recycling of an old song-and-dance team. It passes my understanding why the government should feel it is in their interest to recycle the former House leader and the former parliamentary secretary to the House leader. One can only conclude that all the government ministers, including the present parliamentary secretaries, are so embarrassed by their own government's performance that they are unwilling to stand up and defend what has to be one of the shoddiest performances that we have witnessed in many a year, and that is saying something in view of the government that sits before us today.

When the hon. member for Kenora-Rainy River (Mr. Reid) said at the outset of his remarks a few moments ago that the House is in a remarkably absurd position, the only thing that is really absurd is the performance of this government. If there was any necessity to make this point, I think the point was well and truly made by the Speaker a few moments ago when he made his ruling on the practice that we are currently debating this afternoon.

I thought, if I may say so, it was almost childish—I am sorry the hon. member for Eglinton (Mr. Sharp) is not here—that he should open his remarks by saying such things as that he had serious misgivings about raising this matter again this afternoon. He thought that surely an hour or two yesterday afternoon would be enough to dispense with the matter and that we could await the Speaker's ruling. I suppose the hon. member for Kenora-Rainy River really had no better song to sing than that of his former mentor and was forced to pursue the same line of reasoning, which has to be one of the weakest in the books.

I do not know whether the hon. member for Kenora-Rainy River heard the Speaker a few moments ago clearly distinguish between what parliament should be doing and the procedure under which it should do it. I heard no recognition at all in the comments of the former government House leader, the hon. member for Eglinton, or those of his former parliamentary secretary, with respect to distinguishing proper procedures and responsibilities. That is what this debate is all about.

I noticed that the hon. member for Kenora-Rainy River neglected to read the motion, though I presume that at some time during this debate or later he will do so. The motion clearly states that it is the substantive approach by government with respect to these $1 items that is very much the preoccupation of this debate. I should like to read the motion again. The hon. member is still in the chamber, so perhaps he would listen to it if he has not already read it:

> That in the opinion of this House the government's use of dollar items further diminishes the proper control of the House of Commons over expenditure, and additionally, circumvents the right of the House to fully discuss the creation of new policies, programs and agencies.

It was quite obvious from the remarks of the hon. member for Kenora-Rainy River that he in no way defended the practice of this government of bringing in $1 items, some of major proportion respecting new policies, new programs, shifts in priority. These are items that we have raised in a general way in this debate. It was really a question of government accountability, government performance, government responsibility with respect to the programs it is pursuing under a whole host of $1 items which it has been impossible to discuss in this House prior to today's debate, on which the guillotine will fall at 9.45 p.m. tonight.

It was a sign of weakness, I guess, on the part of the government that it had to put up this recycled team of Eglinton and Kenora-Rainy River. I am not going to comment on their efficiency or effectiveness when they served in this House in their previous posts, but if this is the best defence the government has to this monstrous use of $1 items, this absolutely irresponsible approach to the expenditure of public money in this place, the government has no defence whatever.

● (1710)

I do not want to construct here the kind of defence or presentation that the government should have made. However, I would have expected by this time of the day that we might have heard from some of the ministers who are here, such as the Minister of Veterans Affairs (Mr. MacDonald) who has a $1 item on this list, the Minister of Justice (Mr. Basford), or some others. They could have told us that there was such urgency or such an immediate requirement for these funds that they had to come to parliament, and sort of offer a bit of an apology because they knew this was not the best or most acceptable way. After all, we are not dealing here with the main estimates or the first supplementaries, second or third supplementaries, but the very last set that will be included in this fiscal year. I had expected them to say something like, "Look, fellows, we know you will understand. We have a responsibility in our department to provide a particular service or program, or change something we have discovered is no longer adequate. We know you are going to give this kind of approval to pursue this estimate because it is in the public interest." However, we have not had that defence.

In all of these 50 or so $1 items, not a single government spokesman, minister, parliamentary secretary or backbencher has stood up and said anything like that. What has been their argument? It has been the ridiculous one that because of a point of order yesterday, we raised the propriety under our rules of some specific ten items, not all, being pursued in this manner to see whether they were procedurally correct and should be pursued. Today we came in with a substantive approach to the indiscriminate use of $1 items. Therefore, we have this business between the hon. member for Eglinton and the hon. member for Kenora-Rainy River, plus the hour or two yesterday, saying that we should not deal with this kind of frivolous issue and that we should get on to the main issues of the day. I hope that before this debate is over some minister will have enough sense and courage to give us positive justification for this extraordinary use.

Yesterday the parliamentary secretary to the government House leader used a number of precedents. He said there were something like 11 $1 items since 1971 which would establish some kind of a precedent of usage which would justify the $1 items being questioned particularly yesterday. We have before us, not 11, 22 or 33, but some 50 plus $1 items of varying shades of proportions with respect to the shift of government expenditure, the establishment of a new Crown corporation, a change in the nature of legislation with respect to tax exemptions, the lifting of guarantees in the billions of dollars to other Crown corporations, the changing of debt to equity of major proportions for the St. Lawrence Seaway, which has implications on much of the shipping in the eastern part of this country. There is no explanation from this government as to the justification for this kind of procedure.

What we have is one of two things: either the government is too embarrassed to feel that it can produce any possible explanation to justify this wholesale usage of $1 items, or—and this was not said by the hon. member for Eglinton or the hon. member for Kenora-Rainy River—it does not really feel it important.

The hon. member for Winnipeg North Centre (Mr. Knowles) talked about the danger of continually downgrading, throwing up one's hands and saying that parliament had lost its central role or its importance to the effective functioning of our democratic system. He defended the fact that parliament is still alive and well. I hope this debate will contribute to that general state of health.

The hon. member might have said one of the problems, surely, has been that it has been an increasing mark and characteristic of this government to downgrade, bypass, circumvent and substantially ignore the whole of the parliamentary process, all in the name of efficiency or in the government's own sense of "it knows best". If it has reached such a state of mental poverty that it is not able this afternon to give a proper defence or reasoned explanation to the people of this country for this kind of circumventing of the parliamentary process, then things are in an even more sorry state than we realize.

There was one point of debate today on which there has been agreement. The hon. member for Eglinton said he felt there must be more time to discuss the real issues of the day. He mentioned three in particular. He said there were obvious questions of major economic proportions. There is no question about that, certainly to a representative of a province like Prince Edward Island where official unemployment figures are somewhere between 12 per cent and 15 per cent and unofficial unemployment figures go anywhere up to 30 per cent.

The Minister of Veterans Affairs and I know that the 5,000 people that Statistics Canada reports are unemployed, plus the many who would be listed as receiving unemployment insurance benefits, are not enjoying the benefits of a healthy economy today. I refer to those people who live in Prince Edward Island. Similar situations prevail in too many areas of the five eastern provinces of this country. I have mentioned far too often in this chamber that members on all sides know how

great a concern this is. We certainly know of the hardship it creates both in terms of individuals and their governments. There is a very major problem in the economy. The hon. member for Eglinton has already mentioned the situation of national unity. It was echoed by his alter ego from Kenora-Rainy River. There is a need to try and come to grips in a responsible fashion with that whole question.

Third, there is the subject of energy which, again, is a major concern and major problem for the people of my area, Prince Edward Island. This was picked up and echoed eloquently in the remarks of the hon. member for Winnipeg North Centre when he talked about the tremendous need there is for a government really to come to grips with these issues. The hon. member stated that the question is not really one of adjusting procedures or changing the rules of the House, but for the government to take initiatives on these major issues. I could not agree more. I was not at all surprised to hear the hon. member for Winnipeg North Centre preaching this kind of call as eloquently as he did and has done throughout his years of service in this House. However, for the former cabinet minister, the hon. member for Eglinton, and a former parliamentary secretary, the hon. member for Kenora-Rainy River, to take this tack seems to be committing some kind of public suicide.

When the hon. member for Kenora-Rainy River was ending his remarks I thought the House of Commons was being turned into a public confessional. He seemed to be echoing more of his own problems with respect to his party than anything else. If both of these individuals, as spokesmen for the government this afternoon, suggest that this parliament is failing to come to grips with the essential issues that concern this country, I would point out to them that the primary responsibility for that failure has to rest with themselves. Where do they think legislation comes from?

I have not been here as long as the hon. member for Winnipeg North Centre, but I have been here for close to a dozen years. I have learned that when it comes to taking action that requires the expenditure of one dollar in this House of Commons, it must be initiated by a member of the cabinet. If the hon. member for Eglinton or the hon. member for Kenora-Rainy River feel that there has not been effective grappling with the issues that concern this country, either concerning the economy, national unity, energy or other essential problems, that surely lies with them and their colleagues for failing to initiate these matters in the House of Commons.

It is true that from time to time the length of debate on issues is controlled by the opposition. I agree there is need for change in our procedure with regard to the length of speeches. However, it is still true that the government has to initiate basic programs, basic policies and deal with these tremendous problems.

● (1720)

What we are faced with this afternoon, I believe, is two things. First of all, as Your Honour made it clear in your ruling a few moments ago, there must be adequate debate, particularly on major policy initiatives. When we sweep away all the verbiage with respect to whether or not $1 items can properly be used to deal with certain legislative measures, the real issue, as Your Honour recognized, is that if there is not an opportunity in the House of Commons fully to explore and probe and have the government defend its position with respect to major initiatives, then surely none of us is doing our job adequately, and that is what this debate is all about. There has not been an opportunity to debate this issue adequately, and the government has all too willingly used the device of supplementary estimates D to slough through a whole bunch of initiatives for which there will be no parliamentary accountability, and for that they should be held to account for a betrayal of responsibility as the government of the country.

The second thing that is clearly indicated in this wholesale use of $1 items is that the government is increasingly losing control even of its own responsibility and administration of expenditures. For a government to come in at this late date with the final list of supplementary estimates and ask, in the space of a couple of weeks, for a few committees to look at these items at random and in one day to jam the whole thing through parliament is, to my mind, a totally arrogant and offensive approach to the way in which our democratic system is meant to operate. Quite frankly, I am shocked that no government spokesman has given even a hint of a defence for this unwarranted and unacceptable procedure. That is what this debate is all about today. That is what we want to hear some representative of the government defend before the debate is concluded at 9.45 tonight.

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am pleased to have an opportunity to put a few remarks on the record this afternoon with respect to the point raised in the motion put before the House by the hon. member for Vegreville (Mr. Mazankowski). I think it might be useful to look back at the precedents of the House to see how this matter of $1 items has been handled in the past, and I intend to do that because I think it might be a useful exposition for members in any future analysis of this question.

I think Mr. Speaker was most helpful today in the judgment he delivered to the House a short while ago in analysing the present situation dealing with the estimates before us. I am sure the words of His Honour in specifying particularly how he would like to see these items handled will be very hepful for the government and, indeed, for all members of parliament in dealing with this question in future. I think his suggestion of a reasoned confrontation on the specific points that members might want to call into issue is very useful. I, for one, look forward to seeing that procedure adopted as one that would be useful to the House in determining specific instances—not in the generalities of a broadside attack which we have heard from hon. members oppositive today, but in specific cases—when members of the House take exception to a particular item appearing as a $1 item and the basis upon which that exception is taken. It is all very well to wax eloquent in general terms when you are not called upon to account or to be specific

as to where your objections lie. Mr. Speaker has invited members of the House to be specific in future, and I hope members will accept his invitation and make use of the procedure which he has proposed.

I think the hon. member for Eglinton (Mr. Sharp) and the hon. member for Kenora-Rainy River (Mr. Reid) in their remarks ealier today on this subject delivered excellent statements on the real and practical dilemma which is facing the House and, indeed, the country. The motion of the opposition and, more particularly, their activities over the course of the past several months, have clearly demonstrated one indisputable fact. The oppposition is not interested in conducting the business of the country, despite their protestations about procedure which we heard today and yesterday. I do not mean to minimize the procedural point in saying that. Indeed, the decision which was rendered by the Chair earlier today is an important one and is very significant for the future operations of the House of Commons. But to go beyond the specific procedural point, I think it is important to observe that the objective we have seen, and the real motive—not the protested motive of hon. gentlemen opposite, today, yesterday and in the weeks and months ahead of the present session is to obstruct, to delay, to stall and to prevent this House of Commons from doing its job.

Some hon. Members: Hear, hear!

Mr. Goodale: That is adequately demonstrated to the House and reflected in the inability of the opposition to prepare and plan their debates. We are told, as bills, motions and items of business come before the House, that the debate will take place in one, two or three days and that there will be two, three or four speakers. The list is given to us in good faith, I presume, and then the list of speakers is interminable and the time taken by members of the opposition is endless. In other words, they do not have a co-ordinated game plan in the House to deal with business in an expeditious way in order to let the House come to a decision and make a decision on a vote. Their objective is simply to take as much time as possible on every issue in order to prevent the House from doing any real work.

We have seen this attitude reflected in their inability to respect undertakings, such as happened last Friday with respect to the debate on Bill C-2. In that instance a gentlemens' understanding had been reached, but when the matter came to the floor of the House hon. members across the way apparently changed their minds.

Mr. Lambert (Edmonton West): Nonsense. That is false.

Mr. Goodale: The effective functioning of the House of Commons was once again stymied. It is a matter of common sense and common judgment that if this place is to function in a reasonable fashion, if there is some expectation that we will do our work effectively and efficiently—not as we have heard it described, as a "legislative grist-mill" but an effective and efficient and reasonable exercise of our responsibilities as members of parliament—then we must have understanding and negotiation across the floor of the House, and if that cannot be relied upon then the operations of the House become very difficult, if not impossible.

We have seen, as the hon. member for Kenora-Rainy River and the hon. member for Eglinton said today, the determination of the opposition to obstruct the effective workings of the House in their refusal to address themselves to items of national concern. We see that reflected again today.

I emphasize once again the point that I am not minimizing the procedural issue which has been considered here, and I am not minimizing the decision rendered by Mr. Speaker earlier today. Indeed, I have already said that it is a matter of substantial importance in terms of the future procedures of the House. But there are issues of grave importance to the country in terms of a whole variety of national concerns that could, and should, be the topic of current and immediate debate in the House.

• (1730)

The best method of bringing an item before the House for immediate consideration lies in the hands of members of the opposition, that is, the allotted days. The hon. member for Kenora-Rainy River demonstrated clearly that those allotted days have not been used effectively to discuss current, topical issues. They have been squandered by the opposition.

Some hon. Members: Hear, hear!

Mr. Goodale: The precedents of this House, which go back a number of years, reveal that the procedure in relation to $1 items has been used in a wide variety of cases in the past. Those cases have sometimes been the subject of debate and consideration here. On other occasions they have not been so debated. I do not know if there is any particular point at this stage in running through those precedents.

It might be very instructive just to point out to the House the general categories into which those matters in the past have fallen. I think of such matters as vote transfers where $1 items have been used. I think of items dealing with granting programs of the federal government; dealing with the deletion of debts and so on. I think of items such as amendments to previous appropriation acts where the procedure with respect to $1 items has been used in the past. I think also of the extension of other legislation to deal with special and urgent circumstances, and this has already been referred to today. In some cases there were changes in legislation other than the appropriation acts themselves.

It is interesting to note that in the discussions today, and in all the discussions of of which I am directly aware in the standing committees where these specifics items were dealt with in detail, hon. members of the opposition confined themselves to a complaint primarily about procedure. They have not directed themselves to any substantial extent to specific or reasoned arguments about the merits of otherwise of the substance contained in $1 votes. We have had procedural arguments.

We have not had substantive arguments, and it seems to me this was the point Mr. Speaker was getting at earlier today. In order for him to come to a reasoned and substantive conclusion with respect to any item which is in dispute with regard to $1 items, he would want to hear viewpoints from one side and from the other side of this House. He would want to hear from the opposition as to where they take specific exception to an item being dealt with as a dollar item, and he would want to hear the government's defence as to why that particular item should be dealt with as a $1 item. On the basis of those arguments, Mr. Speaker would be able to come to a conclusion as to whether this is a proper procedure. In his ruling today Mr. Speaker emphasized that he did not have the benefit of those kinds of arguments, and therefore he was limited or restricted in coming to the decision which he handed down. He suggested to us a procedure to follow in the future in order to avoid that dilemma. As I said, I think that instruction from the Chair will be very useful in guiding the House in the future.

I think the essence of what Mr. Speaker said in his ruling applies with equal force to what has gone on in this House today, but more particularly in the standing committees as the particular items which have been complained about today and yesterday have been before those committees for consideration. However, what have we heard in those committees, and what have we heard in the House? Have we heard specific complaints about what may be wrong with the Export Development Corporation, what may be wrong with the National Design Council, or what may be wrong in any of the other eight or nine points which have been complained about? No, we have not heard specific objections about the difficulty the opposition envisages with regard to any of these points.

We have merely heard a complaint about procedure, and as these items come before us on allotted days in the House, and as they come before us in the standing committees, there are times when the estimates are being considered when the substance of these issues could be debated and when arguments either for or against could be put on the record, but despite the indignation we have heard from hon. members across the way today and yesterday they have not, in any substantial way, availed themselves of the opportunities they have had to consider these items in the standing committees to the extent to which they say they need to do that. I think that is rather revealing in terms of getting at what is the real motivation or objective behind the motion we are dealing with today. I think the answer must be obvious.

The real motivation is not a concern about what may appear in these $1 items, because no member has directed himself to the substance of the $1 items. That seems to demonstrate quite clearly that the objective is to stall, to delay, and to prevent the House of Commons from doing the work of the country. Having said that, I hope in the future there will be a more expeditious and co-operative attitude on all sides of the House in our efforts to do the work of the country, for which we were elected.

I know that all of us want to be guided by the very learned remarks of Mr. Speaker as to how he would like to deal with the continuing discussion which we will, no doubt, always have about what is and what is not a proper item to be included in the so-called $1 items in the estimates. I hope that all hon. members will take the recommendations of Mr. Speaker to heart. I also hope that all hon. members from this day forward will conduct themselves in this place with a determination to do what we were elected to do, and that is to provide effective leadership for the country and to deal with the issues of Canada in a current and topical way.

Some hon. Members: Hear, hear!

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I find it regrettable that the Parliamentary Secretary to the President of the Privy Council (Mr. Goodale), who has just terminated his speech, has shown such a lamentable lack of understanding of the rules of the House. The general thrust of his remarks also showed a total absence of knowledge of what our procedures have been since 1969 when the so-called new rules were imposed upon this House as a result of the use of closure by the administration opposite, which totally changed the concept of the examination of estimates, abolished the committee of supply, abolished supply motions, and substituted therefor allotted days. That is the hairshirt which was fashioned by the Minister of Finance (Mr. Macdonald) when he was President of the Privy Council, in putting together the system which is now operating.

The hon. member for Eglinton (Mr. Sharp) pathetically bemoaned the nature of the motion before the House today. I would have thought that everyone would recognize that what the government has been doing is illegal.

I want to draw to the attention of the Parliamentary Secretary to the President of the Privy Council, of the hon. member for Kenora-Rainy River (Mr. Reid), of the hon. member for Eglinton, and of any other hon. member on the government side that in 1971 Mr. Speaker Lamoureux ruled that such actions and legislative items without the authority of this House were illegal. It was made very clear that there was no authority for them. But have we seen the government pay heed? Gracious me, almost every year we have seen the attempts to get by, to slide around the corner and to see if they could not hide it under the rug. I would have thought that any responsible member would find it reprehensible that the administration would defy the rulings of the Chair by trying to put across this same thing time and time again.

● (1740)

Yesterday in the arguments put forward by the Parliamentary Secretary to President of the Privy Council he said that there have been many attempts in the past that have been sanctioned by the House. Technically the practice is wrong. There may have been some precedents.

This administration requires to be hit between the eyes with an iron bar, much the same way as you have to hit an ox between the horns with a two by four to get its attention. This is not the first time that this administration has been hauled up short. Twice, if not three times, an attempt was made to

introduce into appropriation bills handling supplementary estimates borrowing powers that were beyond the resolutions. I had to protest. Finally this administration learned its lesson when Mr. Speaker ruled those items out of the appropriation act.

If we want some historical precedent, these rules came into force in 1969. Final supplementary estimates came into being and were presented, as now, toward the end of the fiscal year. This is quite understandable because there are many items that are not identifiable until near the end of the fiscal year. We had a two week period of study in 1969, as we have now. For the benefit of those bodies over on the government side who are being critical of the opposition, most of these hon. members do not turn up in committee. They do not know what goes on in committee. Certainly the Parliamentary Secretary to the President of the Privy Council does not know what goes on in committee.

Mr. Goodale: You would be surprised.

Mr. Lambert (Edmonton West): I will show him that supplementary estimates of close to $1 billion were made available to committees on March 8, and up to March 22 there were 14 calendar days, ten parliamentary sitting days. It is said that the opposition should have raised these $1 items somewhere sometime in the House before this date. I want to advise the Parliamentary Secretary to the President of the Privy Council, who has shown his abysmal ignorance of the rules, that while committees have assigned to them the estimates, it is impossible for the point to be raised in this House because the Chair will say that all arguments and objections must be put in committee. You cannot have it both ways in both places.

Technically by the rules, yesterday afternoon was the first time that those estimates were deemed to be before the House. They had to be reported within three calendar days before the last supply motion, or Friday noon last. That is why, at my request, the supply motion was advanced to the Tuesday rather than the Thursday of this week. Since the period of expiry for consideration in committee was Friday noon, therefore yesterday afternoon, on the opening of this House, the estimates were deemed to have been reported back within the competence of this House. The suggestion made by Mr. Speaker that questions of this nature shall be considered on the penultimate of the allotted days just cannot stand up to the rules, unless we change them.

An hon. Member: Change them.

Mr. Lambert (Edmonton West): Did someone say "change them"?

An hon. Member: Yes, change them.

Mr. Lambert (Edmonton West): We made efforts to get fundamental changes in the rules last summer, but the government caucus bogged down and the government leader in the House refuses to bring forward, as I pointed out the other day, even a modified and limited reference to the committee on procedure in order to bring in some things about which we have some understanding.

An hon. Member: Almost nothing.

Mr. Lambert (Edmonton West): It is not possible to raise the question of $1 items in the House while a committee has them under consideration. The parliamentary secretary had better look at his rules. It does not arise at all in the question of the main estimates since there are no $1 items in the main estimates. It arises in supplementary estimates, and particularly in final supplementary estimates.

If the parliamentary secretary will also do some reading and if he will look at the proceedings of the Standing Committee on Miscellaneous Estimates, on February 27, 1969, the report of the committee carried this resolution, which was my motion, which reads:

> Resolved—that the committee express its concern at the extensive use of $1.00 items for the purpose of statutory amendments particularly in final supplementary estimates which are under time limit as to examination in the standing committee and for debate in the House. Appropriate legislative amendments should be made in all but the most exceptional and urgent cases.

Based on that there was a debate. The then president of the treasury board said that there were a few points that had been made to which he wished to reply. He referred to the remarks of the committee which expressed its concern. He repeated most of what I have given to the House as the conclusion. He went on to say that the hon. member for Edmonton West drew attention to the fact that even Liberal members of the committee supported this expression of concern. That is a fact, and one of the members who supported me in that observation is the present Minister of Energy, Mines and Resources (Mr. Gillespie). I agree with those members and I share their concern. I think parliament should be concerned about the unwarranted extension of so-called legislation by $1 items. Their own minister, the minister responsible for the introduction of supplementary estimates, states that he was concerned.

The Parliamentary Secretary to the President of the Privy Council said, "Why does not the opposition argue the substance of those particular items?" What? Items that are illegally before the House? They are not properly before the House. Mr. Speaker has ruled out of order. Why should we argue them?

Mr. Baker (Grenville-Carleton): Hear, hear!

Mr. Lambert (Edmonton West): They are not before us. It is just like trying to argue a charge before a court with the court saying that there is no charge. The thing is not here. It is non-existent, illegal.

● (1750)

Mr. Goodale: You are missing the point.

Mr. Lambert (Edmonton West): Some items in the estimates have been before the House, or before the committee, less than two weeks. Let the parliamentary secretary note how much sitting time was available to each committee for the examination of these estimates. Were ministers available?

Somehow they feel they must travel the country, or be absent for other business. They are not present for the discussion of their supplementary estimates. It is the last thing in their minds. It is almost impossible to get a minister to attend committee sessions when supplementary estimates are discussed. I know. I participate on far more committees than any of those people on the government side do.

An hon. Member: And much more effectively.

An hon. Member: Yes, we know. But ministers must attend to all their responsibilities.

Mr. Lambert (Edmonton West): I assure you that when I meet ministers, my relationship with them is most cordial and co-operative.

Now, at the end of this semester when the supplementary estimates are before the House, government backbenchers say that it is wrong for us to raise illegal items, that we should not say this use is wrong. I have before me an official list of $1 votes, as provided to members by the estimates division of Treasury Board.

I see the former deputy speaker opposite me; he has just arrived. He had had difficulties with the weather. He should know that our present difficulties have arisen because of the change of rules in 1969. Prior to that there were supply motions. He knows, when he came to this House in 1962 or 1963, that there supply days. We had two-day debates for the referral of estimates.

An hon. Member: And you were in the Chair at that time.

Mr. Lambert (Edmonton West): All of these matters, in reviewing supplementary estimates, were open to full examination. There was no guillotine—oh, no! In 1962 the then Official Opposition took 27 days debating estimates in this House and did not pass one item. They did not pass one item of final supplementaries. And the Parliamentary Secretary to the President of the Privy Council talks of obstruction! Be that as it may, it was a wrong practice. But the suggested correction in the new rules does not stand up to scrutiny.

It is the duty of hon. members to draw to the attention of the House certain illegal procedures. It was done in 1971, and Mr. Speaker Lamoureux ruled the items out of order. He did it again in March, 1974, and it was done again as late as June 10, 1976. It is known that the practice is wrong. The practice should stop—or will it continue, in an attempt to wear somebody down?

Having said that, I direct the attention of the House to the $1 items. Altogether there are 52, of which 22 are unexceptionable as I said the other day. Authority is sought in 22 of those items to transfer moneys from one item to another. That was the accepted practice. Five votes authorize payments of grants. We do not quarrel with that. Then, nine votes authorize the deletion of debts, or the reimbursement of accounts for the value of obsolete stores, and the reimbursement of a revolving fund for an accumulated deficit. Those are perfectly correct. That is what one expects to see in final supplementaries. Those are quite all right. I must raise one point, however. Some departments, having pretended to the House that the most careful scrutiny has been given to the provision for credits in the main estimates, now come along and say, "We under-expended this account by some $3 million or $4 million; therefore we will use it as a milch cow for any number of other items." In cases when there are such surplus funds it can be said that the department has not shown the appropriate degree of care. I would much rather see the other departments come forward and say, "We need that additional money," and not have the government transfer money with $1 votes.

Then there are nine votes which authorize guarantees or affect existing legislation. That is the purpose of such supplementary estimates. If we must repeat our objections, we will again come to this House with the type of motion now being considered.

An hon. Member: Six o'clock.

Mr. Lambert (Edmonton West): I know hon. members hate to think they have been deluded. They love to think that the government has acted properly, when in fact is has been totally wrong. May I call it six o'clock?

Mr. Deputy Speaker: Before calling it six o'clock, may I draw to the hon. member's attention the fact that his allotted time expired at six o'clock?

It being six o'clock I do now leave the chair until eight o'clock p.m.

At 6 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the opposition motion today, on what should be a most important day in connection with the voting of supply, relates to a matter of procedure rather than to the substance of what is contained in the estimates before us. The Official Opposition members have chosen to ignore all the other subjects which are open to them, and to address themselves to a question of procedural principal. They persist in following this course even though they had raised this question of principle—

Mr. Baker (Grenville-Carleton): And won it, too!

Mr. Lang: —indeed, after it had been decided, in one sense, in their favour. So there was clearly no particular reason why they should continue to deal with the matter. But, of course, the opposition likes to stay away from substance. For the first time in 20 years the Tory party is showing a certain amount of loyalty. They are following their leader.

Today, as yesterday, the opposition argued the question of principle in relation to $1 items and in doing so they seem to be saying what the hon. member for Winnipeg North Centre

(Mr. Knowles) put more frankly into words in his usual way—that it was not a matter of opposing the individual items under discussion but, rather, it was a question of principle—whether they should be there as $1 items or not.

An hon. Member: Does the minister have no principles, then?

Mr. Lang: They avoid the question of substance. At a time when the country expects parliament to be discussing issues of importance to the nation, as my hon. friend from Eglinton pointed out earlier in the debate, they prefer instead to deal with a question of principle—and one with respect to which a ruling has already been made. It would seem, therefore, as though they cannot find a matter of substances upon which to attack the government.

I should like you to understand, Mr. Speaker, that I do not suggest the opposition or their leader are completely beyond addressing themselves to matters of substance or making statements of policy. Only a week or ten days ago I heard the Leader of the Opposition (Mr. Clark) make two fairly clear statements of policy. The House will recall he was cross-examining the Minister of Agriculture (Mr. Whelan). While he did not say so plainly, it seemed to me rather clear that he came down in favour of rain.

● (2010)

However, having observed the Minister of Agriculture, who is a man who takes religion and matters of life and death seriously, having observed what man should do about the situation, and having observed that it was also right to pray, the Leader of the Opposition in his second policy pronouncement of the day, and so far as I know the second of his career as Leader of the Opposition, came clearly down against prayer. Rather, I should not say clearly because he would not like to be clear on any such matter.

The opposition did not single out items and say that they should not have been in the estimates because they had no merit. They were talking about the principle. For instance, the Seaway item was one which they opposed. I would ask you to consider, Mr. Speaker, how that item might have been treated by the the opposition if it were in fact legislation. When it was an item, as it was in this particular situation, they could not say flatly that they were against what the government was doing with this item in the estimates. But what would they have done if it had appeared as legislation? I ask Your Honour to consider that.

Some members opposite, such as the hon. member from Calgary, talked in this House about principle. It is worth noting that the way that the opposition has dealt with the rules and the conduct of business in this House is a tragedy and a serious question for the country. In the case of the Seaway, we have been indicating broad policy in relation to several steps that we believe we ought to take.

Mr. Lawrence: But what you are doing is wrong.

Mr. Lang: The hon. member for Northumberland-Durham (Mr. Lawrence) says that what we are doing with the Seaway is wrong. He has colleagues around him who will agree that it is wrong. Some of them said they agreed it is wrong because we are doubling the tolls in our broad plan. He has another set of colleagues wo believe we are quadrupling those tolls. So he has good Tory company.

The important thing to note, Mr. Speaker, is that if this item contained in the estimates, simple but really making straightforward what has been done for years, had appeared in legislation, we would have had speech after speech after speech on the subject from the opposition members, all opposing what we were doing for both sets of reasons, and continuing week after week after week. We all know that.

Even today, Mr. Speaker, there are Tories who go to the Atlantic provinces and not only oppose what we are doing about the Seaway but actually raise issues having to do with our democratic processes and national unity by suggesting we are not being fair to the Atlantic region. They say that we are writing off the debt of the Seaway. It is an interesting debt, Mr. Speaker. It has been standing at $620 million odd all these years since 1959. There is now $217 million interest owing on that debt. Some debt!

What we are doing, Mr. Speaker, is plain, straightforward and honest. We are saying that the interest which has accumulated on goods which have passed through the Seaway cannot be charged against future goods. This interest was not paid because when the right hon. member for Prince Albert (Mr. Diefenbaker) was prime minister he made arrangements regarding the Seaway such that it would never be in an economic position either to pay the interest or return any capital from its operations. So in one sense what we are doing is recognizing that in the future we will not charge the uncollected interest of the past against goods which pass through the Seaway in the future.

In addition, we thought it well to transfer that debt, so-called, with an apparent interest rate to what it should more accurately be seen to be in fact, namely, investment equity, on which some amount—and we are saying one per cent—should be charged, and that the tolls should be set accordingly.

What you must observe, Mr. Speaker, as rather strange conduct on the part of that party opposite is that in the Atlantic provinces its members are damning what we are doing by saying we are writing off the Seaway debt, that we are preferring the Seaway to alternative ways of transporting goods in this country. In the Atlantic area they are damning us for writing off this debt when the pattern for that action was set by the leader of their party when they were in power.

The Tories in the west and also in Ontario will be in agreement with the Tories in the Atlantic provinces. In the west the Tories are saying that we may be doing serious damage to the economy by this move we are making. I suggest that paying one per cent on equity investment and saying that operating and maintenance charges should be paid is a bit of sensible management, which clearly the opposition in the west would not recognize. They are arguing against an increase in

tolls which, to use the logic of the Atlantic Tories, they would quadruple.

The tragedy of the procedures of this House is not only that members of the opposition, by conducting themselves in this way, can thereby demonstrate why they are all in agreement on voting against a particular measure. They have two reasons for voting against it; they have one set of members who say it is too good, another who say it is too had. They are always on both sides of every issue. It would be tragedy enough, Mr. Speaker, if they were just occupying the time of the House, but it is a double tragedy when they go into their own regions time after time and suggest that this is an example of democracy not working and of this government being unfair to their particular region. Not only do they take up hour after hour in this House, but they then agree to vote against a bill on second reading having in their own particular territory demonstated their reason for doing so.

I said in my argument yesterday in this House on the question of principle that when the hon. member for Winnipeg North Centre put forward what he thought would be better rules he may have touched some rather good points. I hope those rules will see the day when we have so organized the House that the business which needs to be put before it can be so put, so the House can come in a deliberate way to a vote on all the business before it during the parliamentary year, instead of being prevented, by delay and dilatory tactics on the part of the opposition, from doing so.

● (2020)

The day when the rules of this House allow for expeditious disposition of business, a great deal of different approaches may be possible. However, that day will not come with any blessing from the opposition. They love delay. They will not ever sensibly agree to arrangements that move business through this House.

If the leader of the Tory party in the House, who is pointing his finger at me and objecting, could ever honestly say what time a bill would take, with any knowledge of what the members behind him were going to do about it, then we would make progress.

Mr. Baker (Grenville-Carleton): We ran out of business on Friday because you were not ready.

Mr. Lang: They ran out of business on Friday. Look at the history of this House. Look at the history of the opposition. I ask any honest member of the public to read through opposition speeches where they can see irrelevancy after irrelevancy for the purpose of delaying legislation and stopping this House from coming to decisions upon matters.

Some hon. Members: Hear, hear!

Mr. Lang: I have no doubt there are many times when it will be desirable for there to be a time interval between different phases and stages of House business so that there can be consideration, and indeed deliberation in the country in connection with it. However, there ought to be an orderly system so that the House time here is not taken up with members talking about anything and everything, but about nothing whatever to do with the substance of a bill before us, simply to get on the record whatever it might be that is on their minds anywhere in relation to the subject. That, of course, can be very broadly interpreted.

This motion by the opposition in simple terms has demonstrated the bankruptcy of their ideas, the absolute lack of substantial argument upon which they are willing to stand together as a party and come forward positively with proposals. This demonstrates it more than anything else.

If the leader of the Tory party in the House has indeed indicated that they are prepared to consider rule changes which will make effective the role of this parliament in passing legislation, instead of constantly allowing his backbenchers to continue wasting time and stopping matters coming to a decision, we will at least have come to something of substance and have accomplished something this day which this motion obviously could not, or never was intended to do.

Some hon. Members: Hear, hear!

Mr. Friesen: Mr. Speaker, I rise on a point of order. Since the minister is used to speaking only within the forum of news conferences and making announcements outside this House, I want to express my utter relief that he can still be a coherent if not necessary logical speaker in this House.

Mr. Deputy Speaker: Order, please. The hon. member gave the Chair the impression he was seeking the floor for the purpose of debate. He has prevented one of his members from speaking. I will therefore recognize the hon. member for Regina-Lake Centre (Mr. Benjamin).

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, on reading the motion presented today by the Official Opposition, I particularly like the last three lines which read:

> —and additionally, circumvents the right of the House to fully discuss the creation of new policies, programs and agencies.

I have heard no justification or argument against that today from any of the government spokesmen. I listened with particular care to the Minister of Transport (Mr. Lang). He made no mention whatever of the justification for the $1 items standing in the name of the Department of Transport in the supplementary estimates.

The hon. member for Eglinton (Mr. Sharp), the hon. member for Kenora-Rainy River (Mr. Reid), and the Minister of Transport have criticized and ridiculed the Official Opposition for their failure to present motions on their opposition days that deal with vital matters and issues that concern this country. Whether or not the government spokesmen are right, surely that is purely the business of the Official Opposition. Whatever motions they decide to move is entirely up to them.

I find it difficult to understand why the government would blame the opposition for not bringing forward these major issues on their opposition days when they have all the other days to bring forward legislation, budgets, or anything else on

those same major issues. It is surely some kind of verbal chicanery when they blame the opposition, particularly the Official Opposition, for not bringing forward matters of major importance on their opposition days, when the government has the opportunity to present legislation every day to deal with unemployment, housing, pensions, and a host of other matters.

The Minister of Transport should have had the courage to bring forward legislation to deal with major items of policy change and direction. They are all major. However, he did not have that kind of courage. At least he did not have that kind of muscle in his own Cabinet and caucus. I call the activities and conduct of the Minister of Transport at best rude or insensitive to parliament and, at worst, sheer cowardice.

The minister at least could have made a statement on motions in this House as to what he wanted to do about the St. Lawrence Seaway, but no. He could have made a statement on motions about Via Rail, the rail passenger corporation, but no. In fact he had the discourtesy, to put it mildly, to make that announcement in Vancouver.

On the day of the announcement with regard to the St. Lawrence Seaway, the minister made that announcement across the street from this chamber at a press conference. Instead of making that announcement in this chamber, he went across the street to a press conference to make what in effect was a major announcement.

Those two announcements appear as $1 items in the supplementary estimates which Your Honour has ruled are not out of order legally. That is correct. There is legislation in the statutes which allows the minister to make significant changes in policy and direction vis-à-vis a rail passenger corporation or the St. Lawrence Seaway.

● (2030)

A week ago or so the minister made a statement to the effect that he made so many announcements he could not always be getting up to make statements on motions. He would have to do it every day on ongoing and continuing items. I should like to know, since when is a railway passenger corporation, a Crown corporation, a branch of another Crown corporation, an ongoing item? I know it has been ongoing in terms of Liberal promises for several years, but since when is that an ongoing item? Since when is it an insignificant, minor matter? The minister was not making an anouncement about outhouses behind the railway station in some little town. This has to do with a railway passenger corporation.

Since when is the transfer of $842 million of capital debt and interest debt on the St. Lawrence Seaway a minor ongoing item? I happen to agree, and so does my party, that that kind of debt should be a public debt and a public charge because it is a public work. We agree that that kind of debt should be transferred from the St. Lawrence Seaway books to the books of the Government and of the people of Canada. But you can hardly call that a minor ongoing item. Surely the minister will not make those kinds of transfers once a week, 52 weeks a year.

An hon. Member: Don't be surprised if he does.

Mr. Benjamin: It is only important enough in his terms to get a press conference across the street and to put it as a $1 item in supplementary estimates. He lacked the courage either to present legislation or at least make a statement on motions so that members of the other parties in the House could respond to that statement. I call that cowardice.

When the minister says that he will revitalize the rail passenger system in Canada, his version of revitalizing it is not only to set up a Crown corporation or a subsidiary of a Crown corporation or a rail passenger corporation which, by the way, I agree with as being second best—the entire railway system should be a Crown corporation, but this is second best, and I happen to agree that it should be a Crown owned passenger corporation—but the minister treats it as an insignificant item not worthy of presentation to parliament. It is only good for shooting off his mouth in Vancouver and for appearing as a $1 item in the supplementary estimates. Surely that is some kind of perversion of parliament.

Surely when the Minister of Transport complains, and the previous three Liberal speakers complain about the opposition delaying bills, they should not wonder about the intransigence of the opposition on a number of items before the House. They brought it on themselves. The government has the entire say as to what occurs in this House on each given day. If the Minister of Transport cannot persuade his colleagues to accept legislation—and I suspect he cannot get the agreement of his own caucus on some of the things he is trying to do—these back door methods he is using are as much due to difficulties within his caucus and the Liberal party in different parts of Canada as to any excuses he might have about trying to evade presenting his policies and his ideas to the House.

I think the minister and most government members do not realize how important parliament is. They complain that the Tories are dealing with minor legal items. The government and particularly the Minister of Transport, have ignored the important issues which they blame the Official Opposition for not bringing forward. It is they who have ignored them. They cannot get off the hook that easily. When the Minister of Transport wants to bring in a $1 item on supplementary estimates to establish a Crown corporation which will involve hundreds of millions of dollars, that does not tell parliament, let alone the people of Canada, how it will be constituted, who will direct it, how much money will have to be borrowed, whether or not CPR will be able to hold us up for a king's ransom for the use of equipment, and whether or not the railways will update the rail bed so that passenger trains can operate at high speeds. None of that can be debated in parliament. That is a $1 item on supplementary estimates, it is a minor detail, a sort of regular ongoing item, according to the Minister of Transport.

This was a major item in the 1974 election campaign. It was major enough to warrant an announcement by the Prime Minister (Mr. Trudeau) on the hustings. Now it is only worth $1. I suspect—I hope I am wrong and that subsequent events will prove me wrong—that that rail passenger corporation

which is only worthy of a $1 item in the supplementary estimates, will only be worth $1 to the people of Canada.

The minister's version of revitalizing rail passenger services was reflected in an announcement from the Canadian Transport Commission abolishing a number of passenger train routes and reducing a number of others. The Minister of Transport calls that a revitalizing of the rail passenger transportation service. I agree in terms of what the minister had to say about the Official Opposition running on both sides of the street with regard to the St. Lawrence Seaway. There is nothing new about that. They have been doing that for years.

Mr. Baldwin: You are not even on the street.

Mr. Benjamin: But I want to remind the Minister of Transport that he and his party are running on both sides of the street. While he is yelling about the user pay concept, and trying to destroy the statutory grain rates, he does not have the courage to face the public and say, "We want to make you pay all of that". He is going to salvage his political neck by saying something that he has said many times, "Maybe the farmer should get that in some other way". It might be a $1 item in the next supplementary estimates.

How the Minister of Transport, who is in charge of the Canadian Wheat Board, can send out a cheque to every farmer to cover what is the cost which the nation pays for handling grain, I do not know. That would be great, especially before an election. It may be administratively stupid and totally inefficient, it may be the worst kind of political chicanery, but that will not matter to the minister nor to the Liberal party. They will try to have it both ways, just as they are accusing the Official Opposition of having it both ways, and yet they have been doing that and, I predict, they will continue to do it.

Let us look at the arrogance of the minister in putting forward $1 items in the supplementary estimates. His treatment of parliament is exemplified in a memorandum which came out from his department. You will recall that the minister tried to sneak into the government restraint bill the abolition of "at and east" freight rates which are meaningful to the Georgian Bay area, the ports of Halifax and Saint John. He was clobbered about that by the millers, the grain producers, and the port authorities, and he was clobbered by the three opposition parties as well as by his own colleagues. The government House leader announced the withdrawal of that clause. The Minister of Transport not only has a short attention span, he is a slow learner. A brick wall has to fall on him before he learns. I will be darned if he does not have the gall to bring in another bill to achieve the same purpose. That bill is not likely to be called, and if it is called, he will have a problem.

The minister has sent out a memorandum to all members of parliament and Senators about the Seaway tolls, and on page 7 of that memorandum, dated March 2, we find the following statement. I wish the minister would let people in his own department know what is happening in parliament. It reads:

However, with the recent elimination of this subsidy—

[Mr. Benjamin.]

Meaning the "at and east" freight rates subsidy.

● (2040)

—this combination has become uneconomical and as a result, direct rail movement to Saint-John Halifax is being considered as an alternative.

According to the minister's department, on March 2 the "at and east" rates had already been abolished. But the government had to withdraw that little item out of the restraint bill. The government has not even called the second bill the minister brought in, but his department sent a memorandum to all of us stating that that subsidy has already been eliminated. If that is not some kind of arrogance as well as insensitivity, rudeness, and a derogation from parliament, I do not know what is.

Let us look a little further into the matter of the Seaway. Apparently the Ministry of Transport does not believe members of parliament have any say in what is and what is not the law. The minister and his officials make the law outside parliament. The supply bill will provide funds for the operation of many public services in Canada for the year ending March 31, 1977. Vote L116d authorizes the minister from time to time to fix the amount which shall be paid by the Seaway authority annually out of its toll revenue as a return on capital. Surely that kind of authorization is out of place in the estimates.

Doubling the St. Lawrence Seaway tolls surely is not a small, common, or ongoing item, but to the minister it is only worth one dollar in the supplementary estimates. Obviously there should have been and must be some debate on those kinds of matters. They are matters of significance. Surely there should at least be a statement on motions, but preferably there should be legislation or amendments to existing legislation.

The users of the St. Lawrence Seaway should not have to carry the burden of capital costs. We agree that the transfer of the debt and the interest owing on it, to the public debt is a proper thing to do, but we oppose the provision which gives the Minister of Transport the right from time to time to fix the amount which will be paid as a return on capital. That in itself is worthy of some debate in this chamber. We insist that something like the St. Lawrence Seaway is a public work for the public good of the whole nation. It is not there to make a return on its investment. It is not there to provide a profit for anyone.

Mr. Dionne (Northumberland-Miramichi): Not even the Canadian people?

Mr. Benjamin: It is there for the benefit of the people as a whole. The nation does not expect a profit from a public work which is for the public good, for the good of the nation as a whole.

Mr. Dionne (Northumberland-Miramichi): Who says?

Mr. Benjamin: I remind the hon. yahoo across the way, who does not get to his feet when he speaks—

Mr. Dionne (Northumberland-Miramichi): I will get up when you sit down.

Mr. Benjamin: —that if the public wanted a profit from public works operations like our streets, sidewalks, sewer and water systems, our post office and many other aspects of our society—

Mr. Dionne (Northumberland-Miramichi): You are comparing apples and oranges.

Mr. Benjamin: I am not comparing apples and oranges. The hon. member would look better sitting there with an apple in his mouth and keeping his ears open.

Mr. Mazankowski: On a rotisserie.

Mr. Brisco: Where would you put the orange?

Mr. Benjamin: The Canadian Federation of Agriculture thinks that the actions of the minister are bad. That federation represents agricultural producers in every province. It disagrees with the Minister of Transport on tolls. This federation has not had an opportunity to discuss legislation with members of parliament. It submitted a brief many months ago. The minister and his predecessor have agonized over the St. Lawrence Seaway tolls, and the government has agonized over them for the last three or four years, but they have not had the courage to deal with them in parliament. The government chickened out with a $1 item in the supplementary estimates.

Mr. Deputy Speaker: Order, please. I have to interrupt the hon. member because the time allotted to him has expired.

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker,—

Mr. Epp: You smoked them out, Les.

Mr. Brisco: Take the apple out of your mouth.

Mr. Epp: And the orange off your head.

Mr. Dionne (Northumberland-Miramichi): Hon. members opposite seem to be hung up on this business of the apple and the mouth. I am well aware of the animal to which they are alluding, but like that animal, they cast a longer shadow when they are sitting down than when they are standing up.

Some hon. Members: Hear, hear!

Mr. Friesen: You are a bore.

Mr. Dionne (Northumberland-Miramichi): I would prefer to be that than an old sow.

An hon. Member: Discrimination!

Mr. Dionne (Northumberland-Miramichi): All afternoon we have been sitting here listening to hon. members opposite crying in their beer. They have presented a motion which reads as follows:

Dollar Items

That in the opinion of this House the government's use of dollar items further diminishes the proper control of the House of Commons over expenditure, and additionally, circumvents the right of the House to fully discuss the creation of new policies, programs and agencies.

Mr. Epp: He can read.

Mr. Dionne (Northumberland-Miramichi): It is an interesting motion, and I would have liked to have heard hon. members opposite discuss it. Instead, however, as the Minister of Transport (Mr. Lang) and other speakers before him have said, they got up and railed about matters of procedure. It is becoming painfully obvious that what they are doing is perpetrating a cover-up of their own lack of policy alternatives.

Some hon. Members: Hear, hear!

Mr. Dionne (Northumberland-Miramichi): They claim that this House is under attack, and I agree that it is. It is being attacked by the Canadian public because little is being accomplished in this House, because of the opposition tactics of filibuster and delay.

An hon. Member: Tell that to MacEachen.

Mr. Dionne (Northumberland-Miramichi): I have already told him, and he agrees that the opposition is out to frustrate the efforts of the government to fulfill the mandate it was given in the last election. The opposition has never accepted that mandate; hon. members think they know better than the Canadian public.

This is an opposition motion, but I wonder where the opposition is. Time and again on opposition days I have sat in this House and listened to debates on opposition motions, and time and time again I have wondered where the opposition was.

There are many important items of legislation on the order paper. There is one bill in particular which I personally would like to see back before the House for debate, and that is Bill C-27. We are talking about unemployment insurance and about alleviating the unemployment problems of this country. We are talking about paying benefits to those who are out of work. The opposition pays lip service to that, but talk is cheap. It takes money to buy jobs, and I would like to see the opposition put forward the proposals it has for dealing with this serious problem.

Mr. Goodale: They have none.

Mr. Dionne (Northumberland-Miramichi): They are interested in unemployment because they think they can make political hay out of it, but the fact is that the Canadian public is not interested in hearing that kind of rhetoric. If the opposition has proposals, it is strange that the latest Gallup poll turned out the way it did.

Some hon. Members: Hear, hear!

Mr. Harquail: They all stopped laughing when you mentioned the Gallup poll.

Mr. Dionne (Northumberland-Miramichi): There are other very important issues facing this nation. There is the issue of energy—

Some hon. Members: Oh, oh!

Mr. Deputy Speaker: Order, please. I invite hon. members to pay attention so that the hon. member for Northumberland-Miramichi (Mr. Dionne) can make the point which he wants to communicate to this House.

Mr. Harquail: I hope the opposition heard that.

● (2050)

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, thank you very much. I would hope that the opposition members would take heed of your advice. I noticed the hon. member saying that I am not making any sense. I would expect that from him. One does not expect the senseless to make sense out of anything.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): That is the best self-destruction that I have heard for a long time.

Mr. Dionne (Northumberland-Miramichi): We have an energy problem in this country that the opposition has failed to discuss in any coherent fashion. We have the problem of regional disparity, which is an extremely important problem on which the opposition, as usual, is completely and totally divided. In the debate that is taking place in this House on Bill C-27, we have seen the opposition take every position in the political spectrum. The only consensus that they came up with was a silly amendment to put the onus on the cabinet or the governor in council to give them the power by order in council to decide the triggering time for qualifying periods and benefit periods in the country. That is a cop-out, sir. they will not say to the Canadian people whether or not they are in favour of the 12-week qualifying period. They will not say whether or not they are in favour of the benefit periods. They are cowards when it comes to policy in governing this nation.

Some hon. Members: Hear, hear!

An hon. Member: Where do you stand on it?

Mr. Dionne (Northumberland-Miramichi): When you people allow the bill to come back, I will tell you where I stand on it.

An hon. Member: Bring it tomorrow.

Mr. Dionne (Northumberland-Miramichi): We heard the hon. member for Egmont (Mr. MacDonald), this afternoon, refer to the performance of the government as being absurd. That party must be the experts in absurdity in this country. There is nothing they have done in the time that I have been here that could not be considered absurd. Every position they take is absurd because of the fact that it ranges all the way from the far left to the far right. At least the NDP is consistent in being naive about governing the country. The Official Opposition is not even consistent.

Mr. Knowles (Winnipeg North Centre): *Merci beaucoup.*

Mr. Dionne (Northumberland-Miramichi): *Il n'y a pas de quoi, mon ami.*

As the Minister of Transport has said, the opposition is not really interested in what goes through this House. It is interested only in delaying, on procedural points, the functioning of this House.

Some hon. Members: Hear, hear!

Mr. Dionne (Northumberland-Miramichi): It is time to bring the functioning of this House into the twentieth century so that those of us who are elected to represent the people can do what we were elected to do, instead of spending month after tedious month in this House putting up with the delaying tactics of the opposition and not being able to make the essential representations of our people that we need to do. That is an unfortunate turn of events because there are very many serious, fine, conscientious members of parliament in the opposition.

Mr. Baker (Grenville-Carleton): Thank you.

Mr. Dionne (Northumberland-Miramichi): The problem is that they have no leadership.

Some hon. Members: Hear, hear!

Mr. Dionne (Northumberland-Miramichi): They have a leader who won his position by default but has not got used to the fact that he has won, who does not know where he stands within his own party, and his party could not care less. That is the farce they present to the Canadian public. How long do they think that the Canadian public is going to be fooled by that kind of double standard?

Some hon. Members: Oh, oh!

Mr. Dionne (Northumberland-Miramichi): How can they expect the Canadian public to take things seriously when they have an opposition day and they do not even bother to come to the House? The Official Opposition of this parliament consists of ad hoc opportunism. That is the only way I know to describe it.

Mr. Alexander: Shame!

Mr. Dionne (Northumberland-Miramichi): Shame for sure!

An hon. Member: You talk about your own minister; even Otto cannot take it.

Mr. Deputy Speaker: Order, please. I would hope that all hon. members would extend courtesy to the hon. member for Northumberland-Miramichi (Mr. Dionne) so that he may continue with his remarks.

Mr. Dionne (Northumberland-Miramichi): Thank you, Mr. Speaker. It is painfully obvious, of course, that the opposition cannot take the truth.

An hon. Member: They would not recognize it.

Mr. Dionne (Northumberland-Miramichi): We have heard a lot today in this House about the lack of opportunity by the opposition to discuss the supplementary estimates. They may have a point, sir. There may not be all of the time they would like. There may not be all the time some of us on the back benches on the government side would like, to discuss the supplementary estimates. Why do they not take advantage of the time they have? It is because they are incompetent. They do not know how.

Some hon. Members: Hear, hear!

Mr. Dionne (Northumberland-Miramichi): We saw a perfect example of it in question period this afternoon when the Leader of the Opposition (Mr. Clark) got up and completely blew it. He cannot even ask a question. If the opposition is provided with that kind of leadership, what can we expect from their own backbenchers?

Another perfect example of the way in which they fritter away the time of the House and the time of the members of this House is with Standing Order 43. Over the past several months I have paid careful attention to the substance—

Mr. Epp: You have never been here.

Mr. Dionne (Northumberland-Miramichi): Oh, yes, I have been here. Come once in a while and you will see I am here.

An hon. Member: That is the only line he had.

Mr. Dionne (Northumberland-Miramichi): The substance of their motions on Standing Order 43 is absolutely ludricrous.

An hon. Member: That is your personal opinion.

Mr. Dionne (Northumberland-Miramichi): Maybe one in 25 motions presented by the opposition under Standing Order 43 has any real substance to it. Then they tangle it up in so much political nonsense and rhetoric that there is no way any sensible, responsible government could accept it.

Some hon. Members: Hear, hear!

Mr. Dionne (Northumberland-Miramichi): When the very experienced member, the hon. member for Edmonton West (Mr. Lambert), got up to speak this afternoon, he started his speech with the words, "I find it regrettable". Well, so do I find it regrettable that we have to suffer the kind of incompetence from the opposition that we witness in this House day after tedious day. There is no hope, obviously, that there is going to be any improvement. They rail against closure. They rail against use of Standing Order 75. Isn't that a shame? When there is no leadership and there is no control by the opposition House leader over the actions of his own party, what does he expect from the government?

• (2100)

This afternoon we heard opposition members refer to allotted days as a hairshirt. They consider the days allotted to them for the debate of serious subjects as a hairshirt they must wear. That really is a shame.

Mr. Halliday: Garbage!

Mr. Dionne (Northumberland-Miramichi): If I were in the opposition—

An hon. Member: You will be soon.

Mr. Dionne (Northumberland-Miramichi): —I would not consider opposition days as a hairshirt. I would consider them an opportunity to put the government on the sport and make them answer questions.

Mr. Mazankowski: But the government doesn't answer our questions.

Mr. Dionne (Northumberland-Miramichi): Unfortunately my friends opposite do not know how to do that.

Mr. McKenzie: We are no friends of yours.

An hon. Member: There speaks a redneck.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Ethier): Order, please, I remind hon. members to address their remarks to the Chair.

Mr. Dionne (Northumberland-Miramichi): I regret having offended the sensibilities of the hon. member. If he says he is no friend of mine, that is his problem, not mine. I come now to the hon. member for Winnipeg North Centre (Mr. Knowles). I think in my first speech in this House I expressed admiration for that hon. member. Certainly he has one thing going for him—longevity. This afternoon he said, substantially, that really there is nothing wrong with the functioning of parliament. All the government need do is bring in bills which please the hon. member's party, and there will be no difficulties in the House.

Mr. Knowles (Winnipeg North Centre): Hear, hear!

An hon. Member: Sixteen per cent, and still holding firm.

Mr. Knowles (Winnipeg North Centre): Seventeen per cent.

Mr. Dionne (Northumberland-Miramichi): I understood why the hon. member said that. Why did he not smile? Considering that his party's strength was exactly cut in half in the last federal election—

Mr. Knowles (Winnipeg North Centre): It was not.

Mr. Dionne (Northumberland-Miramichi): —one wonders what the Canadian public must do to that party before it learns.

Mr. Knowles (Winnipeg North Centre): Is that the best you can do?

Mr. Dionne (Northumberland-Miramichi): I now refer to something the Minister of Transport said.

Mr. Alexander: Oh, boy!

Mr. Dionne (Northumberland-Miramichi): I shall quote him, with fidelity. He said, sir, that Tories are interested in principle, not substance. I am not sure I agree.

Mr. Epp: Other government supporters agree.

Mr. Dionne (Northumberland-Miramichi): If he means principle, per se, I must disagree.

Mr. Baker (Grenville-Carleton): What does the hon. member know about principle? He wouldn't know how to spell it.

Mr. Dionne (Northumberland-Miramichi): If he means the principle of the double standard, or of the forked tongue, I would have to agree heartily with what he said.

I hope to see the day when we shall have a united, coherent opposition. I happen to believe this country can only be served by a viable party system. With all respect to my friends of the NDP and Social Credit Party, I look forward to the day when we shall have a two-party system.

Mr. Knowles (Winnipeg North Centre): You will see it. It will come.

Mr. Dionne (Northumberland-Miramichi): I believe in the two-party system; I believe in one party being a responsible alternative to the party in power.

Mr. Knowles (Winnipeg North Centre): Hear, hear!

Mr. Dionne (Northumberland-Miramichi): Obviously, the Canadian public is of the opinion that there is no such responsible and viable alternative to the party in power. That explains why the Liberal Party, with a few short interruptions, has remained in power in Canada most of the 20th century.

Mr. Knowles (Winnipeg North Centre): Is that your best effort?

Mr. Dionne (Northumberland-Miramichi): The Minister of Transport said the opposition go from irrelevancy to irrelevancy. They not only go from irrelevancy to irrelevancy, but from inconsistency to inconsistency. He asked, when are they going to stand together? I ask, when have they ever stood together?

The Acting Speaker (Mr. Ethier): Order, please. I regret to interrupt the hon. member, to inform him that his allotted time has expired.

Some hon. Members: Continue.

Some hon. Members: No.

[Mr. Dionne (Northumberland-Miramichi).]

Mr. Mazankowski: Goodale said no.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Ethier): Order, please. The Chair recognizes the hon. member for Provencher (Mr. Epp).

Mr. Jake Epp (Provencher): Mr. Speaker, this has been an interesting debate. It smoked out the Minister of Transport (Mr. Lang) and the hon. member for Northumberland-Miramichi (Mr. Dionne). Hon. members may wonder why the Minister of Transport was present in the House earlier. I see he has left.

An hon. Member: He's at the airport.

Mr. Epp: No. He was here on account of bad weather. He was grounded.

Mr. Roy (Laval): Stick to the motion.

Mr. Epp: Hon. members may wonder why, all the time he was ranting and raving, the minister never once turned his back on his backbenchers. I will tell you. He did not dare turn his back. He is the only minister here from the west. That is not quite accurate.

Mr. McKenzie: No. There is also the minister of nothing.

Mr. Epp: Quite right. There is the minister of nothing, and the Minister of Transport, both western ministers. Do you know why he would not turn his back on his backbenchers? The Minister of Transport is the most detested member of parliament in the west.

Mr. Goodale: Nonsense! Why does he get re-elected?

Mr. Epp: He is detested by all, including Liberals.

Mr. Roy (Laval): Is that the best you can do?

Mr. Goodale: Tell the House what happened to the strength of your vote last time, Jake.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Ethier): Order, please. The hon. member for Provencher (Mr. Epp) has the floor.

Mr. Goodale: Ask an Albertan about Joe Clark.

Mr. Epp: Mr. Speaker, the fishing season opened a little early. All the suckers are biting. And what is happening, out west? In the west, you see provincial Liberals divorcing themselves from the federal Liberals.

An hon. Member: Stick to the motion.

Mr. Epp: Mr. Speaker, the Minister of Transport tried to help his brother-in-law obtain the Liberal leadership in Saskatchewan, and he was defeated. Why? The Minister of Transport is the reason for his failure.

An hon. Member: What about Hatfield in New Brunswick?

Mr. Epp: I will get to you in a minute, friend. I come now to the hon. member for Northumberland-Miramichi, one of the two members we smoked out. He said that the Conservative party does not stand together, but the Liberals do.

An hon. Member: Tell Jim Richardson that.

Mr. Epp: Let us talk about an article which appeared in a paper which is known for its Liberal leanings, the Toronto *Star*. Today, on the front page, appears an article under the heading: "Trudeau Faces Revolt by MPs over Jobs Bill". It states:

The Trudeau government faces a backbench rebellion if it insists on pushing through a bill to make it even tougher for jobless Canadians to get unemployment insurance benefits.

● (2110)

It goes on to say—

Mr. Dionne (Northumberland-Miramichi): On a point of order, Mr. Speaker, as usual, the opposition is taking its cues from the newspapers. I gave no interview to the Toronto *Star* and the hon. member had better not build his hopes up on what he sees in a newspaper column.

The Acting Speaker (Mr. Ethier): Order. The Chair has difficulty in recognizing if that is or is not a point of order. I did not hear what the hon. member had to say.

Mr. Dionne (Northumberland-Miramichi): Thank you, Mr. Speaker. It seems to me to be particularly difficult tonight to get the attention of the opposition. The hon. member who is in the process of making a speech is taking his cues with regard to the state of the Liberal party from what he reads in the press.

Some hon. Members: Oh!

The Acting Speaker (Mr. Ethier): That is not a point of order. Order, please.

Mr. Epp: Thank you, Mr. Speaker. I thought, on that point of order, that the hon. member tried surreptitiously to indicate to the House that he wanted me to read the motion. I did not have to prove that I can read, but he has to, and that is why he read it. I want to go on quoting this article, and it says this—

An hon. Member: What about the motion?

Mr. Epp: Well, that's part of the motion. It says this:

The government could fall if Newfoundland M.P. David Rooney gets the four other Atlantic Liberals he says are also opposed to the bill to join him in voting against it.

The Acting Speaker (Mr. Ethier): Order, please. I have difficulty in attaching the hon. member's remarks to the motion before the House. The Chair has difficulty reconciling them with $1 items.

Mr. Epp: Thank you, Mr. Speaker. I am getting to the motion. I just wanted to point out to Your Honour that certain positions were taken with regard to the motion. I will respond to them and I shall be back on the motion in a minute. The point is that an allegation was made that the motion was not of consequence. Let me just finish, Mr. Speaker. It says:

The five, he says, have agreed that the bill is unacceptable to them in its present form.

Now, with regard to the motion, Mr. Speaker, the hon. member said we were not united. Well, when we get down to the bottom of this article we read:

Rooney says four other Liberal maritimers support him in opposing the bill. Liberal maritimer members include—

Some hon. Members: Order!

Mr. Epp: They include Rompkey, Breau, Corbin, and Maurice Dionne.

Some hon. Members: Oh, oh!

Mr. Epp: I wonder, Mr. Speaker, where is Maurice Dionne. Where is he?

The Acting Speaker (Mr. Ethier): Is the hon. member for Madawaska-Victoria (Mr. Corbin) seeking the floor on a question of privilege?

Mr. Corbin: On a point of order, Mr. Speaker. I won't make a question of privilege out of it and waste the time of the House. The hon. member has deliberately misled the House by misquoting that newspaper article, and I wish he would read it as written.

The Acting Speaker (Mr. Ethier): Order, please. The Chair informed the House a moment ago that it could not hear the remarks of hon. members. Therefore it is very difficult to judge whether the hon. member for Provencher (Mr. Epp) was speaking on the motion. Most of his remarks I could not hear. I asked him to be clear and to relate his remarks to the motion before the House. I hope the House will concur with the feeling of the Chair and co-operate so we can hear the hon. member for Provencher.

Mr. Beatty: On a point of order, Mr. Speaker, you heard the hon. member opposite say that my hon. friend from Provencher had deliberately misled the House. My understanding is—

The Acting Speaker (Mr. Ethier): Order, please. The hon. member for Provencher.

Some hon. Members: Withdraw!

Mr. Corbin: You lied!

Some hon. Members: Oh!

Mr. Muir: On a point of order, Mr. Speaker, how long can he get away with that? He is saying my hon. friend here lied. He is setting a precedent. We could all use that language.

The Acting Speaker (Mr. Ethier): The Chair did inform the House a moment ago that it cannot hear what hon. members are saying. There is too much noise. There is too much

shouting across the aisle. I did not hear the remarks of the hon. member for Madawaska-Victoria.

Some hon. Members: Oh!

The Acting Speaker (Mr. Ethier): The only thing the Chair did hear pertained to a remark that the hon. member was reading from or quoting from a newspaper. I thought that was not a point of order, and I stood up to recognize the hon. member for Provencher. If remarks were made which the Chair did not hear, I think we should wait until tomorrow and read what *Hansard* reports.

Mr. Epp: Before I go on, I want to enter a caveat on two counts. First, in his intervention the hon. member for Madawaska-Victoria (Mr. Corbin) said—and I believe I have his words correctly—that I had deliberately misled the House.

Mr. Corbin: That's right.

Mr. Muir: Did you hear that? He has just confirmed it.

Mr. Epp: I believe that *Hansard* will show tomorrow that the hon. member for Madawaska-Victoria has in fact confirmed that he said exactly that. Not only that, Mr. Speaker, I believe many members in the House clearly heard the hon. member as stating I had lied. I believe that is unparliamentary language. I believe both interventions are the subject of a legitimate question of privilege. I suggest that *Hansard* will show tomorrow what was said by the hon. member for Madawaska-Victoria, and I reserve the right to move a motion of personal privilege tomorrow.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): On the question of privilege which has just been reserved by the hon. member for Provencher (Mr. Epp) and in connection with which Your Honour has indicated you will check *Hansard* tomorrow, unless, of course, there is an apology and immediate withdrawal tonight, when that will be unnecessary, the fact of the matter is that there has been a ruling here in the House in which I was involved with the Prime Minister not too long ago in which it was clearly held that the precedents go long beyond just a few months ago, and that such an allegation against an hon. member cannot be made. This affects not only the hon. member for Provencher but every member of the House of Commons.

Some hon. Members: Hear, hear!

Mr. Corbin: I will be a gentleman, Mr. Speaker.

Some hon. Members: Oh!

Mr. Corbin: It could well be that in the heat of debate I got carried away and I will withdraw, without any reservation whatever, words I used when I referred to the hon. member a second time, and I will go so far as to withdraw the statement that the hon. member is deliberately misleading the House. However, I do suggest to him that he look under his bed tonight and see if he would not agree with me that when he quoted from the news release he may have inadvertently misled the House, because I know that particular passage by heart, having checked it many times over the weekend.

[The Acting Speaker (Mr. Ethier).]

• (2120)

Mr. Epp: Well, Mr. Speaker, as a gentleman I accept what the hon. member says, but frankly I still reserve my position on the word he used. I want to see what *Hansard* says. I am not saying it was deliberately misleading but he did not withdraw the word that he used.

I should like to get back to the matter I was discussing before being so rudely interrupted. If hon. members opposite find the quotes I am making, which I am reading from the Toronto *Star*, too hot then they can take issue with the Toronto *Star*, but that paper says very clearly that there are specific members who are opposed to Bill C-27. They accused us of being divided on Bill C-27, but I simply tell the House that both the hon. member for Madawaska-Victoria and the hon. member for Northumberland-Miramichi are listed as being opposed to the bill, which is a government bill. I think that is all that needs to be said.

The whole issue today, Mr. Speaker, is the manner in which the government tries to railroad legislation. The fact of the matter is the government has a majority, but it is telling the people of Canada and the members of this House that it cannot run the House. It is saying that the opposition is too effective, that it cannot get legislation through, to the point where on Friday the government ran out of business.

Hon. members opposite also accuse us of not bringing forward pertinent matters. What does the record show, Mr. Speaker? On March 17 the following motion was moved by the Leader of the Opposition (Mr. Clark):

> That this House condemns the government's failure to set or fulfil reasonable economic goals, and urges the Minister of Finance to be forthright with the people of Canada by revealing in the budget the specific goals he will be seeking to reach with regard to employment, inflation, Canada's trade balance, and the rate of economic growth.

On March 4 the hon. member for Selkirk (Mr. Whiteway) moved the following motion:

> That in view of the desirability of encouraging an integrated approach to urban planning and development, and of promoting energy conservation, industrial development and employment, this House condemns the Liberal government's deliberate and cynical repudiation of its 1974 election pledge to give comprehensive and extensive aid to municipalities for the improvement of urban transport systems.

On February 23 we moved a motion having to do with non-renewable energy resources. On February 10 we moved a motion on unemployment. And so it goes on, Mr. Speaker, but this government does not respond.

The most reprehensible point on which the government stands condemned is this: it is using $1 items to circumvent parliament. We have constantly to remind it that it wants to circumvent the will of parliament, Mr. Speaker. Whether it is in committee or in the House, ministers do not want an examination of the estimates. Not only that, but with a majority government they say they cannot get legislation through the House and they have to use closure. This is because they cannot handle the House.

Just to show how decrepit the government is, on Friday I asked whether the premier of Manitoba was going to join the federal cabinet.

Mr. Dionne (Northumberland-Miramichi): Wishful thinking.

Mr. Epp: Maybe it is wishful thinking, but the point is that the Prime Minister (Mr. Trudeau) chose not to deny it. On Friday the premier of Manitoba refused to deny it too, so I can only draw one conclusion, and that is that the front bench is devoid of new ideas and that the backbenches are not even worthy of the front benches. This is why the Prime Minister now has to fish in NDP waters to see whether the Liberal party cannot get someone to bolster their sagging fortunes.

When will confidence come back to the govenment? Only when the government presents to parliament a clear picture of the situation, allows parliament to debate it, and the people's representatives to vote. This government has chosen not to do so and it stands condemned by its own actions.

Mr. Yvon Pinard (Drummond): Mr. Speaker, it is a pleasure for me to participate in this $1 debate today and to provoke the Official Opposition.

[*Translation*]

I am somewhat surprised to see that the opposition has preferred today to talk as usual about matters of form rather than matters of substance.

I would like to tell the House right now that I intend to be polite and concise so as to allow one member of the Official Opposition to say a few words before the end of this debate in the hope that the Official Opposition can finally say something significant today.

Consequently, Mr. Speaker, I want to take this opportunity, since we are talking about questions of form and since our rules have been blamed, to call the attention of the House to the need not only to amend certain aspects of our rules, but to review them in their entirety to make this parliament much more modern, effective, worthy and able. It is without any partisanship that I refer to parliamentary reform since, like the hon. member for Edmonton West (Mr. Lambert), I attended this summer, before the resumption of the sittings of the House, meetings of the Committee on Procedure and Organization, where we discussed amendments to parliamentary procedure.

This afternoon I heard the hon. member for Edmonton West say that he had, by himself or with his party, suggested some rules to our House leader and that unfortunately their suggestions had not yet been implemented. I would like to say, Mr. Speaker, that parliamentary reform should be made in consultation with all parties of the House and not by one party alone. What I deplore most is the fact that the hon. member for Edmonton West suggested that we were unwilling to accept change, when the opposite is true. We are quite open to change. We have been requesting some changes for years and we hope that these changes will be made by a consensus of the members of all parties of the House.

Mr. Cyr: Including Stanley Knowles.

Mr. Pinard: As a matter of fact, it would be very helpful, Mr. Speaker, to discuss the true problems of the day in this House. Today, the Official Opposition missed a splendid opportunity to study in depth a matter of current significance to deal with a mere technicality and generally complain about the rules, because they thought fit to complain about the rules, and because it is against their nature to go to the bottom of things.

Mr. Speaker, I submit that we should have every reason to improve the image of our institution, which is now seen as a true museum. We should be considering reforms in the area of speech time, so that speakers from every party express themselves in a clearer, more concise, less partisan and more direct way. Without denying the opposition the right to state fully their views, we could amend the rules to allow for efficient but unobstructing opposition, and the best way in my view would be to grant 20 or 15 minutes' time to every speaker.

It seems to me that in this day and age, it would be fair and normal to consider a parliamentary schedule under which we could plan our activities as elected representatives, as devoted MPs anxious to know the public's opinion through sensible stays in our constituencies and families. I believe that a positive formula that would be acceptable to all parties in this House —it was discussed last summer—would be to condense parliamentary work into four days rather than five. I am not referring here to a process of shortening our work hours, but rather to redistributing the same number of hours into a lesser number of days. This would leave three days a week during which we could look after our elected representatives business in our constituencies, and then report here on the public's views.

Mr. Speaker, I have very little time to go in depth into a reform proposal I put forward in a speech on the Address in reply to the Throne Speech. I simply wanted to deal with some general matters requiring immediate changes, especially in the current context where we are considering televising this House, as the principle has indeed been accepted. We are now considering the ways and means, the cost of facilities and so on. The principle has been accepted, but clearly there can be no question of televising our proceedings as they are now being conducted. It is urgently necessary to amend the procedure. The Official Opposition is now complaining about one aspect of the standing orders. It seems to me that several other beneficial changes could be made.

Mr. Speaker, during the past two years, we have had unduly extended debates and the opposition missed a fine opportunity on the allotted days to raise questions which concern us as Canadians and it would have been a good thing to discuss them here rather than let the press or commentators in general analyze them. We have thus lost some valuable time.

We have imposed upon the members by requiring their attendance in the House to witness meaningless debates which were meant to delay our proceedings or prevent the proper operation of the House. If such is the complaint of the Official

Opposition, I agree, but I say that it is its fault if our debates are so fruitless and so unproductive.

Mr. Speaker, I am now almost through. I promised to leave enough time for the hon. member of the opposition to close debate. I shall do so to be courteous, but I absolutely did not want to miss the opportunity of pointing out to the House, on this an allotted day, the necessity and the urgency of considering amendments to our standing orders. Those changes should be made with the agreement of all hon. members of the House, and that, as soon as possible so that we can, once again, restore the value of our role in this House, really express the wishes of the people and use our influence in the shaping of political decisions being made at the present time.

• (2130)

[*English*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I thank the hon. member for giving way so that this debate can be completed. I say to him that I thoroughly agree with his sentiments with regard to essential changes that are needed in this House.

After having spent more than 19 years in this House, I can tell the hon. member that a great many members on this side, and I suspect on the other side, experience frustration. I hope that when the time comes to suggest that there be changes the voice of the hon. member will be raised as strongly then as now so that we in this House can bring to the attention of the people of Canada the current and controversial issues. We could then deal with them rather than be shackled as we are to the precedents of the eighteenth and nineteenth century which dominate this parliament. I hope when the time comes members on the other side will not be mice that roar but members who come to the assistance of this parliament.

Some hon. Members: hear, hear!

Mr. Baldwin: Some nine days from now the Minister of Finance (Mr. Macdonald) will be bringing down a budget, an exceedingly difficult task. I do not envy him his task. His task is increased in severity and size of the problems which await him because of the sorts of things which have been brought forward in the motion standing in the name of the hon. member for Vegreville (Mr. Mazankowski).

No country can be properly governed unless there is a measure of co-operation, confidence, and understanding between the people who are governed and the government. That does not exist today. One reason is because of what we complain about in this motion. We have complained about these issues year in and year out for the past nine years. There has been deception, an attempt to hide the expenditures of this country so that we have no real opportunity to debate them. That situation has brought the estimates presented to this House from $14 billion in 1971-72 to $41 billion in 1977-78.

We have had no opportunity, either in this House or in committee, to examine with understanding, discernment, and a capacity to challenge, some of the estimates because of the very things the hon. member for Vegreville has included in his motion today. For that reason the public have lost confidence in this government. It has attempted to stifle the need to inquire into a number of things, particularly the manner and the method of expenditures of public money.

No government can deal with the complex problems of today without having at least a reasonable measure of support and confidence from the people of the country. That does not exist. That is why in nine days from now the Minister of Finance will be facing an almost impossible task.

Because the government has conducted itself in this and many related ways, the people are asking why they should have confidence in a government which brings in estimates that are almost indecipherable because of the language used. It brings in $1 items which give the governor in council the right to expend sometimes hundreds of millions of dollars without ever facing the challenge of members of this House to decide whether those expenditures have been properly made.

The people of this country and the government march to the beat of different drums. The government is moving sideways, engaging in deception. If this conduct was carried out by people in civilian life, it would be the subject of an action for obtaining money by false pretenses. But because it is the government, because it is the Liberal government which has learned over many years of experience the way to deceive and in effect to defraud the people of Canada, by taking their money by such methods—

• (2140)

Mr. MacEachen: Fraud, deception, what words!

Mr. Baldwin: That is right. These are the kinds of words that this government should hear and listen to more often.

Some hon. Members: Hear, hear!

Mr. MacEachen: You might have to withdraw them tomorrow.

Mr. Baldwin: I am talking about fraud in a system which has been perpetrated by a government—

Mr. MacEachen: A shocking abuse of language.

Mr. Baldwin: I am sorry I missed the speech of the Minister of Transport (Mr. Lang).

Mr. Epp: You did not miss anything.

Mr. Baldwin: If I remember correctly, it was that minister who led a pack of ministers some years ago in breaking the law deliberately. We may recall the situation when we had legislation dealing with the Temporary Wheat Reserves Act, and despite the firm and specific provisions of that act, the Minister of Transport, the Prime Minister (Mr. Trudeau), the then minister of justice and one other minister conspired to break that law. I brought in a motion in an attempt to have the ministers impeached. I only regret that the former Speaker then in office said that although the right of impeachment

exists, it has not been in use for so long that it presented some difficulties. I think we should bring it back.

Some hon. Members: Hear, hear!

Mr. Baldwin: This country needs the law of impeachment again so that those in high places guilty of misdemeanours should be subject to the kind of proceedings which took one president out of office in the United States, a situation which could prevail here.

These dollar items do not give us the facts we are entitled to have. Members of the House on both sides are the trustees of the public of Canada. It is our responsibility to ensure that the moneys which are raised in the form of taxation are properly spent and accounted for. That right does not exist today, and I say that the hon. member for Vegreville is to be commended for bringing this issue to the attention of the House.

[*Translation*]

The Acting Speaker (Mr. Ethier): Order. It being 9.45 p.m., pursuant to Standing Order 58(10) and order made on Monday, March 21, 1977, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply relating to Supplementary Estimates (D), and all stages of the bill based thereon, together with interim supply and first reading of the bill based thereon.

[*English*]

Is it the pleasure of House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Ethier): All those in favour of the motion will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Ethier): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Ethier): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Ethier): Call in the members.

The House divided on the motion (Mr. Mazankowski) which was negatived on the following division:

Dollar Items

(Division No. 26)

YEAS

Messrs.

Alexander
Alkenbrack
Allard
Andre
(Calgary Centre)
Baker
(Grenville-Carleton)
Baldwin
Bawden
Beatty
Benjamin
Blackburn
Brewin
Brisco
Broadbent
Clark
(Rocky Mountain)
Clarke
(Vancouver Quadra)
Crouse
Darling
Dick
Diefenbaker
Dionne
(Kamouraska)
Douglas
(Nanaimo-Cowichan-The Islands)
Ellis
Elzinga
Epp
Fairweather
Fortin
Friesen
Gauthier
(Roberval)
Gilbert
Gillies
Grafftey
Halliday
Hamilton
(Qu'Appelle-Moose Mountain)
Hamilton
(Swift Current-Maple Creek)
Hargrave
Holmes
Horner
Hurlburt
Jarvis
Jelinek
Knowles
(Winnipeg North Centre)
Knowles
(Norfolk-Haldimand)
Lambert
(Edmonton West)
Lavoie
Lawrence
MacDonald
(Egmont)
MacDonald (Miss)
(Kingston and the Islands)
Malone
Masniuk
Mazankowski
McCain
McCleave
McGrath
McKenzie
McKinnon
Muir
Munro
(Esquimalt-Saanich)
Murta
Neil
Nielsen
Nystrom
Oberle
Orlikow
Patterson
Ritchie
Roche
Saltsman
Schellenberger
Scott
Skoreyko
Smith
(Churchill)
Stanfield
Stevens
Stewart
(Marquette)
Symes
Towers
Whiteway
Whittaker
Wise
Woolliams—80.

NAYS

Messrs.

Abbott
Anderson
Andres
(Lincoln)
Appolloni (Mrs.)
Baker
(Gander-Twillingate)
Basford
Béchard
Bégin (Miss)
Blaker
Blouin
Boulanger
Breau
Buchanan
Bussières
Caccia
Cafik
Campagnolo (Mrs.)
Campbell (Miss)
(South Western Nova)
Caron
Chrétien
Clermont
Collenette
Condon
Corbin
Corriveau
Côté
Cullen
Cyr
Danson
De Bané
Demers
Dionne
(Northumberland-Miramichi)
Douglas
(Bruce-Grey)
Drury
Dupont
Dupras
Ethier
Faulkner
Fleming
Flynn
Foster
Fox
Francis
Gendron
Gillespie
Goodale
Goyer
Gray
Guay
(St. Boniface)
Guilbault
Haidasz
Harquail
Herbert
Holt (Mrs.)
Hopkins
Isabelle
Kaplan
Lachance
Lajoie
Lalonde
Landers
Lang
Langlois
Laniel
Leblanc
(Laurier)
LeBlanc
(Westmorland-Kent)
Lee
Lefebvre
Lessard
Loiselle
(Saint-Henri)
MacDonald
(Cardigan)
MacEachen
MacGuigan
Maine
Marceau
Marchand
McIsaac
McRae
Milne
Munro
(Hamilton East)
Nicholson (Miss)
O'Connell
Ouellet
Parent
Pelletier
Philbrook
Pinard
Portelance
Prud'homme
Railton
Reid
Roberts
Rooney
Roy
(Timmins)
Roy
(Laval)
Sauvé (Mrs.)
Sharp
Smith
(Saint-Jean)
Stanbury
Stollery
Tessier
Turner
Watson
Whelan
Yanakis
Young—106.

● (2210)

[*After the taking of the Vote:*]

Mr. Speaker: Let the record show that when Mr. Reid rose to vote he was identified as Mr. Watson.

I declare the motion lost.

* * *

MOTION FOR CONCURRENCE IN SUPPLEMENTARY ESTIMATES

Hon. Ron Basford (for the President of Treasury Board) moved:

That supplementary estimates (D) 1976-77, laid upon the Table, Wednesday, March 2, 1977, except for Votes 1d(a) and *77d* relating to the Department of Industry, Trade and Commerce, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: On division.

Motion agreed to.

Mr. Basford (for the President of the Treasury Board) thereupon moved that Bill C-44, for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1977, be read a first time and be printed.

Motion agreed to.

Mr. Speaker: Pursuant to Standing Order 58(10) the question is upon the motion of Mr. Andras, seconded by Mr. MacEachen, that Bill C-44 be now read a second time and be referred to the committee of the whole.

Mr. Basford (for the President of the Treasury Board) thereupon moved that Bill C-44, for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1977, be read a second time and referred to the committee of the whole.

Mr. Knowles (Winnipeg North Centre): I rise on a point of order, Mr. Speaker. Actually, I rise on two points of order but I think the first can be cleared up rather quickly. The President of the Treasury Board (Mr. Andras) is not here. I do not see, therefore, how a motion can be moved in his name.

My second point of order is this: can Your Honour assure the House that the bill which has now been printed has been checked to make sure that the items you ruled out of order this afternoon are not included in the bill which is before us?

Mr. Speaker: The points of order raised by the hon. member are well taken on both counts. The motion in the *pro forma* version is in the name of the President of the Treasury Board, and to make the record correct, where I have said "Mr. Andras" I ought to have said "Mr. Basford for Mr. Andras". Therefore where I have said "Mr. Andras" I ask that the record be corrected in that form.

[The Acting Speaker (Mr. Ethier).]

In respect of the form and substance of the bill, I am able to give the House the assurance which the hon. member for Winnipeg North Centre (Mr. Knowles) has sought. Therefore the question is on the motion of Mr. Basford (for Mr. Andras), seconded by Mr. MacEachen, that Bill C-44, an act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1977, be now read a second time and referred to the committee of the whole.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Laniel in the chair.

The Chairman: Order, please. House in committee of the whole on Bill C-44, an act for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1977.

Clause 2 agreed to.

The Chairman: Shall clause 3 carry?

Some hon. Members: On division.

Clause 3 agreed to.

Clause 4 agreed to.

On clause 5—

Mr. McCleave: Mr. Chairman, perhaps I may raise a point of order. I do not believe the question was asked when Mr. Speaker was in the Chair whether the bill was in the traditional form. I thought that was a question that should be asked of the ministry with the Speaker in the Chair rather than when you, as chairman, are in committee of the whole. I do not think I should ask it of yourself but that it should be asked of the ministry. Can we have the assurance that this particular clause is in the form that has been traditionally presented to us?

Mr. MacEachen: Mr. Chairman, the form of this bill is the same as others passed in previous years, and it contains no additional borrowing authority.

Clause agreed to.

Clauses 6 and 7 inclusive agreed to.

The Chairman: Shall the schedule carry?

Some hon. Members: On division.

Schedule agreed to.

The Chairman: Shall clause 1 carry?

Some hon. Members: On division.

Clause 1 agreed to.

The Chairman: Shall the preamble carry?

Some hon. Members: On division.

Preamble agreed to.

Title agreed to.

Bill reported.

Mr. Speaker: When shall the bill be read the third time? By leave, now?

Some hon. Members: By leave, now.

• (2220)

Mr. Basford (for Mr. Andras) moved the third reading of the bill.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to and bill read the third time and passed.

* * *

INTERIM SUPPLY

Hon. Ron Basford (for the President of the Treasury Board) moved:

That a sum not exceeding $5,113,286,796.42 being the aggregate of:

(a) three-twelfths of the total of the amounts of the items set forth in the Estimates for the fiscal year ending March 31, 1978, laid before the House of Commons on February 16, 1977, $4,803,459,729.75;

(b) an additional eight-twelths of the total amount of Energy, Mines and Resources Vote L55, Regional Economic Expansion Vote 25, Transport Vote 90 (Schedule A) of the said Estimates, $4,857,333.33;

(c) an additional six-twelfths of the total amount of Treasury Board Vote 10 (Schedule B) of the said Estimates, $32,400,000.00;

(d) an additional four-twelfths of the total amount of Finance Vote 15 (Schedule C) of the said Estimates, $37,166,666.67;

(e) an additional three-twelfths of the total amount of Communications Vote 5, External Affairs Vote 5, Transport Vote 40, Treasury Board Vote 5 (Schedule D) of the said Estimates, $90,005,000.00;

(f) an additional two-twelfths of the total amount of Indian Affairs and Northern Development Vote L50, Transport Votes 65 and L75 (Schedule E) of the said Estimates, $13,357,666.67;

(g) an additional one-twelfth of the total amount of Energy, Mines and Resources Votes 1 and L50, Indian Affairs and Northern Development Votes 1 and 5, Manpower and Immigration Vote 10, National Health and Welfare Vote 40, Supply and Services Votes 1 and 15 and Transport Vote 50 (Schedule F) of the said Estimates, $132,040,400.00;

be granted to Her Majesty on account of the fiscal year ending March 31, 1978.

Mr. Speaker: Before putting the question, I want to point out to hon. members that the printing of this form is unclear. On some occasions I hesitated to see whether the letter before a certain number was an "I" or an "L".

Some hon. Members: "L".

Mr. Speaker: I hope I will be permitted some editorial leverage with respect to this. It will be recorded accurately in *Hansard*.

Is it the pleasure of the House to adopt the said motion?

Mr. Lambert (Edmonton West): Mr. Speaker, it was not clear from your reading that there were additional sums beyond the three-twelfths or expenditures across the board which were sought or that there were some additional amounts. You mentioned six-twelfths, two-twelfths. These would be in addition to the three-twelfths. Precisely just how much money is being sought in this interim supply bill?

Mr. Speaker: I can only indicate that the question which has been put to the House is in precisely the form of the notice on the notice paper. Any detailed information would, of course, have to come from the Crown.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on the same or on a related point of order. Can we have an assurance from the government that in no case do these fractions add up to twelve twelfths?

Mr. MacEachen: Yes, Mr. Speaker. In no case do the amounts sought in interim supply in this instance release the total amounts, and therefore the rights of hon. members to criticize the estimates in committee have been fully protected.

Mr. Speaker: Order, please. I am of course prepared to entertain a point of order at any time. However, the motion must be put at this moment. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: On division.

Motion agreed to.

Mr. Basford (for the President of the Treasury Board) moved that Bill C-44, for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1978, be read a first time and be printed.

Motion agreed to.

Mr. Speaker: It being after ten o'clock, this House stands adjourned until tomorrow at 2 p.m.

At 10.28 p.m. the House adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Wednesday, March 23, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

FISHERIES

APPROVAL OF MINISTER'S ACTIONS IN PROTECTING SEALS AND SEAL HUNTERS—MOTION UNDER S.O. 43

Mr. James A. McGrath (St. John's East): Mr. Speaker, I am seeking the unanimous consent of the House under Standing Order 43. Yesterday in the United States House of Representatives a resolution was passed by a voice vote which, in the words of Dr. Arthur May, the Director General of Resource Services for Fisheries Environment Canada, had this to say: "The resolution was incredible and it was based on erroneous information supplied by anti-seal hunt protestors. I regret very much that the U.S. House did not see fit to advise itself on this issue. I would, therefore, move, with the unanimous consent of the House, seconded by the hon. member for Bonaventure-Îles-de-la-Madeleine (Mr. Béchard):

That this House supports the right of Canadians to hunt seals off Canada's east coast and further supports the Minister of Fisheries and the Environment for the steps he has taken to ensure that the hunt is strictly supervised and conducted in a humane manner with quotas based on the best scientific data available to ensure proper management and conservation of the herd.

Mr. Speaker: Order, please. The presentation of such a motion for debate pursuant to Standing Order 43 can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

MANPOWER

REQUEST FOR ACTION TO STOP CYPRUS ANVIL MINES RECRUITING MILLWRIGHTS IN UNITED STATES—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have been informed that the Cyprus Anvil Mining Corporation in Faro, Yukon has been given approval by Canada Manpower to recruit millwrights in the United States. It has been given this approval in spite of the fact that the availability of such positions has not been advertised or posted in any form in Canada Manpower Centres in such obvious places as Sydney, Nova Scotia; Sudbury, Ontario; Hamilton, Ontario; and Sault Ste. Marie, Ontario.

Given the fact that more than a million Canadians are unemployed, and the related fact that these are jobs that should be available first to Canadians, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the House demands that the Minister of Manpower and Immigration take action immediately to stop the Cyprus Anvil Mining Corporation in Faro, Yukon from recruiting millwrights in the United States until the availability of positions for people with this skill is posted in manpower centres across Canada.

Mr. Speaker: Order, please. Presentation of such a motion for debate pursuant to Standing Order 43 can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

[*Translation*]

CANADA WORKS PROGRAM—CONDITIONS OF AGREEMENT WITH PROVINCES—MOTION UNDER S.O. 43

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to move a motion dealing with an important question of pressing necessity.

In view of the fact that the provincial governments have a right of veto on projects submitted to the federal government under the Canada Works program and the Young Canada Works program without any financial contribution from the provinces to those programs, and considering that some vetoed projects cannot be carried out, I move, seconded by the hon. member for Lotbinière (Mr. Fortin):

That the House ask the Minister of Manpower and Immigration (Mr. Cullen) to reveal the conditions under which those agreements about those programs have been concluded between the federal and provincial governments.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

• (1410)

[*English*]

POST OFFICE

SUGGESTED MEETING TO SETTLE LABOUR-MANAGEMENT IRRITANTS—MOTION UNDER S.O. 43

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. In recent days, members of the Canadian Union of Postal Workers have been engaging in work stoppages in various parts of the country, including St. John's, Newfoundland, yesterday, protesting various violations of the current contract. In view of the detrimental effects these stoppages are having on an already seriously depressed economy, I move, seconded by the hon. member for Parry Sound-Muskoka (Mr. Darling):

That the Postmaster General take the initiative in calling a meeting of union officials, Post Office officials, representatives of the Treasury Board and the Department of Labour to settle the irritants in labour-management relations in the Post Office which are at the root of the continuing disruption of Canada's postal service.

Mr. Speaker: Such a motion under Standing Order 43 can be presented only with unanimous consent. Is there such consent?

Some hon. Members: No!

* * *

ENERGY

CO-OPERATION OF FEDERAL GOVERNMENT WITH PROVINCES IN DEVELOPMENT OF HYDRO RESOURCES—MOTION UNDER S.O. 43

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I, too, rise on a matter of urgent and pressing necessity pursuant to Standing Order 43. As approximately four years have passed since the OPEC countries ended the era of cheap energy, and since the situation in some parts of Canada has reached crisis proportions in terms of energy costs both for industrial and home consumption, I move, seconded by the hon. member for St. John's East (Mr. McGrath):

That the Minister of Energy, Mines and Resources bring forward new and definite development projects in conjunction with provinces such as Newfoundland which have great hydro resources so that those resources can be developed to the benefit of all Canadians and tied into a national power grid—measures which any far-sighted government would have long since completed.

Mr. Speaker: A motion under Standing Order 43 requires the unanimous consent of the House before it can be presented. Is there unanimous consent?

Some hon. Members: No!

[Mr. Speaker.]

REGIONAL ECONOMIC EXPANSION

REQUEST FOR CO-OPERATION OF MINISTER IN MODERNIZATION OF SYDNEY STEEL PLANT—MOTION UNDER S.O. 43

Mr. Andy Hogan (Cape Breton-East Richmond): Mr. Speaker, I rise under the provisions of Standing Order 43. In view of the fact that the premier of Nova Scotia yesterday announced that the plans for a new steel complex in Cape Breton would not be feasible under current economic circumstances, and in view of the fact that the official labour force survey for February puts the unemployment rate in Cape Breton at 16.9 per cent, which means that the real rate of unemployment is probably nearer 22 per cent, I move, seconded by the hon. member for Sault Ste. Marie (Mr. Symes):

That this House urge the Minister of Regional Economic Expansion to press forward in co-operation with the Nova Scotia government to modernize the existing Sydney Steel Corporation, thus ensuring a stable work force.

Mr. Speaker: The motion put forward under Standing Order 43 requires the unanimous consent of the House before it can be presented. Is there unanimous consent?

Some hon. Members: No!

ORAL QUESTION PERIOD

[*English*]

THE CANADIAN ECONOMY

MEASURES TO ESTABLISH PERMANENT MECHANISM FOR CONSULTATION WITH ECONOMIC DECISION-MAKING GROUPS

Mr. Joe Clark (Leader of the Opposition): Mr. Speaker, my question is directed to the Prime Minister. Given the encouraging news that representatives of business and labour are now making a start on the establishment of a spirit of co-operation and consensus on national economic policy, might I ask the Prime Minister whether he intends to make provision for further consultation by bringing in some more permanent kind of mechanism which more broadly represents economic groups in the country?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as we indicated last fall in the government publication called "The Way Ahead", we intend to continue and expand these consultations and reach an increasing number of spokesmen for the various aspects of the economic decision-making.

Mr. Clark: I take it from the Prime Minister's answer that there is no intention to establish any mechanism which will regularly and broadly represent the wide range of persons concerned about economic policy. Is that right?

Mr. Trudeau: At this stage we do not intend to establish a formal mechanism. We intend to proceed with the kind of consultations which have been going on and to expand them. Ultimately we will see whether these consultations can be formalized in a more precise way.

ANTI-INFLATION PROGRAM

PLANS FOR TERMINATING CONTROLS—GOVERNMENT POSITION

Mr. Joe Clark (Leader of the Opposition): I have a supplementary question for the Minister of Finance. Could the minister tell the House whether, as a result of meetings which he called "an historic event", he will give the House of Commons now the assurance that was asked of him yesterday by representatives of business and labour that his budget proposals will not prevent the government from terminating controls at the earliest opportunity?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I was not able to give that assurance yesterday but I took account of that representation. As the hon. gentleman knows, many others in the country—including, I think it is fair to say, a majority of the provincial governments—have asked that the control program not be brought to an end at an early date. Naturally, I will have to weigh these two different representations and try to achieve some compromise between them. I think it is important in the course of the economic statement in the budget that we should give some indication of the timing on the control program, and we are now giving reflection to the ways in which we might meet the rather conflicting objectives stated by two different important groups in the community.

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THE CANADIAN ECONOMY

POSSIBILITY BUSINESS AND LABOUR REQUEST RESTRAINT ON GOVERNMENT EXPENDITURES

Mr. Sinclair Stevens (York-Simcoe): My question is for the Prime Minister. Reports from yesterday's meeting indicate that business and labour representatives present there were willing to accept voluntary restraints on their own economic demands in the earnest hope that controls might end as soon as possible. Would the Prime Minister indicate whether business and labour in turn asked the government for similar restraint commitments, especially on a long-term basis and, if so, what assurances were given by the government that the government would take a smaller share of our gross national product?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, yesterday this subject was not raised, nor was it raised by the representatives of business and labour, but at previous meetings, particularly through the President of the Treasury Board, we have indicated the progress we have made in the past to limit expenditures. We would appreciate it if the opposition parties would themselves show restraint on the spending estimates of the government.

Mr. Stevens: My supplementary question is for the Prime Minister. Yesterday both the business and labour representatives informed the Prime Minister and other ministers present that in their view the marketplace works well. Does the Prime Minister agree with their assessment?

Mr. Trudeau: Relatively.

* * *

ANTI-INFLATION PROGRAM

METHOD OF TERMINATING CONTROLS

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my final supplementary question is for the Minister of Finance. As controls could be dropped suddenly or by stages and as the Minister of Finance stated yesterday that he suspected that the preference of business and labour representatives was, to use his words, a "put out the lights" approach—something, I think, with which the government feels quite at home—can the minister say whether, as a result of this meeting, the government now favours a "one shot" end to controls rather than a decontrols period when controls would be phased down bit by bit?

Hon. Donald S. Macdonald (Minister of Finance): We will be dealing with that question among others in the course of the budgetary statement.

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REGIONAL ECONOMIC EXPANSION

DELAY IN BUILDING NEW STEEL PLANT IN CAPE BRETON—GOVERNMENT ACTION TO DEAL WITH UNEMPLOYMENT

Mr. Andy Hogan (Cape Breton-East Richmond): Mr. Speaker, my question is directed to the Minister of Regional Economic Expansion. In view of the fact that the premier of Nova Scotia last night announced from London, England, that there would be a delay in the construction of a new steel mill in Cape Breton until well into the future, would the minister tell the House, in view of the tremendous unemployment problem in the Cape Breton area, what special plans his department has to help the extremely serious situation now facing the Sydney steel plant?

[*Translation*]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, as I said yesterday, it is obvious that since the project under study concerning the construction of a new steel plant has been delayed until much later, it will of course be necessary to consider more closely the proposals which will be put forward to maintain the operations of SYSCO and possibly to increase them. Of course, I will have to consult my officials and pursue our negotiations and discussions with the SYSCO officials. But I repeat that it will be necessary to wait for proposals and, as I said yesterday, we are prepared to consider them favourably.

● (1420)

[*English*]

Mr. Hogan: Mr. Speaker, I appeal to the minister to be more specific. He has been studying this thing for over a year and a half. Over the last two years I have been attending the meetings of the Standing Committee on Regional Development and bringing up this matter. What are the minister's suggestions? We are facing a situation in which we are having a—

Some hon. Members: Order.

Mr. Speaker: Order, please. If the hon. member has a supplementary question, would he put it forthwith.

Mr. Hogan: Would the minister please give us something more specific regarding the government's plans for employment in the Sydney Steel industry? He has had lots of time to study it.

[*Translation*]

Mr. Lessard: Mr. Speaker, I would like to remind the hon. member that SYSCO is a corporation under the jurisdiction of the provincial government which is responsible for the administration. I will certainly have to wait for proposals from the directors of this corporation as well as from the provincial government before I can decide what kind of assistance my department and the federal government might offer.

[*English*]

STUDY OF USE OF Q-BOP TECHNOLOGY FOR RENOVATION OF SYDNEY STEEL PLANT—REQUEST FOR TABLING

Mr. Andy Hogan (Cape Breton-East Richmond): The minister's answer suggested that the province of Nova Scotia has made no suggestions to him as yet, and in turn, his department has made no suggestions on how to correct this situation. Will the minister please tell the House if the special study on the use of Q-BOP technology to help renovate the present Sydney plant, which was done by members of the United States Steel Corporation with the support of DREE funds, has been received by the Department of Regional Economic Expansion, and will he table it in the House?

[*Translation*]

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, this study is almost completed. We hope to get information on the proposed technology and when we know the real value and possibilities of the use of this technology I will probably be willing, with the usual authorization, to reveal the result of this study to the hon. member and to the House.

CANADA-QUEBEC AGREEMENT—CONSTRUCTION OF HIGHWAY FROM GROS-CACOUNA TO MONT-JOLI—PROGRESS OF NEGOTIATIONS

Mr. Eudore Allard (Rimouski): Mr. Speaker, my question is for the Minister of Regional Economic Expansion.

[Mr. Lessard.]

Could the minister advise the House of any new development in connection with the Canada-Quebec agreement for the completion of the highway from Gros-Cacouna to Mont-Joli?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): As a matter of fact, Mr. Speaker, I can advise the hon. member that I have received from Mr. Léonard, my Quebec counterpart, the proposals which he intends to discuss with me within the next few weeks or days. I received these proposals on Monday, Mr. Speaker.

* * *

[*English*]

ENERGY

REGULATIONS FOR OIL AND GAS EXPLORATION IN THE NORTH—DATE OF INTRODUCTION

Mr. John C. Crosbie (St. John's West): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Last Thursday the minister tabled two studies on oil and natural gas resources of Canada—I am glad to see that the hon. gentleman has resumed his seat—and a summary of "An Energy Strategy for Canada". The conclusions were that the cost of energy is going to climb alarmingly in the future, that it is going to be very difficult and expensive for Canada to achieve energy self-sufficiency and that the bulk of our potential in Canada lies in three frontier regions where it is expensive and difficult to explore and develop.

It is a fact that exploration in these frontier areas north of the 60th parallel has declined at least 50 per cent since 1973 because of a lack of certainty regarding legislation and regulations. When will the minister introduce to parliament, as promised for six years, new legislation concerning oil and gas land regulations to reduce uncertainty by providing a stable fiscal and land tenure system, and will these regulations contain conditions aimed at accelerating exploration activity by giving incentives to the industry to pursue high-risk activity in those frontier areas?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I hope we will be introducing the legislation for those regulations in the very near future, but let me make it quite clear that if provinces such as the province of Newfoundland adopt measures which are more stringent than the regulations we have put forward and which would discourage a massive $60 million program planned for this year, that will have a serious affect on oil and natural gas exploration activities in Canada. I can understand why the hon. member who put that question to me might be sensitive on that issue because he was the author of the set of regulations which is very likely going to cut off $60 million worth of exploration this coming year.

Mr. Crosbie: Mr. Speaker, the hon. gentleman's smart-ass answer—

Some hon. Members: Oh, oh!

Mr. Speaker: Order please, the hon. member for Central Nova.

FEDERAL PLANS FOR CO-OPERATION WITH PROVINCES IN DEVELOPMENT OF HYDRO RESOURCES

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I also have a question for the Minister of Energy, Mines and Resources. Since some provinces such as Newfoundland have immense hydro resources which lie idle because these provinces cannot afford to fully develop them, and since the country desperately requires additional hydro development in order to alleviate an energy crisis and to facilitate the long-standing need for a national power grid, will the minister indicate briefly when he plans to bring forward a comprehensive program that would encourage these provincial resources to be developed for the benefit of all Canadians?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, that program has been brought forward and it has been discussed with the Premier of Newfoundland. It has been put to him that we are prepared to consider a number of new opportunities with respect to the financing of the generation, as well as the transmission, of that hydro development. Quite frankly, we cannot go any faster than we are going right now. We are waiting for him.

REASON FOR REDUCTION IN FEDERAL GOVERNMENT'S CONTRIBUTION TO COST OF TRANSMISSION LINES

Mr. Elmer M. MacKay (Central Nova): A supplementary question, Mr. Speaker. In view of the fact that ten years ago during the halcyon years when the government was preaching self-sufficiency it was their policy, for example, to pay 100 per cent of the cost of transmission facilities, will the minister now tell the House why this government in the midst of an energy crisis will finance only half the cost of new inter-connections which could encourage this country to increase its renewable energy supplies? Will he take steps to look into this type of project in conjunction with the Minister of Regional Economic Expansion?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I would urge the hon. member who sits on the other side of the House as a Conservative to speak to the Premier of Newfoundland, who is also a Conservative, and urge him and his colleagues to move forward on this quickly. On the second point, it might be helpful if the hon. member were to convince his own leader that if it were not for Petro-Canada drilling off the Nova Scotia shelf, this year there would be no drilling activity at all.

An hon. Member: That is not true.

An hon. Member: That is nonsense.

Mr. MacKay: A final supplementary, Mr. Speaker. I simply ask the minister when we can expect on this side of the House and in the country to see some concrete plans? So far it has been all swank and no knickers as far as power development is concerned.

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REGIONAL ECONOMIC DEVELOPMENT

PURPOSE OF ACQUIRING CRUISE SHIP "MERCATOR ONE"

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the genial Minister of Regional Economic Expansion and arises out of the odyssey of *Mercator One*, that curious cruise ship owned by the taxpayers of Canada and Nova Scotia through Metropolitan Area Growth Investments, a vessel registered in the Bahamas to avoid some Canadian taxation and now on a trans-Atlantic cruise from London to Bermuda for maintenance before sailing in Canadian waters, crewed by people from Thailand. Could the minister say whether the federally appointed directors of MAGI approve that its efforts so far have been devoted to the interests of keeping down unemployment in Thailand, keeping up the revenues in Bermuda and the Bahamas? Cannot this vessel ever really become Canadian?

Hon. Marcel Lessard (Minister of Regional Economic Expansion): Mr. Speaker, first of all I want to say that I appreciate the good word of the hon. member. As to the content of his question, what I can say about the decision of the board of MAGI is, I suppose, that it has been based on good information, so they had to proceed with that proposal. What happened after that when some decision was made by the administrators of the Mercator company is something I cannot comment on at this point.

● (1430)

Mr. McCleave: A supplementary question, Mr. Speaker. In the interests of my province, would the minister please make some effort to see that they at least serve Nova Scotia apple juice on the tables of this cruise ship?

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COMMUNICATIONS

EFFECT ON NATIONAL POLICY OF PROPOSED NEW POWERS GIVEN TO MINISTER

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question for the Minister of Communications relates to Bill C-43 which was given first reading yesterday. Since all royal commissions on broadcasting, parliamentary committees and federal proposals contained in the green and grey papers on communications policy insist on the fundamental principle of a coherent and consistent communications policy, national in scope, can the minister please tell the House how the power given to her to make individual and possibly different agreements with the provinces can have this result?

[*Translation*]

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, the hon. member speaks as though we could not achieve coherence and consistency while ensuring a certain amount of diversity. The bill I introduced in the House yesterday takes precisely into account this great Canadian diversity, the various needs of some regions, and provides a certain amount of flexibility on the part of the federal government to meet and satisfy the needs and aspirations of the provinces.

[*English*]

Mr. Nowlan: A supplementary question, Mr. Speaker. Since even the Prime Minister, in a letter to the chairman of the CRTC on the specific problem of reporting and balance in CBC programming asked the chairman to comment about the advisability of setting up a royal commission on broadcasting to look into this question, and how it is to be carried out, at this time when we are trying to pull this diverse country together, can the minister explain if the powers given to her to make independent and possibly different agreements with ten other provinces will emasculate the CRTC, the national authority which is supposed to define national service, or make the minister the czarina of communications? How can they hope to pull the country together?

Mr. Speaker: Order, please. That seems to me to touch on a rather general question of policy, the answer to which might be a bit lengthier than can be allowed in the question period.

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MANPOWER

PERMISSION TO CYPRUS ANVIL MINE TO RECRUIT EMPLOYEES IN UNITED STATES—GOVERNMENT ACTION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the Minister of Manpower and Immigration. Is the minister aware that at a time when literally hundreds of thousands of Canadians are unemployed his department has given the Cyprus Anvil Corporation in the Yukon permission to recruit employees in the United States?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I was not aware of that. The general policy of the department is to do a screening across Canada first, to determine if there are people in that category to take jobs in those areas. If Canadians do not move into that area, only in those circumstances would we employ people from outside the country. However, prior to any representation I will look into the matter, to see if the policy was violated in this instance.

Mr. Broadbent: A supplementary question, Mr. Speaker. I thought the minister might say that, Mr. Speaker. I should like him to know that this department in Ottawa said yesterday that the decision was reached only after exhaustive steps were taken to find employees in Canada. Considering that these positions were not advertised or posted in any manpower centre in the following steel communities, Sydney, Sudbury, Hamilton and Sault Ste. Marie, where one might have found Canadians looking for such work, will the minister, given this information, take steps to bring this practice to a stop immediately?

Mr. Cullen: Mr. Speaker, the hon. member did a little research and discovered that, seemingly, our research was not as exhaustive as it might have been, but I would rather check with my officials before commenting further.

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[*Translation*]

CANADIAN BROADCASTING CORPORATION

ACTION TO BRING FRENCH AND ENGLISH PROGRAMS TO NORTHERN NEW BRUNSWICK

Mr. Maurice Harquail (Restigouche): Mr. Speaker, I should like to ask a question of the Secretary of State about the CBC French and English programming in northern New Brunswick, especially in the area of Baie des Chaleurs.

[*English*]

In view of the many petitions, briefs and representations made by the citizens of that region over the years concerning the lack of CBC radio in French and English, can the minister give some assurance to the House as to what action he may take with CBC officials in order to bring about 100 per cent CBC radio programming to that part of Canada?

Hon. John Roberts (Secretary of State): Mr. Speaker, I am pleased to have received the representation of the hon. member. I shall bring it to the attention of CBC officials.

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AGRICULTURE

ALLEGED SALE OF MARGARINE AS BUTTER—REQUEST FOR REPORT ON GOVERNMENT ACTION

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, may I direct my question to the Minister of Agriculture? Since on February 18 alone 5,000 pounds of margarine, destined to be sold as butter, was intercepted and confiscated at Cornwall, Ontario, I ask if the minister is working directly with the ministry of agriculture in Ontario, and what progress has been made so far with regard to this interprovincial fraud whereby margarine is being sold as butter in the province of Ontario? Has the minister anything to report to the House on this matter?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I met the minister of agriculture of Ontario in my office in Ottawa last Monday morning. We discussed the problem with some of his officials. In the past they have prosecuted such offenders. We do not become involved in this area unless it is proven that the commodity crosses provincial borders. We are told that there is no federal involvement in the matter at this

time, but if anybody has any idea who these people are, and how they are doing it, we should like to hear from him.

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CONSUMER AFFAIRS

POSSIBILITY OF REGULATIONS TO PREVENT MANUFACTURERS OF MARGARINE FROM MAKING IT LOOK LIKE BUTTER

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, may I direct my supplementary question either to the Minister of Agriculture or to the Minister of Consumer and Corporate Affairs? I want to make it clear that in my questions of today and of last week I make no charges vis-à-vis butter producers in the province of Ontario.

An hon. Member: You can't have it both ways, Heward.

Mr. Grafftey: Are federal regulations presently being considered with regard to the production of margarine, in order to prevent unscrupulous manufacturers from making it look like butter?

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am grateful to the hon. member for larding into his question my name. I think the Minister of Agriculture is competent in this area and I should leave the answer to him.

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ENERGY

REQUEST FOR ADDITIONAL FUNDS FOR RESEARCH ON RENEWABLE SOURCES OF ENERGY

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Since this year the United States will spend approximately $1.60 per capita on renewable energy development, compared to a token .35 cents per capita in Canada, when will the government announce serious measures to either reduce or eliminate this disturbing research gap in such critical technology for the future? If the government is unable to do so at the present time, is it prepared to make sizable shifts in research funding away from nuclear development into renewable energy development?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I would think that the hon. member would realize the government is already moving in that direction. Indeed, if he were to work out the per capita investment in his province, he would find that it is far greater than that of the United States. The investment which the federal government is making in Prince Edward Island, for the benefit of Prince Edward Island, is also expected to be of great benefit to Canadians all across Canada.

Mr. MacDonald (Egmont): Mr. Speaker, while we appreciate the concern of the department and its contribution to the development of renewable energy in Prince Edward Island, even I would not say that Prince Edward Island is the whole of Canada. Since the United States is committed to providing 7 per cent of its own energy requirements from solar energy by the year 2000, can the minister indicate in what way he is assisting Canadian industry generally, especially in the poorer regions, to take advantage of opportunities created by solar energy, to make certain that we do not lose the opportunity to make this development available to other countries and do not fall behind in our own technological development?

Mr. Gillespie: Mr. Speaker, I just pointed out to the hon. member that the Canadian government's investment in Prince Edward Island works out to about $20 per capita in Prince Edward Island.

OIL—REQUEST FOR ASSURANCE DOMESTIC PRICE DOES NOT EXCEED UNITED STATES PRICE

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, my supplementary question to the Minister of Energy, Mines and Resources concerns oil prices, which will be going up by as much as $2 per barrel, depending upon who wins the argument at the forthcoming energy ministers conference. Will the minister tell the House whether it is the policy of the government to ensure Canadian oil prices do not exceed the U.S. equivalent of $11.24 a barrel?

● (1440)

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, we have been very careful in approaching higher prices for Canada consistent with our policy of moving toward world prices to maintain a position where the Canadian well-head price, delivery price and transportation do not exceed that in the United States. At the present time, my estimate is that there would be room for better than a $2 increase in a barrel of oil effective July 1 and still keep Canadian oil prices below U.S. oil prices.

OIL—POSSIBILITY OF GREATER RETURNS TO INDUSTRY—MONITORING OF USE OF TAX INCENTIVES

Mr. Stan Darling (Parry Sound-Muskoka): Will the minister tell the House whether, in light of the drilling fiasco in the north, he intends to increase the proportion of the increase netted back to the industry and, in addition, whether he has monitored the use by the industry of existing tax incentives.

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Yes, Mr. Speaker. We are monitoring the tax incentives, more particularly the cash flow generated from higher prices which is being used by the industry. I indicated in the House we expect to table information in the House on the matter in a few weeks' time.

Oral Questions

ALLEGATION RESOURCE QUESTION DELAYING SETTLEMENT OF BOUNDARY OF GEORGES BANK—REQUEST FOR REPORT ON PENOBSCOT B-41

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a supplementary question to the Minister of Energy, Mines and Resources. In light of the fact that the mineral, oil and gas potential in the gray area on Georges Bank off Nova Scotia is holding up the resolution of the boundary question between Canada and the United States, what steps is the minister taking to help resolve this matter? Second, can the minister bring the House up to date on the results of the well drilled 175 miles southeast of Halifax, named Penobscot B-41, which was reported as showing significant hydrocarbons which hopefully will be the first economic oil well on the east coast?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): On the first part of the question with respect to Georges Bank, Mr. Speaker, I do not believe that the hydrocarbons question is the problem interfering with a settlement time. The hon. member may want to address his further supplementaries on this question to the Secretary of State for External Affairs.

With regard to the Penobscot well and the potential of that, it is still too early to say. It is not down to full depth. Indications have been reported in the press that petroleum has been found. I checked yesterday. I was told that was a premature statement, that one would have to wait another week or so before there would be any firm information.

GASOLINE—SUGGESTED ELIMINATION OF SALES TAX IN NORTHERN REGIONS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my supplementary question is to the Minister of Energy, Mines and Resources as well. In view of the extraordinarily high price that consumers have to pay for gasoline in the northern portions of the western provinces, indeed across northern Canada, will the minister lend his support to the idea of dropping the 12 cent federal sales tax on gasoline in those regions of high cost?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I am sure the hon. member is quite aware that kind of question should be put to the Minister of Finance.

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NORTHERN AFFAIRS

REPORT OF ARCTIC WATERS OIL AND GAS ADVISORY COMMITTEE—DATE OF MINISTER'S DECISION

Mr. Doug Neil (Moose Jaw): Mr. Speaker, my question is to the Minister of Indian Affairs and Northern Development. Will the minister now tell the House if he has examined the report by the Arctic Waters Oil and Gas Advisory Committee and, if so, what conclusions he has drawn?

[Mr. Gillespie.]

Hon. Warren Allmand (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have not seen this report.

Mr. Neil: In view of the lead-time necessary for Canmar to prepare for the summer drilling season, will the minister indicate whether he will be in a position to announce his decision on the matter by the end of this month?

Mr. Allmand: I would hope to, Mr. Speaker.

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POST OFFICE

MEASURES TO IMPROVE SERVICE AND REDUCE COSTS

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I have a question for the Postmaster General. Since the annual report of Canada Post for the year ended March 31, 1976, received only today, shows that the post office spent $1.96 for every $1 it took in during that fiscal year compared to $1.52 for each $1 of revenue in the preceding fiscal year, largely because total revenues were off 8 per cent, indicating substantial loss of volume, which policies does the minister expect to implement to recover lost business, by improving services or to reduce costs in keeping with the reduced volume?

Hon. J.-J. Blais (Postmaster General): Mr. Speaker, the policy that we are adopting is to try to increase the volume and thereby increase revenue. One of the ways we are attempting to do that is by establishing labour peace within the post office.

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[*Translation*]

HOUSING

QUEBEC—AGREEMENT ON URBAN RENOVATION—PROGRESS OF NEGOTIATIONS

Mr. Jacques Lavoie (Hochelaga): Mr. Speaker, my question is directed to the Minister of State for Urban Affairs.

Since the former Quebec minister of municipal affairs never did sign the agreement concerning section 44(1)(b) of the National Housing Act which would have allowed non-profit organizations to provide low-cost housing and encourage the acceleration of urban renovation, especially in Hochelaga-Maisonneuve, can the Minister tell the House whether he had the opportunity to meet Mr. Guy Tardif, the new Minister of Municipal Affairs since the election of the new government in Quebec? If so, did he raise that question and what are the results? If not, when will he do so?

Hon. André Ouellet (Minister of State for Urban Affairs): Mr. Speaker, first I should like to thank the hon. member for giving me notice of his question. Indeed I met briefly with Mr. Tardif soon after his appointment as Quebec minister of municipal affairs, but I hope I will soon have the pleasure to

meet him more formally and for a longer period of time. I am quite prepared to work closely with him so as to come to grips with housing problems in Quebec. As suggested by the hon. member, I will not fail to raise the question of section 44(1)(b) designed particularly for that part of the population of Quebec which most needs decent housing.

* * *

[*English*]

CONSUMER AFFAIRS

EFFECT ON COMPETITION OF PROPOSED TAKEOVER OF NATIONAL SEA PRODUCTS

Miss Coline Campbell (South Western Nova): Mr. Speaker, I would like to direct my question to the Minister of Consumer and Corporate Affairs. In view of the government's concern over the potential elimination of competition arising from the merger of large interests and the possible effect of such mergers on the competitive position of small operators, as is evidenced by the establishment some years ago of the royal commission on corporate concentration and the minister's recent tabling of the new competition bill, will the minister undertake to look into the announcement last week of the takeover of National Sea Products and any other corporate relationships that may be significant to this merger from the point of view of the preservation of competition in the fishing industry?

Hon. A. C. Abbott (Minister of Consumer and Corporate Affairs): Mr. Speaker, I thank the hon. member for her very accurate reflection of my interest and that of the government in improving the competition policy, particularly as it affects mergers. I can say that under the possibly inadequate law that we labour under today, a merger of this dimension would automatically be reviewed by the Director of Investigation and Research under the Combines Investigation Act. If it were seen that the merger appeared to be in conflict with the provisions of that act, he would order an inquiry.

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AGRICULTURE

REQUEST MINISTER DESIST FROM PROMOTING BEEF MARKETING BOARD

Mr. Jack Murta (Lisgar): Mr. Speaker, I would like to direct a question to the Minister of Agriculture. Since the beef cattle marketing board has been soundly defeated in Manitoba with Manitoba cattle producers showing little interest in what for cattle producers would be economic nonsense, is the minister prepared to call off a so-called speaking tour to promote a national beef marketing plan and devote his time and the taxpayer's money to more pressing and important matters here in Ottawa?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, coming from good old Tory Ontario where they have the oldest and best marketing boards in Canada, I cannot help but be impressed with what they have done for agriculture. As far as the Manitoba beef plan is concerned, I did not have anything to do with that. They were proposing a plan and put it forward to their beef producers. I said I would never force in a marketing board for beef producers. Anyone who says that I would is not telling the truth. The farmers would have to express the opinion to me that they want a beef marketing plan and I would have to find out if there was one suitable for them. I would have it put to a vote only then. I said there must be a better marketing system for beef and I still say that.

● (1450)

Mr. Murta: Mr. Speaker, may I ask a supplementary question, though it is rather like throwing water on an old hen. Does a 77 per cent rejection of a beef marketing plan in Manitoba now convince the Minister of Agriculture to stop this nonsense of calling for a national plan?

Mr. Whelan: Mr. Speaker, I can be a little more than impressed by the great Tory province of Alberta which as recently as last year voted for a poultry marketing plan to the tune of over 80 per cent and in Tory Ontario where they voted for it 89 per cent, whereas most provinces in Canada are asking me at the present time to set up a broiler marketing board.

EGGS—EFFECT ON SMALL PRODUCERS OF IMPORTS FROM UNITED STATES—EXTENSION OF TIME PERIOD FOR CEMA TO CONSIGN EGGS

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I wish now to switch to eggs and to ask the Minister of Agriculture whether he would investigate and take appropriate action on reports in Ontario that some large integrated companies are undercutting small producers by importing large amounts of eggs from the United States, which Ontario industry leaders fear will mean the domination of the Ontario market by two or three large producers within five years?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, this matter was reported to me and I had discussions about it on Monday again with the provincial minister of agriculture for Ontario who expressed deep concern. I maintain that at the present time this is mainly within the jurisdiction of the provincial marketing boards. It is a question of how they administer the provincial plan to let these large producers get control of the quotas in the various provinces, allowing them, as the hon. member has suggested, probably to get total control of egg production unless something is done about it.

Mr. Nystrom: A supplementary question, Mr. Speaker. One of the reasons large producers can get control of the market is that CEMA has only some 48 hours to locate and to consign eggs to companies. About six weeks ago CEMA asked for an extension of that 48 hour time period. I should like to ask the minister whether or not he is going to grant an extension of that period so that orderly marketing can work well, as it does in many other areas?

Mr. Whelan: Mr. Speaker, I think in many cases we are spending much too much money outside of Canada on a product that we can produce in Canada. We are looking at the exact demand for the product the hon. member is talking about.

* * *

MANPOWER

REQUEST FOR TABLING DEPARTMENT'S JOB VACANCY STATISTICS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, my question is directed to my hon. friend, the Minister of Manpower and Immigration. In view of the fact that the minister consistently denigrates the quality and the uses of job vacancy statistics published by Statistics Canada, would the minister tell the House whether his own department, the Department of Manpower and Immigration, has any statistics of its own which record the number of job vacancies registered with Canada Manpower Centres at a given point in time, and, if so, would the minister offer the House the latest figure available?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I do not denigrate the survey as such. I denigrate the use made of it. The job vacancy survey indicates the number of jobs that are available at any given point in time. They indicate a trend rather than the number of job vacancies that are available.

In reply to the second part of the hon. member's question, the Canada Manpower Centres place about a million people per year, participate in the filling of 25 to 35 per cent of all vacancies, and at the end of any given month some 100,000 job vacancies are available through CMC's. So we do have that kind of statistic, Mr. Speaker.

Mr. Alexander: Mr. Speaker, I want to thank the minister for his unusual frankness for a change. Would the minister undertake to table this week in the House, if at all possible, or as soon as he can—unless these data are secret, of course—the number of vacancies registered with Canada Manpower Centres at the end of the each of the last 24 months? I should like to add that personally I am looking forward to seeing these figures and the minister's face thereafter.

Mr. Speaker: The hon. member for Lotbinière.

Mr. Alexander: Well, Mr. Speaker, I did ask the minister a question and would like an answer.

Mr. Speaker: Order. The information sought by the hon. member ought to be sought in another way. He is asking for information that extends back over 24 months.

Mr. Alexander: I would appreciate it if the minister would give me an answer.

[Mr. Nystrom.]

Mr. Speaker: Order, please. The hon. member for Lotbinière.

* * *

[*Translation*]

INCOME TAX

REQUEST THAT SAME DEDUCTIONS BE GRANTED TO ALL TRUCK DRIVERS

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question for the Minister of National Revenue.

My question relates to the one I asked yesterday. The minister, I believe, realizes its significance since it deals with truck drivers who are not working for a company whose main activity is transportation.

Is the minister prepared to extend the scope of information circular No. 7321R2 which deals only with truck drivers working for transportation companies, in order to allow all truck drivers having the same working conditions to enjoy the same advantages under the Income Tax Act?

Hon. Monique Bégin (Minister of National Revenue): Mr. Speaker, I have read the question the hon. member asked yesterday and unfortunately I am obliged to answer that my department does not intend to change the provision of the law under which actual expenses incurred, or $3 a meal, may be deducted against their income by full time truck drivers. The hon. member is referring to employees who are occasionally driving trucks for their employer. They are then eligible for the $150 overall deduction for which receipts are not needed, or have to be covered by negotiations between themselves or their representatives and their employer directly.

Mr. Fortin: A supplementary question, Mr. Speaker. Without prejudice to the minister, I think she has misunderstood my question. I am not referring to part time truckers but to those who are working full time for Golden Eagle in Quebec City or for Esso Imperial, for example, whose main activities are related to oil and which need full time truckers to ensure the transportation and distribution of their oil products. These truckers are victims of the discrimination I have been referring to and that is why I am asking the minister to extend the scope of circular 7321R2 so these people may benefit from that deduction.

Miss Bégin: Mr. Speaker, as defined in the circular of April 21, 1976 mentioned by the hon. member, these workers are allowed this deduction. Since the hon. member has mentioned the name of the company involved, I will investigate this case as soon as possible.

[*English*]

GRAIN

WHEAT—LACK OF SHIPMENTS FROM NORTHEASTERN SASKATCHEWAN—GOVERNMENT ACTION

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the minister responsible for the Wheat Board. Since wheat prices have fallen dramatically and the final payment amounted only to about one cent a bushel in many cases for certain grades, many points in northeastern Saskatchewan have not shipped any grain at all since last October. How long do these farmers have to squirm before they get any boxcars?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the hon. member knows full well that while in one or two cases a final payment as low as two cents was the case, other payments as high as 22 cents and in some cases of barley over $1 were made. Prices have improved at the moment but that has nothing to do with the hon. member's question. Early movement of grain had to be arranged by the Canadian Wheat Board which was particularly heavy from southern areas where high protein grain was available. This year's crop was significantly lower in protein in many areas than had been ordinarily expected, and as a result heavy reliance on southern areas was required at the beginning. As for the rest of the prairie region they can expect rapid movement of grain as the situation there has now caught up as the lower protein values are required.

Mr. Korchinski: A supplementary question, Mr. Speaker. Since many of these farmers have never been able to make use of the quota which was available on barley and this quota has now been terminated, and since many of these farmers cannot take advantage of the temporarily high prices for rapeseed, can these farmers be assured that they will get immediate attention and that a few of the 1,000 cars which are presently being shipped will be sent to that area immediately, prior to any large scale movement from that area?

Mr. Lang: Mr. Wheat Board—

Some hon. Members: Oh, oh!

An hon. Member: He is still suffering from jet lag.

Mr. Baker (Grenville-Carleton): It is time Otto went to the Senate.

Mr. Lang: Mr. Speaker, I trust that was parliamentary! The Wheat Board, of course, attempts to put the cars in the zones where there has been a small amount of movement. If the hon. member is suggesting that some farmers have had no delivery opportunity and had their quotas terminated in the usual way, I am sure that they and their elevator agents know that they simply have to contact the Canadian Wheat Board, and if that is the case special steps are taken.

Oral Questions

REASON FOR FAILURE TO CLEAR ELEVATORS IN SASKATCHEWAN AND ALBERTA PRIOR TO FREEZE UP OF GREAT LAKES

Mr. Arnold Malone (Battle River): Mr. Speaker, I have a question for the minister in charge of the Wheat Board. In view of the fact that there has been a policy decision change affecting Saskatchewan and east central Alberta to ship grain to the port of Thunder Bay, which is frozen up for a good part of the year, thus causing a great deal of congestion in that part of the prairies, could the minister give some justification for why those country elevators were not cleared out last fall, resulting in being solidly congested throughout all of the winter months and preventing farmers from moving their grain?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I think the hon. member should appreciate that until the crop is harvested the Wheat Board may not know exactly from what areas they have to draw particular kinds of grain, and therefore from time to time there will be temporary difficulty in regard to movement. No forward planning could have assured the Wheat Board that low protein wheat would be found in most regions of the prairie provinces, and accordingly different steps had to be taken as soon as that fact was known.

● (1500)

Mr. Speaker: Order, please. The right hon. member for Prince Albert (Mr. Diefenbaker) yesterday raised, by way of a point of order, a question concerning the language used during the question period by the Minister of Transport (Mr. Lang) which was reported at page 4199 of *Hansard*, of March 22, 1977, as follows:

> That compliments exactly the deceit of the right hon. gentleman in appearing to imply here in the House . . .

The use of unparliamentary language is a practice that has long been held to be disorder in the House. The attitude of the Chair is that, when in doubt in terms of the interpretation of a term, it is always best to err on the side of asking an hon. member who has used language in the heat of the moment to withdraw it in order to uphold the dignity of the practices of the House.

In this particular case it may give the House some indication of the difficulty in these particular matters to say that in examining the precedents, in preparation for having to make a decision on this matter, it comes down to so fine a distinction as a situation in the past when the word "deception" was used, and was held and defended as not being an unparliamentary word. The question, therefore, becomes: is there sufficient distinction between the word "deception" and the word "deceit" to permit the one and disallow the other? In my considered opinion, upon examining dictionary definitions ordinarily attributed to the use of the word "deceit", that is so. The word "deception" does not have the same connotation as the word "deceit".

"Deceit" is ordinarily defined as follows:

> The action or practice of deceiving; concealment of the truth in order to mislead; deception, fraud, cheating.

All of those fall within the ambit of expressions ordinarily held to be out of order in the House. In the circumstances I would prefer to resolve the matter in favour of asking if the Minister of Transport, having used that term yesterday in the heat of the moment, might withdraw it.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I have looked at the words and have seen Your Honour's difficulty in view of the fact that the word "deceit" has also been used to mean trickery. I have noted that according to May the word "calumnious", which means full of tricks, has been held to be parliamentary. I see the great difficulties. I am not going to stand on any position, having regard to the suggestion from Your Honour, and I will withdraw the word. I did use the word earlier in relation to the right hon. gentlemen outside the House, and I suppose I need not withdraw that.

Some hon. Members: Oh, oh!

Mr. Baker (Grenville-Carleton): Not very gracious, Otto.

Mr. Lang: I will also find other ways to describe the right hon. gentleman's conduct.

[*Translation*]

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, I rise on a question of privilege concerning a verbal exchange which took place last night when the hon. member for Provencher (Mr. Epp) was speaking to the opposition motion on supply. May I be allowed to relate the incident briefly, inasmuch as I am concerned in its real context.

As reported in the Commons *Hansard* on page 4239, the hon. member for Provencher quoted an article published in the Toronto *Star* for last Saturday and entitled "Trudeau Faces Revolt by MPs over Jobs Bill". Here is the first quotation of the hon. member for Provencher:

> The Trudeau government faces a backbench rebellion if it insists on pushing through a bill to make it even tougher . . .

[*English*]

Mr. Broadbent: I don't believe it!

[*Translation*]

Mr. Corbin:

> . . . make it even tougher for jobless Canadians to get unemployment insurance benefits.

At that point, Mr. Speaker, the hon. member for Provencher was interrupted by my colleague, the hon. member for Northumberland-Miramichi (Mr. Dionne), as well as by a call to order by your distinguished representative, the Acting Speaker.

The hon. member for Provencher resumed his remarks quoting the second paragraph of the *Star* article, which was reproduced in yesterday's *Hansard,* and I quote:

> The government could fall if Newfoundland M.P. David Rooney gets the four other Atlantic Liberals he says are also opposed to the bill to join him in voting against it.
>
> [Mr. Speaker.]

After a second call to order by the Acting Speaker, the hon. member for Provencher went back to his quotation from the *Star,* as follows:

> . . . The five, he says . . .

—still according to Mr. Rooney—

> . . . have agreed that the bill is unacceptable to them in its present form.

The hon. member for Provencher then skipped four paragraphs in the article in question then quoted as follows:

> Rooney says four other Liberal maritimers support him in opposing the bill. Liberal maritimers include . . .
>
> SOME HON. MEMBERS: Order!
>
> MR. EPP: They include Rompkey, Breau, Corbin and Maurice Dionne.

At this time, I rose on a point of order to say:

> The hon. member has deliberately misled the House by misquoting that newspaper article, and I wish he would read it as written.

In fact, Mr. Speaker, when I read *Hansard* today, I discovered that the hon. member was not even quoting the article when he named me and three of my colleagues. As shown in *Hansard,* later in the evening I withdrew the statement in which I accused the hon. member for Provencher of having deliberately misled the House. I also withdrew without any reservation whatever my second statement that the hon. member had lied.

In order to remove any doubt from the hon. member's mind and from the mind of any hon. member in the House, I reiterate what I said yesterday evening and, once again, I make apologies to all hon. members for having been carried away at that time in the heat of the debate. I am the first to recognize that those kinds of interventions lead nowhere except to lessen the respect we should all have for this institution and particularly for the Chair.

However, Mr. Speaker, there still is a question pending for which I did not obtain any satisfaction whatsoever and since it could not come to a satisfying conclusion last night, I would want it to be debated now because I feel I have been unfairly named and attacked by the hon. member for Provencher who credited me with intentions by quoting ny name out of context. Two retractations on my part do not excuse his unjustified attack against my colleagues and me. I maintain that he has used at random a newspaper article to draw a conclusion out of context. In all fairness, it seems to me—and I may be mistaken—that he should have quoted the rest of the paragraph which was nothing else but a list of all Liberal backbenchers of the Atlantic area. To support my case, I quote the article:

[*English*]

> Liberal maritime members include William Rompkey of Labrador;

Apparently that is a new province, according to the *Star.*

> Herbert Breau, Eymard Corbin, Maurice Dionne, Maurice Harquail and Michael Landers of New Brunswick; Coline Campbell of Nova Scotia, and George Baker of Newfoundland.

[*Translation*]

The Toronto *Star* was only giving the list of all Liberal back-benchers from the Atlantic area: it is very clear! However

the hon. member for Provencher who was standing yesterday evening with a photocopy of the *Star* article gave only four of those names, and out of context I quote *Hansard*, page 4239, right column:

MR. EPP: Now, with regard to the motion, Mr. Speaker, the hon. member said we were not united. Well, when we get down to the bottom of this article we read:

Then, the hon. member quoted the *Star*:

Rooney says four other Liberal maritimers support him in opposing the bill. Liberal maritimer members include—

And there was an interruption and Mr. Epp continued, and I quote:

They include Rompkey, Breau, Corbin, and Maurice Dionne.

This was the assertion of the hon. member for Provencher, and he resumed his seat.

Mr. Speaker, we can all judge from the facts. On one hand, we have the text of the newspaper that I quoted correctly and on the other hand, the assertion of the hon. member for Provencher, out of context, that seems to impute certain intentions to the hon. members mentioned by him. He has no right to impute intentions; that is our personal business. It seems that such assertions out of context are inflammatory and unworthy of the hon. member and absolutely unfair to my colleagues whose names have been mentioned. The *Star* did not go that far. It does not matter if I support or not the comments of the hon. member for Bonavista-Trinity-Conception (Mr. Rooney) and I urge hon. members to read the rest of that article. They might change their mind.

Yesterday evening I asked the hon. member for Provencher to reflect during the night on his comments and I ask him now in all friendliness to offer excuses to all my colleagues whom he mentioned and who had no connection at all with the article he had in hand. I was very frank with him and I wish he were the same with us.

● (1510)

[*English*]

Mr. Jake Epp (Provencher): Mr. Speaker, in response to the question of privilege which the hon. member for Madawaska-Victoria (Mr. Corbin) raises today regarding the exchange which took place in the House last night—those of us who have checked *Hansard* will have noticed that it was a very lively debate, I imagine parliament lived last night—the hon. member indicated I had indulged in activities which were not parliamentary and that I should withdraw. After a number of exchanges, the hon. member, as reported on page 4240, at the bottom of the first column of that page, withdrew certain remarks—I will read his words so that there will be no question about them.

MR. CORBIN: It could well be that in the heat of debate I got carried away, and I will withdraw, without any reservation whatever, words I used when I referred to the hon. member a second time, and I will go so far as to withdraw the statement that the hon. member is deliberately misleading the House.

At that time, when I had my first opportunity to respond, I said:

Well, Mr. Speaker, as a gentleman I accept what the hon. member says, but frankly I still reserve my position on the word he used. I want to see what *Hansard* says. I am not saying it was deliberately misleading but he did not withdraw the word he used.

Having read *Hansard* this morning, on the first part of his argument I accept his withdrawal and his apology as a gentleman. I have discussed the matter with other members in my caucus. We felt the withdrawal yesterday was unequivocal so we accept it.

As to the second part, I do not see how it is a question of privilege at all. First of all, I was not quoting out of context, I was quoting out of the Toronto *Star*. Maybe it is the same thing.

An hon. Member: It is a Liberal paper.

Mr. Epp: What I was trying to point out yesterday, was simply this: that a number of members on the government side had said this party was divided, so I thought it was about time some of us showed that on the other side of the House there was division within their own ranks on legislation which has been tabled by their own government.

Some hon. Members: Hear, hear!

Mr. Epp: It is quite evident that there is deep division on the bill in question. It was that division I was showing to the House, and it was their sensitivities that I was getting to.

Mr. Baker (Grenville-Carleton): It was underscored today.

Mr. Epp: It was underscored today on a national television program by the hon. member for Bonavista-Trinity-Conception (Mr. Rooney), who indicated that not only was he opposed to the bill but that the bill should be torn up and thrown into the waste basket.

Some hon. Members: Oh!

Mr. Epp: I do not see how that is a question of privilege, Mr. Speaker. I had no intention of misleading the House as to what the *Star* said, and if the hon. member and the other members I mentioned as being opposed to the bill are, in fact, not opposed to the bill, I would think they could rise in the House and say they will be supporting it.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member for Madawaska-Victoria (Mr. Corbin) has raised by way of a question of privilege what seems, on the face of it at least, to be essentially a disagreement between himself and the hon. member for Provencher (Mr. Epp).

I received notice from the hon. member for Madawaska-Victoria prior to the sitting today. I have not had an opportunity to examine the specific language used. In any case, the question of privilege raised by the hon. member for Madawaska-Victoria does not have attached to it a motion which would require action by the Chair. It would seem to relate, if some imputations had been made, to a question of order which

might have been taken up at the time. Certainly, the matter was raised at the time and the Chair directed its attention to it. If any disorder took place at that time, that is behind us, and it seems to me no remedial action can be taken now.

If a question of privilege did arise following inaccurate references on the part of the hon. member for Provencher, it is difficult for me to see how it would come within the ambit of our rules. In any case no motion is attached to the question and it seems to me the matter has been contributed to equally on both sides. No motion has been put to the Chair in the usual form, and therefore I really do not see I can enter now into a prolongation of the discussion by asking all hon. members who have been in some way involved to make their contributions to it. That would have to be done, in my opinion, in some other way.

Mr. Alexander: Mr. Speaker, I find myself a little embarrassed to question you, Sir, after we have been getting on so very well since 1968, but having asked a supplementary question of the Minister of Manpower and Immigration, a question which, incidentally, is one of national importance and extreme urgency, because of the minister's attitude to statistics compiled by Statistics Canada relating to job vacancies, wherein he indicated that the same were misleading, useless, and should be regarded with a jaundiced eye, the minister responded to several questions of mine indicating that his department does have certain statistics in that regard. All I was attempting to do was to give the minister an opportunity to table such information within the next two or three days. As a matter of fact, I said: would the minister undertake to table in the House the number of vacancies registered with the Canada Manpower centres at a given point of time, and would he undertake to table in the House, unless, of course, these data are secret, the number of vacancies registered with the centres at the end of each of the last 24 months?

I have been here long enough to know that questions asking for detailed figures are normally placed on the order paper, but knowing how long it takes to get an answer to a question on the order paper I thought it only proper to attempt to get this information for the edification of all hon. members since the minister has indicated he has no confidence in Statistics Canada in terms of the information to which he has referred. I accept Your Honour's ruling, as I always do, being the gentleman I am.

● (1520)

The minister knows that I want information, and he knows I never ask questions just to ask them. He was prepared to answer the question which requires either a yes or no answer. In your wisdom, Mr. Speaker, you did not allow the minister the opportunity to give the yes or no answer, and I know the minister would like to give at least some indication as to his position in answer to the question I put to him.

Mr. Speaker: Order, please. I am so happy that both the hon. member for Hamilton West and I agree that the question which I did not permit to be answered was not a proper question for the question period. Now that we are outside the question period, the minister may want to indicate that he is prepared to table the figures. So long as it is outside the question period, I will not stop him if he wants to do it.

[Mr. Speaker.]

Mr. Cullen: Mr. Speaker, a few little things slipped into the premise of the hon. member's point of order, namely, that I had cast less than approval on some of the statistics that have come forward. I have indicated that the statistics were all right but I felt they were being used mischievously. I have indicated the answer to the hon. member. On the number of job vacancies, we have about 20 per cent or 30 per cent of the market. About three million or five million jobs change hands, and at the end of the month there are about 100,000 vacancies. I do not think that any more information than that is required.

An hon. Member: Oh yes it is.

Mr. Alexander: You are evading my point.

ROUTINE PROCEEDINGS

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 1,652, 2,041 and 2,042.

[*Text*]

ORIGINATING MAIL PROCESSED BY CANADIAN POSTAL PLANTS

Question No. 1,652—**Mr. Dinsdale:**

How many pieces of originating mail of all categories were processed by Canadian postal plants during the month of December (a) 1974 (b) 1975 (c) 1976?

Hon. J.-J. Blais (Postmaster General): December 1974, 567.293 million pieces. December 1975, 630.887 million pieces. December 1976,* 557.2 million pieces (estimated figure).

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* Actual count not available before April 1, 1977.

CAPITAL GAINS TAX

Question No. 2,041—**Mr. Howie:**

1. Is capital gains tax applicable to sale by a farmer of capital assets if sale proceeds are re-invested in similar assets for improvement and nationalization of farm business?

2. Can such capital gains taxes be deferred?

Hon. Monique Bégin (Minister of National Revenue): 1. Yes, if a capital gain is realized on the sale.

2. Yes. A reserve may be taken in respect of proceeds not received. Also, tax on such capital gains may be deferred by purchasing an income-averaging annuity contract.

ASSETS SUBJECT TO CAPITAL GAINS TAX

Question No. 2,042—**Mr. Howie:**

Is the base value of an asset subject to capital gains tax indexed to increase with the cost of living in order to prevent taxation of illusory capital gains?

Hon. Monique Bégin (Minister of National Revenue): No.

[*English*]

Mr. Goodale: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

* * *

MOTIONS FOR PAPERS

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you be so kind as to call notice of motion for the production of papers No. 71?

[*Text*]

COPIES OF MATERIAL RELATING TO SEARCH AND RESCUE IN CANADA

Motion No. 71—**Mr. Marshall:**

That an Order of the House do issue for copies of all pertinent material resulting in the decisions on Search and Rescue in Canada, such as (a) stationing two Canadian Forces helicopters in Newfoundland (b) provision of a CCG rescue hovercraft, strengthened for navigation in ice, for service on the north-east coast of Newfoundland (c) establishing a marine safety education programme (d) organizing a Canadian Coast Guard auxiliary on a national basis to assist in education, search and rescue work (e) procurement of special equipment to improve marine rescue capabilities of SAR helicopters in Newfoundland (f) the establishment of emergency centres in St. John's, Newfoundland and Quebec.

[*English*]

Mr. Speaker: Shall notice of motion No. 71 in the name of the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) stand?

Some hon. Members: Stand.

Motion stands.

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I ask, Mr. Speaker, that the other notices of motions for the production of papers be allowed to stand.

GOVERNMENT ORDERS

[*English*]

IMMIGRATION ACT, 1976

AMENDMENTS TO IMPLEMENT CHANGES IN IMMIGRATION POLICY

The House resumed, from Monday, March 21, consideration of the motion of Mr. Cullen that Bill C-24, respecting immigration to Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Speaker: Order, please. Pursuant to the order made Thursday, March 17, the House will now proceed to the taking of the deferred division on the motion standing in the name of the Minister of Manpower and Immigration (Mr. Cullen) for second reading and reference to the Standing Committee on Labour, Manpower and Immigration Bill C-24, an act respecting immigration to Canada.

Hon. members will note that under the terms of the order the bells shall ring for 15 minutes.

Call in the members.

The House divided on the motion (Mr. Cullen) which was agreed to on the following division:

(*Division No. 27*)

YEAS

Messrs.

Abbott
Alexander
Alkenbrack
Allmand
Anderson
Andras
(Port Arthur)
Andre
(Calgary Centre)
Andres
(Lincoln)
Appolloni (Mrs.)
Baker
(Gander-Twillingate)
Baker
(Grenville-Carleton)
Bawden
Beatty
Béchard
Bégin (Miss)
Blais
Blaker
Blouin
Boulanger
Breau
Brisco
Buchanan
Bussières
Caccia
Cadieu
Cafik
Campagnolo (Mrs.)
Campbell (Miss)
(South Western Nova)
Campbell
(LaSalle-Émard-Côte
Saint-Paul)
Caron
Chrétien
Clark
(Rocky Mountain)
Clarke
(Vancouver Quadra)
Clermont
Coates
Collenette
Condon
Corbin
Corriveau
Côté
Crosbie
Crouse
Cullen
Cyr
Darling
De Bané
Demers
Dick
Dinsdale
Dionne
(Northumberland-
Miramichi)
Douglas
(Bruce-Grey)
Drury
Duclos
Dupont
Dupras
Ellis
Elzinga
Epp
Ethier
Fairweather
Faulkner
Fleming
Flynn
Foster
Francis
Fraser
Gendron
Gillespie
Gillies
Goodale
Graffftey
Gray
Guay
(St. Boniface)
Guilbault
Haidasz
Halliday
Hamilton
(Qu'Appelle-Moose
Mountain)
Hamilton
(Swift Current-
Maple Creek)
Hargrave
Harquail
Herbert
Holmes
Holt (Mrs.)
Hopkins
Horner
Howie
Huntington
Hurlburt
Isabelle
Jamieson
Jarvis
Jelinek
Kaplan
Knowles
(Norfolk-Haldimand)
Korchinski

Messrs.

Lachance	Marceau	Roberts
Lajoie	Marchand	Rooney
Lambert (Edmonton West)	Martin	Roy (Timmins)
Landers	Mazankowski	Roy (Laval)
Lang	McCain	Sauvé (Mrs.)
Langlois	McCleave	Schellenberger
Laniel	McGrath	Scott
Lavoie	McKinnon	Sharp
Lawrence	McRae	Skoreyko
Leblanc (Laurier)	Milne	Smith (Churchill)
LeBlanc (Westmorland-Kent)	Muir	Smith (Saint-Jean)
Lee	Munro (Esquimalt-Saanich)	Stanbury
Lefebvre	Munro (Hamilton East)	Stanfield
Lessard	Murta	Stevens
Loiselle (Chambly)	Neil	Stewart (Marquette)
Loiselle (Saint-Henri)	Nicholson (Miss)	Stollery
MacDonald (Cardigan)	Nowlan	Tessier
Macdonald (Rosedale)	Oberle	Towers
MacDonald (Miss) (Kingston and the Islands)	O'Connell	Turner
MacEachen	Ouellet	Watson
MacGuigan	Parent	Whelan
MacKay	Patterson	Whiteway
Maine	Pearsall	Whittaker
Malone	Pelletier	Wise
	Penner	Woolliams
	Philbrook	Yanakis
	Pinard	Yewchuk
	Portelance	Young—178
	Prud'homme	
	Railton	
	Reynolds	

NAYS

Messrs.

Allard	Gilbert	MacDonald (Egmont)
Benjamin	Hogan	Matte
Blackburn	Knowles (Winnipeg North Centre)	Nystrom
Brewin	Lambert (Bellechasse)	Orlikow
Broadbent	Laprise	Rondeau
Douglas (Nanaimo-Cowichan-The Islands)		Saltsman
		Symes—18

● (1540)

Mr. Speaker: I declare the motion carried.

Motion agreed to, bill read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

* * *

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND ESTABLISHED PROGRAMS FINANCING ACT, 1977

MEASURE FOR MAKING CERTAIN FISCAL PAYMENTS AND OF ESTABLISHED PROGRAMS FINANCING CONTRIBUTIONS TO PROVINCES, ETC.

Hon. Donald S. Macdonald (Minister of Finance) moved that Bill C-37, to provide for the making of certain fiscal payments and of established programs financing contributions to provinces, to provide for payments in respect of certain provincial taxes and fees, and to make consequential and related amendments, as reported (with amendments) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

[Mr. Speaker.]

Motion agreed to.

● (1550)

Mr. Speaker: When shall the bill be read the third time?

Some hon. Members: By leave, now.

Mr. Macdonald (Rosedale) moved that the bill be read the third time and do pass.

He said: Mr. Speaker, I should like at third reading to deal with a number of major themes which were raised in the debate on second reading, and which also ran through a number of questions raised during committee stage. First may I express my appreciation to the Chairman, the hon. member for Ontario (Mr. Cafik), and members of the Standing Committee on Finance, Trade and Economic Affairs for the care and attention they devoted to the study of the bill and their promptness in reporting, which has made it easier to bring this bill forward in the tight time frame we face.

I suppose if one reads the reports of debates on the bill, and committee proceedings, one cannot help but be impressed by the quality of ambivalence in many of the statements made not only by the opposition but made by myself, as well, and others in the course of discussions. There is a quality of ambivalence because, on the one hand, there has been an effort on the part of those dealing with the bill to take a further step which would reinforce provincial autonomy, reinforce the autonomy of the provincial governments or, to use a current buzzword, further the cause of decentralization. But there has been, at the same time, support for the continuing role of the federal government in providing financial support for provincial governments in essential services, particularly for provincial governments with a smaller than average tax base. I do not think anyone needs to apologize for this ambivalence. They are both desirable and legitimate goals, and many of our federal-provincial relations in this area, those to do with this bill and those established over the years, have been attempts to arrive at some kind of balance between those two forces.

The bill, in my opinion, does that, I think quite successfully. That is not to say that it could not be improved upon in terms of balance or of division of responsibilities as between the two levels of government; but it does represent the result of a concerned and careful effort on all sides to arrive at an appropriate sharing of revenue and an appropriate sharing of responsibility, in order to make certain that these essential public services continue to be provided.

I have been interested in noting some foreign comments on the system of federal-provincial fiscal relations which we now have and have had for many years in Canada. In its study of related problems the United States Congress gave some attention to the kinds of problems we are addressing ourselves to today, and commissioned a private study of the Canadian system for the purposes of the Congressional consideration. That particular study commented very favourably on the kinds of arrangements which have been worked out between the two levels of government in Canada; it commented favourably on our kind of cost-sharing and on the assumption of responsibili-

ty in particular by the senior level of government for some of the very heavy costs which, in a modern society, must be borne by the more junior levels of government. I think Canadians can look at that analysis with interest, because it is a foreign observation that the methods we have evolved in this country have been successful for us and have potential application elsewhere.

I should like to deal with a number of the themes raised by various members in the course of the debate and committee discussions. First I deal with the rather difficult question raised initially, I think, by the hon. member for Edmonton West (Mr. Lambert), and echoed by others, namely, to put it in the bluntest terms, that the House was presented with a *fait accompli*, that the parliamentary process really could not operate because we had an agreement here already entered into by the federal and provincial governments.

I think it is fair to remind the House that during the long negotiations involved in these particular proceedings the House was kept aware not only of the principles upon which the federal government was approaching this renegotiation of federal-provincial arrangements, but of the many details involved in the choices being put to the provincial governments. The so-called "Lilac Book", the book entitled "The Financial Assessment of Established Programs Financing Proposal", was tabled in the House on December 7, and in response to questions in the House, and extensive discussions outside, the Prime Minister (Mr. Trudeau), I, and my colleagues have had an opportunity to elaborate on the principles being followed.

It was hardly a negotiation which was rushed through; nor was it one in which the participants were silent. The provincial premiers and ministers spoke at length about their positions, both at the time of the conferences and at in-between meetings, and, as I said, so did I and my colleagues, both inside and outside the House. The final question of course is, should these negotiations have been conducted, as the agreement of the two levels of government was conducted, in camera, or should this process have been carried on in public? I think I would have to fall back on the experience and common sense of the public sector and private sector in this regard. In these kinds of financial negotiations, if you carry them on in public you run the risk of turning them into mere posturing. To get results there has to be, finally, a meeting of minds of ministers meeting among themselves and dealing with the final issues laid on the table before them. Was parliament presented with a *fait accompli*?

Mr. Broadbent: Yes.

Mr. Macdonald (Rosedale): To that question the answer is both yes and no.

Mr. Broadbent: A perfectly typical Liberal answer.

Mr. Macdonald (Rosedale): It is a perfect answer because it takes in all the facts of the situation. I would say that it was not any more a *fait accompli* than any other piece of legislation, or any other proposal, be it either a treaty with international parties or any other kind of federal-provincial contract which is presented as a *fait accompli*. After all, to borrow a phrase from Jennings, under our system the government proposes, and parliament disposes. This assumes that the government will come forward with a highly definitive proposal and a particular policy; and nobody can accuse this proposal of not being highly definitive. That is exactly what has been done in this case.

We have put the matter before parliament. Having said that, I say that the ability of parliament to make changes was not limited. It would have been unwise to have upset the balance of so carefully balanced a package as this, particularly since the participant governments had been in favour of the package. However, I must say that if that right had been insisted upon and if parliament had acted, indeed the basic agreement could have been changed.

As to the comment made about the difficulty of the bill, I acknowledged that on second reading. I must say that, ultimately, it was the difficulty of the subject matter itself which created the difficulty of the legislative draft. With regard to equalization, for example, we were dealing with a very complex framework of provincial taxation and other revenue systems, and in order to create a system which would deal with the complex variety of tax laws in Canada we needed a carefully and precisely drafted text. The bill has to deal with the situation which exists; it would have been very nice if we had been dealing with a simpler subject matter. The fact is that the subject was difficult and, hence, was inevitably complex.

I shall deal with a number of specific points which were raised. It was often insisted throughout this discussion that the federal government had, on the question of the revenue guarantee, acted unilaterally. In literal truth, that is quite correct. The undertaking by the federal government in the first place to make the revenue guarantee payments was a unilateral undertaking by the Government of Canada. Indeed the subsequent undertakings of this government to extend the original promises with respect to the tax reform in 1971-72 and to extend those promises to the changes which occurred in the budgets of 1972, 1973, 1974, 1975 and 1976, were all unilateral extensions by the federal government of the protection which was offered originally in connection with the tax change. Unilateral, yes. It is fair to say that the further extension of the financial benefits to the provinces far outweighed any loss that the provinces may have suffered in relation to that original undertaking in tax reform because of shifting from the so-called macro-economic to the side-by-side formula.

● (1600)

One of the points that was raised from time to time was that the measures would discriminate against the less well-to-do provinces within Confederation. That is still alleged.

Mr. Orlikow: Hear, hear!

Mr. Macdonald (Rosedale): It is interesting to give some attention to the bill to show that that is not proposed. I take it

the hon. member who says "hear, hear" would prefer to stick with the existing provision.

Mr. Orlikow: That is what the provinces want.

Mr. Macdonald (Rosedale): No, the provinces agreed that the equalization formula should be changed, that formula B, which was the one adopted by them, was their preferred formula. Indeed they agreed with the figures in the Lilac Book which point out that over a period of time the disparities between provinces would disappear.

Let us look at this from the standpoint of the per capita entitlements under the established programs financing, comparing the current arrangements with regard to medical care, hospital care, and post-secondary education with what the provinces will be entitled to as a result of putting in EPF.

In the current year, 1977-78, if we had remained on the current arrangement, the difference between Prince Edward Island and Ontario, for example, to pick the smallest and largest of the provinces in population terms, the difference between the two provinces on a per capita basis would have been $40.95 in favour of Ontario. As a result of EPF, in the first year of this program, the current year, that disparity will be reduced to $30.75.

Carrying it through to the year 1981-82, if we had stayed on the current arrangements for these particular programs as the hon. member has suggested, the disparity between the two provinces would have risen to $57.23, rather than the circumstances that will occur as a result of EPF, namely, that the disparity will be reduced to $5.89, very substantially reduced from that which exists in the current year.

It has been said, and it may have been the hon. member for Oshawa-Whitby (Mr. Broadbent) who said it, that the financial conditions in this bill were not agreeable to the provinces. That was not the case in December. As I said, the provinces agreed with formula B for equalization. They accepted the concept of established programs financing in principle, and there were substantial areas of agreement with respect to the details of the EPF proposal.

Mr. Broadbent: There were also substantial areas of disagreement.

Mr. Macdonald (Rosedale): The hon. member says they were not agreeable. There was agreement with the 50/50 cash and tax transfer arrangement—

Mr. Broadbent: Mr. Speaker, I rise on a point of order. The minister just said that what I cited in an earlier speech in this debate was inaccurate. He said it was not the fact. On this point of order I would like to quote to the minister from the official transcript of the first ministers' meeting, the proposal—

Mr. Macdonald (Rosedale): Surely this is a question of debate. If the hon. member wants to participate in the debate, he can do so, but not under the guise of a point of order.

[Mr. Macdonald (Rosedale).]

Mr. Broadbent: On the point of order, Mr. Speaker, I was going to—

The Acting Speaker (Mr. Turner): Order. The hon. member for Oshawa-Whitby (Mr. Broadbent) has not indicated his point of order. Will he please do so?

Mr. Broadbent: Mr. Speaker, the minister has said that something I had said earlier was not the fact, that it was not true. If the minister is going to make that allegation, he has to document it, and I in turn should have the opportunity to document the claim I made to which the minister is referring.

Mr. Macdonald (Rosedale): Which you can do when speaking in the debate.

Mr. Broadbent: That is an entirely different question. When the minister accuses someone on this side of the House, or anyone else, of misrepresenting the truth—

The Acting Speaker (Mr. Turner): Order, please. I suggest to the hon. member for Oshawa-Whitby that this is a point of debate. The hon. member can participate after the Minister of Finance (Mr. Macdonald).

Mr. Macdonald (Rosedale): Mr. Speaker, the hon. member insists on answering on a point of order before I finish my presentation. If he disagrees, that is a matter of debate. Surely it is not a point of order.

I was indicating that there was substantial provincial agreement with the 50/50 cash and tax transfer arrangement with EPF, agreement with the transfer of 12.5 personal income tax points and one corporate income tax point, and agreement with the GNP escalator. The provinces accepted the federal proposals for revenue stabilization, tax collections, and reciprocal taxation. At least six of the provinces have done so on the latter.

There is very substantial agreement on the part of the provincial governments, and was at the December meeting, to many parts of the package. There can be no doubt about the fact that there was a disagreement as to how much the federal government should pay as a final balancing payment for the purpose of arriving at this particular compromise.

We started off with the position from the revenue guarantee, which terminated as of the end of 1976, that there was no further obligation to pay. We met the provinces half way on that, split the difference, and settled the compromise. Even that was finally agreed to by the provinces. Sure they would have liked more. Sure, from the standpoint of our having to go to the federal taxpayer we would have liked to pay less. I think it was Premier Davis who said at the end of the meeting that it was as the result of a compromise between parties. The allegation was made that the final authority rested with the federal government and therefore they had to accept the fact. In a certain sense that is true, but it is also false.

For example, the arrangement with respect to the hospital program could not have been carried out by the federal government without the agreement of the provinces. This was

their blocking point with respect to the established programs financing. As I said, they agreed with the principles and they are prepared to come up in this regard.

It is true that finally the money has to be appropriated by this parliament, and the responsibility rests here. If it had been as was suggested at various points, that this was on a take it or leave it basis, it would not have taken 18 months to have arrived at the kind of agreement in specific terms which all of the provinces accepted.

The hon. member for Oshawa-Whitby has set a lot of store in the fact that the provinces with the larger tax base will get, to use his term, a financial bonanza out of this particular measure. It is true that the provinces with a larger tax base will get a substantially greater return than will the provinces with a smaller tax base. The critical element that has to be emphasized is that the bill also provides for the equalization of tax bases up to a national average so that all of the provinces are brought up to a national average.

Mr. Broadbent: Not the top one.

Mr. Macdonald (Rosedale): The hon. member says he is in favour of the top one and in effect that there should be transfer payments to British Columbia and Alberta by the federal government, in terms of their revenue. Does that make sense? It did not make sense for the provinces around that table. It hardly makes sense to a province like Alberta, with its heritage fund and substantial oil revenues at this time to have a transfer payment to bring it up to the top province, Ontario.

The essence of the equalization payment, the essence of the established programs financing, is that there are disparities between the provinces of Canada. The federal government moves are to make certain all provinces are brought up to a national average in this regard. We do not take the position, which apparently is the position of the leader of the NDP, that the other provinces should be brought down in some way from a peak of revenue advantage. There will be varying advantages within Confederation.

The province of Saskatchewan, with a substantial mineral potential will, if it is managed in the right way, in due course be the beneficiary of substantial royalties from that revenue potential, perhaps even comparable to those of Alberta. Would the hon. member for Oshawa-Whitby suggest to the people of Saskatchewan, and to the Saskatchewan government, that in due course they should not enjoy the full benefit of that mineral endowment, that in some way they should be equalized down rather than bringing the less wealthy provinces up to a national average, which has been the approach of this government and, I suggest, of the provincial governments as well, to these fiscal arrangements?

● (1610)

The fact of the matter is that in absolute dollar terms all provinces are projected to benefit from EPF, compared to current arrangements extended. For instance, in 1981-82 the dollar gain for the province of Newfoundland, for example, will be $50.3 million; for New Brunswick $72 million; Quebec $363 million; a substantial gain for Ontario, of course, $567.2 million; and for Saskatchewan $96.8 million. All provinces stand to gain. The estimated aggregate gain for all provinces in the year 1981-82 is $1,718 million, so there is indeed a substantial gain from EPF on the part of all provinces, and that is why they accepted the formula.

Some important and serious questions have been raised by a number of members who are here this afternoon, Mr. Speaker—the hon. member for Kingston and the Islands (Miss MacDonald) and the hon. member for Fundy-Royal (Mr. Fairweather) being two—in regard to the problems of program conditions. I should like to make essentially two points. First of all, with regard to the health program conditions the bill does assure that there will be a continuing, more generalized surveillance by the Government of Canada in meeting health program conditions. It is quite true that we will no longer be engaged in the detailed auditing which was necessary when there was a 50 per cent cost-sharing formula. Nevertheless, there will continue to be monitoring by the Government of Canada of the basic program conditions, which in the health area are comprehensiveness, universality, portability, accessibility, and public administration. The provinces will be required to furnish information which will permit the federal government to determine whether or not the basic program conditions are being met.

Apart from stipulations in this particular law and the conditions for transfer payments, my view has always been that the provinces will continue to provide this level of services, not so much because of the legal obligations but because of the political reality that their populations have come to expect that quality or level of service, and that the conditions will continue to be adhered to. But if my practical approach to it does not turn out to be justified in fact, there is still the legal restraint upon the provinces as to the extent to which the cash transfer payment can be dealt with. I have to acknowledge, of course, that that part of the compensation which is represented by tax-points goes into the provincial revenue and is administered by the individual province as it chooses.

On the question of post-secondary education a number of serious and difficult questions have been raised in this debate which brought out, perhaps to a greater degree than in others, that kind of ambivalence which I referred to at the start—the importance of recognizing provincial autonomy in certain areas, but at the same time the wish that the federal government maintain a broader national role.

Particular concerns have been expressed regarding the continued assurance of free interprovincial mobility of students, and the danger of restriction on that mobility whether by higher out-of-province tuition fees or in some way by the use of quotas.

One of the elements of importance in our Canadian educational system has been the ability of students to pick their university of choice. In particular the native province of the hon. member for Kingston and the Islands and the province of the hon. member for Fundy-Royal have, over the years, provided educational opportunities for many students from

Ontario, and obviously if this were upset advantage would be lost of what has been a beneficial arrangement for all parts of the country.

This government agrees entirely with that particular proposition, a proposition that will continue to be put before the education ministers' meeting by the Secretary of State (Mr. Roberts). Obviously, for constitutional reasons, we are not in a position to impose conditions on the provinces in the field of post-secondary education, but that viewpoint will continue to be expressed. At the moment the universities do not impose higher out-of-province tuition fees, and apparently they do not have any serious inclination to do so. Nevertheless, it is one of the matters of mutual concern which the Secretary of State will have to represent in his discussions with ministers of education.

In closing, Mr. Speaker, may I go back to my initial theme that this is an area of very considerable difficulty of negotiation, but of very fundamental importance in our confederation. I think in general terms one can disagree on the saw-off which I referred to earlier—the disposition of the provincial claims for some continuation of the revenue guarantee. Indeed one can argue one side or the other—whether it was too generous or not generous enough. However, I do not think one should let oneself be swayed by that particular debate and overlook the fact that in this regard there has been a substantial national compromise on the financing of important programs as well as the basic public services provided through this bill.

Despite all the criticisms that one hears about the Canadian federal system, this is a good example of the way in which our constitutional arrangements have evolved. This kind of negotiation and this kind of federal-provincial arrangement have, in many ways, brought about a far more effective evolution than perhaps could have been obtained by a more formal amending arrangement within the constitution. For these reasons, Mr. Speaker, I think the bill represents a substantial framework for the continued development of basic services by the provinces, a substantial contribution to Confederation, and on that basis I hope I will have the support of hon. members for it at third reading.

Mr. R. Gordon L. Fairweather (Fundy-Royal): The minister can count on the support of this party at third reading, Mr. Speaker, but I do want to take a minute or two to raise again some of the issues that seem to us to be of concern as we look ahead. If I had the time and the inclination to go into a dissertation on language—in this case the English language—I might be tempted to discuss the phenomenon of good words, bad words and buzzwords, and so on. One of the current buzzwords, it seems to me, is decentralization. It is a pity that many people who use words like decentralization do not spell out the elements of the word.

I prefer to think of Confederation in this way, that it is something of a constructive tension but that we should not be disturbed about that tension. I do not mean the graver aspects of tension and those who wish to separate; I mean that there will always be reconciliation going on in Confederation. As a matter of fact one of the essential components of Confederation is surely reconciliation. It is the absence of this concept in recent times which has caused many of us to be dismayed by the direction that this country may take.

[Mr. Macdonald (Rosedale).]

The minister said—and I want to allude to this later in my speech—that the House had been made aware of the "lilac paper." I rather like lilac in New Brunswick in June, but I had not thought of lilac as being a particularly dramatic description of the government's forecast of fiscal arrangements. In any event the paper was lilac. The minister used the term. Unhappily, however, lilac or no lilac, there were gaps in the information supplied by the government. It was not until the committee got under way, after second reading, that the tables were presented. We, at that stage, thanked the officials who made the presentation, but that was rather late in the discussion of this issue.

• (1620)

I have one or two other specific points to mention. With the greatest of respect to the hon. member for Oshawa-Whitby (Mr. Broadbent), who seems to be huffing and puffing a little bit today—I do not usually comment on huffing and puffing because I might get into trouble myself—

An hon. Member: Go ahead!

Mr. Fairweather: —we had three or four very interesting committee meeting discussions on this bill with three ministers of the Crown, and I have to point out that in only one instance was the party he leads represented during what was a rather crucial discussion stage of this bill. I suppose this is being a little self-righteous on my part, and the hon. member may wish to comment. Anyway, we missed his party, those of us who were serving on the committee.

There is one other point I would like to make which carries on the debate with the Minister of Finance (Mr. Macdonald). He mentioned the hospital problem. As a matter of fact the Minister of National Health and Welfare (Mr. Lalonde) did not accept my use of the word ultimatum. That is the word I will use even if ultimatum is too strong for the Minister of Finance. It is a fact that the Government of Canada presented the provinces with the deadline of February 15. By that time the provinces either would have to accept or reject the block funding, or else there would be no funding. If that is not accurate, I wish the minister would tell me that I am inaccurate. I will continue to use the word ultimatum. That was the decision of the government, and in a minute or two I am going to comment about how this affects one of the poor provinces.

One other point I would like to make about the Minister of Finance's speech is to draw attention to what all of us—huffers and puffers, or just ordinary debaters—will agree is the omission of any built-in mechanism in the established program financing after a trial period. I think the government is going to regret this. I do not know what my future will be in this House, but I would like to be here when a new bill provides some sort of review mechanism. It is a grave omission that this bill does not have such a thing.

At an earlier stage we agreed that, if we were debating this issue and using the plainest of plain language, this bill's rather formidable title could have been renamed "a dividing up of pie" statute. Whether we talk of constructive federalism or constructive tension, it is really the nation dividing up the pie. The pie is for the nation to divide because of its resources and basically because of what people have to do around April 30 each year when they send the nation small particles of the pie, or elements of the pie, so that the division can take place.

There are some constraints, and the minister alluded to them when he wound up second reading. He alluded to this issue again today when he mentioned that the bill is founded upon an agreement that has been made between the two levels of government. As he says, he is not sure how the dilemma that we face as parliamentarians can be resolved, although he was a bit forthcoming a minute ago when he said that if we had some amendments they could have been made, and perhaps accepted. I think the minister was being overly generous to us. What we were doing was ratifying an agreement made by the various provinces and the Government of Canada. The minister was a bit less candid about this in his closing speech on second reading. Today he was talking about "yes" and "no". The other day he said that he was not sure this could be resolved. That is evidence of the minister's candour. I am going to try to be equally candid. The implications of these confessions on the part of the minister have to be addressed by parliament.

I admit that the third reading stage of this bill is not the time to discuss the future of Confederation. Perhaps it is time we did it in another debate. The third reading stage is not a time to discuss the relevance of parliament. A good deal was said about that yesterday. In a rather interesting exchange the other day some of the frustrations felt by hon. members were put on the record.

Members of parliament cannot be counterweights to the executive or to the bureaucrats if their ideas are short circuited by a *fait accompli* or by an agreement. I said "counterweights". I did not say adversaries. I get tired of people who want to take on the Public Service in an adversary position. That is not it, at all. I happen to believe there are people within the Public Service who might benefit from the advice, comment, and the addition of facts that come from members because they are representatives. In other words, although we tend to be generalists, in many cases that is forced upon us.

I am not saying that civil servants have not got antennae, but members of parliament through their antennae find out facts. We have to get around the country and get about our constituencies, and bring information to the Public Service. This is a rather extraordinary concept, but by utilizing parliament, bills might be improved once in a while. The frustrations of members of parliament are understandable. The impotence of MPs in policy and control is profoundly depressing and has been spoken of more and more often in recent years. I want to draw an analogy to this frustration by reminding hon. members of another bill which is equally frustrating to the system.

Parliament is being asked to ratify the agreement made between two levels of government, Quebec and Canada, having to do with the peoples of the James Bay watershed. I happen to believe profoundly that it is quite unfair of governments to ask MPs of the government party, and of any other party, to rubberstamp and ratify an agreement that has been drawn in very legal terms and make it a statute of parliament. I am not trying to be partisan at all. I happen to think that the James Bay agreement is profoundly wrong in its concept of carrying out its responsibilities.

Mr. Buchanan: Oh, oh!

Mr. Fairweather: It is all right. I will be through in a moment. The Minister of Public Works (Mr. Buchanan) is frustrated, and well he might be about the James Bay agreement.

Mr. Buchanan: I am not frustrated. You are frustrated.

Mr. Fairweather: Indeed I am frustrated by being asked to ratify an agreement that has been drawn up by two levels of government before there is any input by the members of the parliament of this country. That is not a very radical reason for my frustration. There is an obligation, if we believe in this institution in the 1970's and 1980's. Members of parliament have to take their responsibilities. If that agreement is unfair and unjust, as I believe it is, then it should be our responsibility to amend it. If this agreement, made by the provincial governments and Canada, works an injustice—

Mr. Buchanan: What about the native people? Don't mislead the House.

Mr. Fairweather: I mentioned the native people. The minister was reading *Penthouse* the last time I saw him.

● (1630)

Mr. Buchanan: No!

Mr. Fairweather: Well, I was surprised, but some of my constituents were in the gallery and wondered about the reading matter of ministers of the Crown. If the minister is sensitive about this, it is bill No. 9.

Mr. Buchanan: On a point of order, I am not certain what in the Sam Hill the hon. member is chattering about, Mr. Speaker, but I was not reading *Penthouse*, and if he suggests that I am he is incorrect.

Mr. Fairweather: I think the frustration is on the minister's part—

Mr. Buchanan: Come on, Gordon. Don't be foolish!

Mr. Fairweather: The minister had better consider what he is saying. I do not wish to pursue this matter any further. The minister had better consider what he is saying, and I want to go on with my speech.

Mr. Buchanan: Absolute nonsense!

Mr. Fairweather: I propose to go on with my speech and let the minister think through the implications of what he is asking me to do.

What I was saying is that it is most unfair and unjust to expect the Parliament of Canada to ratify a bill which affects native peoples or anybody else, without having the opportunity to make any input into the measure. That is what I was saying.

I recognize it is an extremely difficult situation. What I was trying to discuss, if the minister were not so impatient, is the difficulty parliament experiences when it is faced with a bill the parameters of which are already drawn. That is all.

Without being overly immodest, I believe some people in this House do possess a degree of insight into at least two or three of the concerns dealt with in this bill. I said earlier that these insights come to us because of the manner in which we carry out our responsibilities as members. I happen to have made it my business to understand the issues surrounding post-secondary education, and I will come to that aspect later, but first I should like to talk about health care because the people and the government of New Brunswick are anxious about health care.

It is a fact that by November, 1976, the proposal for the funding of extended health care service had become, from Canada's point of view, an appendage to the established program financing proposal rather than a separate cost-sharing issue in the health field. This, as the minister of health said, amounted to a fundamental change of direction which took place between April, 1976, and November, 1976, I think it was. I am not criticizing this. I am saying that in the long discussions which went on it was not until November that the change took place. The November date was the climax of meetings between ministers of health, meetings with officials, and then the meeting of first ministers beginning in April, 1976. All this culminated in a revised plan for health care offered by Canada on the basis that a decision had to be made by February 15, 1977, or, as the minister's statement went, block funding would lapse. Those were the terms of the deadline.

I do not wish to appear to be confining this appeal solely to the concern of one province, but the anxiety of New Brunswick is symptomatic of something larger than the preoccupation of one particular province. In fact it goes to the core of the federal government's perception of its role in the partnership. New Brunswick shares the objective of controlling the rate of cost increase for existing programs and of developing lower cost alternative programs which are more humane in their application to the people who need them.

My province believes that the application of block funding to extended health care programs is not appropriate at this time because of the nature of the services covered by the block funding concept. The concept itself is good and logical when applied to mature services, but it is inconsistent with the encouragement of basic health services which are similar throughout Canada because New Brunswick has not reached a sufficiently advanced stage in health service development. This is a perfect illustration of the dilemma in which one finds oneself when trying to develop programs which are strictly the same from one part of the country to another, that is, the same in terms of money.

Hospital insurance and medical care are reasonably consistent across Canada. I believe the government is to be congratulated upon this, as are the provincial governments. There is consistency across the country. So block funding in itself is not the problem. The rub comes in the field of extended health care. There is a very great variety in the quality and kinds of services available in hospitals across the country. I have to say that in New Brunswick the system is, at this stage, immature. Growth is under way, but time is needed until the services are fully developed.

The province of New Brunswick had asked for a very modest concession during a transitional period so that hardship might be avoided. The minister turned down that request. When I last spoke to him about it in committee he said to me that he had not even responded to a letter from the province, stating reasons for declining the suggestion. The request by the province was a modest one seeking a transitional amount of $6 million in descending sums over the next three years. This is what was proposed to the minister of health. The province would accept the block funding concept but would prefer a phase-out period of three years.

The minister told us in committee that this was impossible. He spoke of federal funds as being gravy—that was the word he used—and said the provinces should not expect "more gravy". I should like the minister to name any one of the four Atlantic provinces which is on some sort of "gravy train" as far as health care programs or any other of these services are concerned. I suggest such an attitude makes "co-operative federalism" sound hollow and that the newest cliché which is being trotted out, flexible federalism, will prove no better if, when there is an opportunity to bring some flexibility to the concept, the government turns it down the first time it is tested.

I have two compliments to pay. One is to my colleague, the hon. member for Kingston and the Islands (Miss MacDonald) who really did a superior job in analysing this bill and studying it through the committee stage. She warned us of some of the dangers, one or two of which I have noted. One is the lack of any review mechanism, and also the danger inherent if we are not perfectly sure that there will be some sort of equality across the country in the service area.

● (1640)

It is interesting and very positive that one of the other women in public life is Judith Maxwell. I suppose "public life" is not the phrase to use about Judith Maxwell, but surely outside parliament Judith Maxwell must be one of the most interesting women commenting on Canada today. In "Policy Review and Outlook, 1977" she discusses an agenda for change. In a small paragraph on page 8 of that booklet she suggests:

> The structural questions outlined here are an agenda for personal reflection as much as they are for government action, for the individual will be facing two

challenges in the next few years. First, it is important for individual Canadians to understand that there are powerful forces at work which will inevitably alter the status quo.

Of course the status quo is being altered, I think for the best in general terms, by the bill which we are now debating at third reading stage. But I do worry about the health care provisions, I do worry about the lack of mechanisms, and I worry particularly about the whole aspect of post-secondary education. The minister did refer to this concern in his speech a minute or two ago.

Claude Bissell, the former president of the University of Toronto, wrote a lively book called "Half-way up Parnassus". When this bill was being debated I could not help but think that this minister—or perhaps this is being unfair to him and I should confine this to the Secretary of State (Mr. Roberts) under whose aegis post-secondary education comes—could write a book called "Descending Parnassus" because there is no doubt that under the provisions of this bill the Government of Canada, not in dollar terms but in terms of its concern for its undoubted obligation, role, and responsibility in post-secondary education, is changing direction, is, as I say, descending Parnassus.

The bill has a political element in the funding arrangements. The government, as a matter of fact, in another area has said that it has reduced over-all spending by 2.4 per cent, thereby gaining, I presume, some political brownie points. But in an article in the April edition of *University Affairs* which, by happy coincidence came just yesterday, in a feature article by Lynda Woodcock, concern was expressed about increasing provincial control. It reads:

> Increasing provincial control over all aspects of post-secondary education was a major topic of discussion at a recent conference on higher education held at the university of Manitoba.
>
> The conference was sponsored by Manitoba's education faculty as a contribution to the university's celebration of its centennial.
>
> Two other important topics considered at length were university-government relations and university governance—

Then there follows a discussion by Dr. Claude Thibault, who is the executive director of the Association of Universities and Colleges of Canada. The article reads:

> Dr. Thibault noted that the federal government's attempt to have some influence on post-secondary policies had failed.
>
> Prime Minister Pierre Trudeau had recommended that a permanent policy forum for the federal and provincial governments be set up for discussion on post-secondary matters. This idea was rejected by the provinces.

Surely that is not good enough. If the idea was rejected by the provinces, the leadership of this government was at stake. I have no doubt in the world that there is a constitutional imperative for the federal government in post-secondary education to continue to play its national role, and it concerns me deeply that by changing some of the financial formulas we could be in danger of increasing provincial control. I think that is a matter that should concern all of us in the Parliament of Canada who are federalists.

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, before I get to the substance of my comments in third reading debate I would like to raise and dispose of some misinformation provided by the Minister of Finance (Mr. Macdonald) in the House, and deal with the opening comments of the hon. member for Fundy-Royal (Mr. Fairweather).

In his comments this afternoon the minister said that I had misinformed the House when I said that the provinces were not happy with this agreement, that they did not accept it. I would like to refer the minister to the transcript. It was a closed session but I obtained copies of the transcript of the first ministers' meeting of December 14, 1976, when premier Lougheed replied to the Prime Minister (Mr. Trudeau) on behalf of all the provinces in response to the specific set of proposals that we are debating in the House this afternoon. Here is what premier Lougheed said on behalf of the provinces:

> . . . all the provinces are of the view that the proposal . . . is inadequate, but a number of provinces felt they were left with no alternative but to accept it.

It was inadequate, but they had to accept it. Why did they accept it? They accepted it for the obvious reason that, as the Minister of Finance in his quiet and reasonable way indicated, the ultimate authority rests with the Parliament of Canada. The existing agreements were due to be terminated on March 31 of this year and the provinces had to take what they could get. They had to like it or lump it. When they got this set of inequitable proposals put before them—of course they contained some crumbs, particularly for the poorer provinces, with which they were pleased in the short run—rather than being left with nothing at all after March 31 they accepted the package. But to imply, as the minister did, that this is something they all entered into voluntarily, that there was a happy round of cheers on the part of the premiers, is just absurd. It was forced upon them. It was federal legislation. They had no alternative. So I stand by what I said in the House when we debated second reading on February 18. This was not an agreement reached on a voluntary basis by the provinces.

The second point I would like to make before getting on to the substance of my comments is that the hon. member for Fundy-Royal said that I seemed to be huffing and puffing a bit today, and he could not quite understand it. My own view is that when you have something to huff and puff about, if you are prepared to take a stand on an issue which you think is important and relevant, then it is appropriate to show that with a little emotional concern as well as with arguments to support your position.

Mr. Fairweather: You might have been at the committee. Huff and puff in both places.

Mr. Broadbent: The hon. member says that it would have been better if we could have been in the committee during the committee stage of the debate. He suggested that our member was at one meeting but missed a couple of others. I say in reply to him that the hon. member who will speak after me in this debate today, the hon. member for Winnipeg North (Mr. Orlikow), was in fact our member on the committee. He had a conflict in terms of another committee that was sitting at the time, and he decided that since all the Conservative members on the committee were supporting the government on this

legislation anyway, there was not much useful time that could be spent on the bill. I say in all seriousness to the hon. member for Fundy-Royal that perhaps his party did not huff and puff about the bill because it is voting for it, in spite of what the hon. member has just said.

• (1650)

He has made a case for New Brunswick not being happy with it. He has suggested he is unhappy about the implications of inequality in the financing of medicare. He suggested a deep concern about the financing of post-secondary education, if we accept this bill. Those are precisely the reasons the New Democratic Party gave for voting against the bill. In our view this is one of the most retrograde pieces of legislation brought before this parliament in the last decade. I say that with care, and I mean it.

What we have in this bill is a virtual turning upside down of the spirit of co-operative federalism which was brought into this parliament by a former prime minister, Mr. Lester Pearson, who in the mid-1960's took the view that what was needed in Canada was national involvement in the areas of medicare, hospitalization, and the financing of post-secondary education. At that time the New Democratic Party argued for precisely that course of action, and we argued that the serious inequalities that existed between our provinces had to be removed. We argued that all the provinces east of the Ottawa River had a very real difficulty ensuring that kids growing up in that part of Canada—in half the provinces of Canada—had the same opportunities and expectations as kids growing up elsewhere in this country.

What was embarked upon in the 1960's is now being systematically destroyed by the Prime Minister of Canada, with the total support of the Conservative party. The leader of the Conservative party (Mr. Clark) at second reading supported the principle of this legislation. What is at stake is the abolition of national programs, the justification for which was to equalize conditions across the country.

The Minister of Finance is scoffing again. I noted that neither at second reading nor at third reading today did the minister produce the figure of $1.3 billion which is found in tables possessed by his officials. This $1.3 billion figure is what Ontario is going to gain as compared with the gain of other provinces—

Mr. Macdonald (Rosedale): I produced other figures.

Mr. Broadbent: —as a result of this set of agreements. The Minister of Finance knows as well as the rest of us and, indeed, better than most of us—because that is his area of concentration and responsibility—that a tax point transfer to the province of Prince Edward Island is worth $4 per capita, but a tax point transfer to Ontario is worth $10 per capita.

What is involved here is a very retrograde step. We are saying we are going to turn over 13 and a half tax points to the provinces, plus some modicum of equalization as part of the package which, I repeat, was rejected by the provinces, as if they really had an alternative. We are transferring 13 and a half tax points—

Mr. Macdonald (Rosedale): That was not rejected.

Mr. Broadbent: The package was rejected.

Mr. Macdonald (Rosedale): That point was not rejected; it was accepted.

Mr. Broadbent: Which one?

Mr. Macdonald (Rosedale): The transfer of tax points was accepted.

Mr. Broadbent: It was accepted because they had no alternative.

Mr. Macdonald (Rosedale): It was accepted before the final agreement.

Mr. Broadbent: The minister says it was accepted before the final agreement, but he knows it was accepted on the condition that other parts of the package be acceptable to them.

The hon. member for Winnipeg North is going to speak later in this debate, and he is going to present to the House the considered reaction of two provincial governments to the implications of this bill. These reactions were presented in the sessions with the federal government before the agreement was reached in mid-December.

The point I am making is that when we are in the process of transferring tax points to the provinces and saying to the provinces that in the long run they will have to finance hospitals, medical services, and university educations for their kids, that is exactly like saying that under Canadian law rich men and poor men all have the same right to buy a Cadillac. That is exactly what is involved, and it is no coincidence that in the real world the keys for the Cadillac always end up in the pockets of the rich.

As I said earlier, in this process there is an abandonment of the program which was established by the former prime minister of this country, Lester Pearson. I made the point in the second reading debate that this bill is harmful to Canada because a person growing up on Cape Breton Island ought to have the same opportunities in basic aspects of existence not only as another person growing up in Halifax, in that same province, but the same opportunity as a cousin who may live in Calgary or someone who may live in downtown Toronto.

If a common sense of nationhood means anything, we must establish basic common conditions all across this land. That was what was involved in the 1960's when we were developing important national programs, but we are now destroying that structure. That is harmful in terms of equality, and particularly at this particular time in our history it is harmful in terms of national unity. The two go together because in order for men, women and children in one part of Canada—whether it is in the Gaspé region of Quebec or in the province of Newfoundland, which is one vast area of unemployment, or in Victoria or in Moose Jaw—to develop a sense of commonality and iden-

tification with the national government, they have to sense that there is now in existence either a basic state of equality in Canada, or at least that government programs are moving toward the establishment of a state of equality in certain basic respects.

Mr. Knowles (Winnipeg North Centre): We are moving away from that.

Mr. Broadbent: We are now moving in precisely the opposite direction. We are now saying that people who grow up in Alberta, British Columbia, and Ontario are going to have greater opportunities—even greater than they now have—and greater expectations in life for themselves and their families than people growing up in other parts of the country. That is not only wrong from the point of view of equality, but it is also fundamentally wrong at this point in our history on the part of a government which ought to be concerned about the question of national unity.

I predict that—not next year or the year after, perhaps in the third year, but certainly by the fifth year—this program will bring about a worsening of the economic position of Atlantic Canada and of the province of Quebec compared with the rest of Canada. What that means is that there will be more resentment. The east and the west will be in greater conflict. English Canadians will be less prepared than they are now to accept the aspirations of the people of the province of Quebec. In short, with this technical legislation we are sowing the seeds of grievous discontent.

My party believes that the issues at stake are very serious. The right alternative to some provincial dissatisfaction with existing federal-provincial agreements in post-secondary education, in medicare, and in hospitalization is not to move toward the shifting of tax point power to the provinces which, as I said, favours the rich over the poor, nor is to be found in a similar proposal which is discussed these days by the Conservative party of Canada and in some Liberal circles, which is to transfer constitutional power more specifically and clearly back to the provinces and to make sure that the provinces stay narrowly within those rigid confines. Neither of those approaches is favoured by my party.

What the New Democratic Party says is required at this time is the maintenance of effective national programs. This will ensure a basic state of equality in the health and education fields across the country. We need programs for medical care, health, and education, programs that will ensure a state of equity across Canada, but programs that will be flexible in terms of administrative decentralization. There is no reason why we cannot take the rhetoric of decentralization seriously and apply it within the framework of national programs.

● (1700)

We could have a department of national housing, which we should have, to allocate substantial amounts of money for housing to the provinces on an equalized basis. That would not mean we would need a body such as Central Mortgage and Housing to lay down rigorous standards for housing in British Columbia, for instance, where requirements are different from those in Ontario, or different from the architectural and traditional requirements of Quebec. We could have a national program on housing which would say to the provinces, "Here is the money which we raised on a national basis because that removes some of the inequities that exist between the provinces. All you have to do is spend so much of it within a broad income category to make sure it goes to low and medium income Canadians first." There could perhaps be ceilings on the prices of houses, but that is all. The provinces would meet their own architectural traditions and geographic circumstances. Taking the decentralization rhetoric seriously, this would allow the provinces to do a good job on housing.

A similar proposition could be put in the medical care and hospitalization fields. The Minister of National Health and Welfare (Mr. Lalonde), backed by the Prime Minister, insisted that all provinces in order to get money for hospitalization had to build acute care hospitals that just did not make either medical or economic sense. Instead of abolishing the program, and instead of the federal government getting out entirely, all that was needed was for the government to lay down broad guidelines for the provinces, saying in effect that it is important for money to be spent on hospitalization from British Columbia to New Brunswick but that the provinces should decide whether it should go, say, for nursing homes or acute care hospitals. The federal government does not know the details of provincial requirements, but the provincial governments do, and they should be allowed to decide the appropriate priorities for spending in such fields.

I could select other examples, Mr. Speaker, but those two will suffice. We need national programs in these areas now as never before in our history because of the value of equality in itself but in particular because of the need to generate support from one coast to the other for the national government—the need to show Canadians, wherever they live, that there is a national government that cares what happens to them. We are not getting such an indication from this government. The road we are embarked upon with this legislation indicates just the opposite; we are going to see the rich provinces getting richer and more powerful, and the poor provinces getting poorer and less powerful. That leads to less of a sense of Canadian identity and less sense of commitment to the national government, but to a greater sense of regional identification and more regional antagonism. We believe that is the wrong direction.

This bill ought to be opposed, Mr. Speaker. It ought not to have been introduced. All of us in this House who believe in national unity, who believe in equality of opportunity, ought to vote against it.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I should like to say a few words on this bill, and particularly on the aspect of returning more control over health and welfare programs to the provinces. The Leader of the New Democratic Party (Mr. Broadbent), who just spoke, laid great emphasis on national programs and national unity, but we have never had greater national disunity than since these programs were introduced. I

have long maintained that one cause of dissatisfaction among Canadians has been the fact that the federal government has undertaken responsibility for programs of health and welfare, and also of education. The object was to promote national unity, but in fact the opposite has been the case.

Up until 20 or so years ago most communities looked after their own medical care, hospital care, and education up to university level, and they did not do too badly. There is no evidence that in different parts of Canada the incidence of death was higher, the incidence of disease was greater, or that the incidence of morbidity was any greater in one area than in another. There is no evidence of that in the United States either where the social structure is somewhat similar.

In the 1960's the Pearson government decided that the federal government should oversee the health of the citizens of Canada; that provincial governments were not to be trusted to look after their citizens. That was a great mistake, Mr. Speaker. Unfortunately most of the extra money allocated for the purpose vanished into brick and concrete, or costly administration.

I think it is important that the provinces have the right to administer their own health and welfare programs and, even more important, that the municipal governments should share in the administration. I think it behooves us to look at the possibility of such things as property tax deductions for residential areas. This would encourage local governments to assume some responsibility for health costs in the form of hospitals, diagnostic clinics, and so on.

I think it is significant that the greatest trend toward national disunity has occurred since the federal government has assumed control of collecting the vast amounts of money needed to run the three programs. That is now being returned to the provinces to be spent on programs that are rather restrictive and often unsuitable for the particular province involved.

I think the federal government, in essence, bypassed the provinces by assuming the problems of health, welfare and education. It raised the money through the tax system, and so effectively bypassed the provinces and prevented them from meeting their obligations.

The provinces should have the right to decide whether their money is invested in hospitals, medical care, and post-secondary educational institutions, and they should have some leeway in this. Obviously there would be a difference in standards between provinces and we would have to make allowances for that.

In spite of all this, Mr. Speaker, I think this legislation is a step along the way. I think it will increase our national well-being in the long run even though its application may at times create some inequities.

● (1710)

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I shall comment briefly on the remarks of the hon. member for Dauphin (Mr. Ritchie) and of the hon. member for Fundy-Royal (Mr. Fairweather).

It seems to me that when the hon. member for Dauphin said we should go back to the good old days when hospital care was a matter for local communities, he forgot that, in those days, many small communities were without doctors and many Canadians could not pay their doctors' bills. Often people could not enter hospital, or, if they did, could not pay the hospital bill and saw liens placed against their houses.

The hon. member forgets that a Conservative government, led by the right hon. member for Prince Albert (Mr. Diefenbaker), put into effect a hospital insurance plan when it participated with one province in the cost-sharing of hospitalization. That led to all provinces joining the hospitalization plan. The royal commission appointed by that right hon. gentleman produced a report which led to the establishment in all provinces of a health insurance plan jointly funded by the federal and provincial governments.

Why was I not in attendance in the committee when it dealt with this bill? As my leader has already said, the answer partly is that at the same time I was serving on another committee. But the other reason is that I had participated in the debate on the bill. We had made our position clear, indicated that in our opinion the bill would have disastrous effects on national unity and on standards of service provided from one end of the country to the other.

We heard that the Conservative party intends to support the bill. I am not surprised that Conservative members from Ontario or Alberta support this bill. Those provinces stand to gain. They will get more dollars under this bill than under the old arrangement. As well, those two provinces are best able to carry the burden once the federal government withdraws from shared cost programs. The other provinces, New Brunswick, the province of the hon. member for Fundy-Royal, Newfoundland, Nova Scotia, Prince Edward Island, and Manitoba will find it much more difficult to bear the heavier costs once the federal government's plan either to withdraw from or reduce its share of shared-cost programs comes into effect.

The hon. member for Fundy-Royal told the House this bill will have adverse effects in New Brunswick. Having said that, he turned around and said he would vote for the bill. I knew the Conservatives would not oppose the bill, and because I knew the bill would come back from committee virtually unchanged, or as it had been sent to committee, I decided to attend another meeting.

What will happen as a result of changes to the Medical Care Act, and the federal government's announcement that as soon as it legally can it will cut back its 50 per cent contribution under hospital insurance? The result will be obvious. As the government reduces spending on health, medical insurance, hospital insurance, and post-secondary education, the have-not provinces will be forced to pay the extra cost. They already have the highest tax rates in the country and, some of them, the highest sales tax rates in the country. They will be forced to increase taxes, to introduce fees as a deterrent, to increase university enrollment and tuition fees, or reduce services.

For many years we thought that one of the benefits of being a Canadian was that, no matter if one lived in Newfoundland or Vancouver Island, one was entitled to the same basic services. That meant Canadians did not have to worry about paying hospital bills, among other things. I am sure hon. members have heard of Canadian citizens unfortunate enough to be sick in the United States and forced to pay hospital bills in the United States. Those bills can run to several thousand dollars for two or three weeks of hospital care. Even Canadians not in lower income brackets would find it difficult to pay such bills. The experience of Canadians forced to see doctors in the United States is similar. The United States, the wealthiest country in the world, is the only industrialized country without a hospital insurance plan and without a medical insurance plan. Is there a member here who thinks we should do without these plans?

An hon. Member: Yes.

Mr. Orlikow: I do not say our plans are perfect. Partly, we oppose this bill because several provinces, Manitoba, Saskatchewan, Prince Edward Island and Quebec, think certain services can be provided more cheaply and efficiently outside intensive care hospitals which are jointly funded by the federal government. Unfortunately those outside services are not funded by the federal government. The bill makes no provision in this regard, and that is partly why we think it is wrong. It will reduce minimum health service standards and the availability of post-secondary education which, so far, we have been able to provide to Canadians in all parts of Canada.

This year, pretty well every university raised its student enrollment fees. Now, since Ottawa is to cut back the proportion of money it makes available for university education, our universities must increase fees once more. As well, most provinces will face severe financial constraints. For those reasons we oppose the bill, as we opposed the change in the Medical Care Act. We shall oppose any changes to the Hospital Insurance and Diagnostic Services Act. We oppose this kind of whittling away of basic and fundamental rights all Canadians have enjoyed for a quarter of a century. This whittling away can only aid the cause of separatists in all parts of the country, Quebec, Alberta or British Columbia.

If you cut back services, how can you make people believe it is great to be Canadian? Why should people in New Brunswick enjoy a lower level of service than people in Ontario and British Columbia? Because the people of Ontario or British Columbia live in provinces with resources fetching high prices now, surely that does not entitle them to infinitely better services than are available to people in Newfoundland or New Brunswick? That, fundamentally, is why we oppose this bill.

● (1720)

I do not want to repeat what I said at the second reading stage of the bill. However, I want to dispute vigorously the statement made today by the Minister of Finance, as well as the statements made by the Minister of National Health and Welfare (Mr. Lalonde) when we were debating this bill on second reading, that the provinces voluntarily accepted this bill, that they welcomed this bill, and that they will be better off as a result of it. The facts are, as our leader put on the record, that the premier of Alberta, speaking on behalf of all the provinces, made it clear to the federal government that all ten provincial governments, regardless of party, were opposed to the provisions of this bill.

The minister said that the provinces have accepted the bill. He implies that we are not telling the truth. Of course they accepted the bill. They knew that if they did not accept it, the funding which they have been getting for these programs under the old legislation would end. It had a time limit. They would not be entitled to any funding when the legislation would end this month. They had a choice between accepting this bill or getting nothing, because there would be no legislation in effect. They would have to depend on the charity and good will of the federal government. And they had sufficient experience with this federal government to realize that they did not want to be put in that position.

Let me point out what will happen to the provinces as a result of the passage of this bill. The province of Ontario will get $50 million in the next fiscal year, British Columbia will get $23 million, and Alberta $90 million. The poorer provinces stand to lose. Prince Edward Island will lose $2 million. Saskatchewan will lose up to $3 million. Manitoba will gain $800,000 the first year, but will lose money in subsequent years. That is only with respect to alternate care for adults who can be placed in institutions other than intensive care hospital beds.

The minister must not be permitted to get away with his statement that the provincial governments not only accepted this bill but will in fact be better off than they would have been had the bill not been passed. I want to put on the record the views of the two provincial governments with which we are in closest contact. I am sure that if the hon. member for Fundy-Royal had asked the government of New Brunswick for its analysis, he would have received approximately the same information as we got from Saskatchewan and Manitoba.

I would like to quote what the minister of finance in Manitoba said at the meeting of ministers of finance held February 1 and 2, 1977. With regard to this whole question of the federal government's per capita offer for extended health care services he said, and I quote:

> Up to now, our assessment of the proposals in their ever-changing form is that they are not an adequate replacement for cost sharing commitments which had previously been made by the federal government. Our own calculations suggest that the per capita amounts offered so far would barely offset existing recoveries for Manitoba. And, they would not come close to matching the support levels that were anticipated under:
>
> The 1975 offer to extend hospital and medical care sharing to cover alternative services, and the mid-1976 version of the proposed social services act.

Let me stop quoting for a moment to say to the minister that that social services act was not proposed by some government that had no experience and did not know of the implications of the proposals. It was proposed by this federal Liberal government less than a year ago.

According to the Manitoba minister of finance, they have gone back on their proposal of 1976 in a way which will cost the province of Manitoba and all have-not provinces a great deal of money as compared to the 1975 or 1976 offer. Let me continue with what the Manitoba minister of finance said:

We feel the new offer penalizes provinces such as ours which have pioneered developments in more efficient alternatives to more costly acute care services—alternatives, such as our home care program, which have not yet reached a "maturity" stage.

Since a number of provinces seem to share many of our concerns, and since the per capita offer has not been discussed by our colleagues, the ministers responsible for health and social development, I would hope that consideration will be given to putting off the unrealistic February 15 deadline for provincial decisions until after a full-scale conference can be held for both health and welfare ministers.

That full-scale conference was never held. What they received was a telegram from the Minister of National Health and Welfare to all the provinces saying that "we now have 50 per cent of the provinces with more than 50 per cent of the population which are prepared to accept our offer." Therefore, he said, they were going ahead, and the provinces which had not agreed and which would lose money, some of which had better services than the provinces which accepted, would have to lump it.

The Manitoba minister further said:

While I can appreciate that timing is a problem, I think it would be very unwise to proceed precipitously with detailed new legislation at a stage when so many important questions remain unresolved . . .

It would be very difficult for Manitoba, and probably for a number of other provinces, to give up our formal guarantee of hospital insurance cost sharing—as was discussed by the first ministers in December—without a reasonably clear understanding that our major concerns—especially those related to the established programs "package"—will be settled in an equitable way—

They were not settled by discussion. They were not settled in an equitable way, at least as far as the provinces are concerned. Ottawa has also given notice that it will get out of the 50/50 cost-sharing basis for hospital insurance and will in fact put a cap on the hospital insurance funding in which it has been involved, and they will have to find the money in the provinces.

The minister says that all the provinces agreed. I have here a statement by the minister of finance of the province of Saskatchewan, Mr. Smishek. It is headed "Federal Cost Sharing of "Lower Cost" Health Services." The statement is dated February 21, 1977. I quote:

We have just been informed by the federal Minister of Health and Welfare that the federal government intends to reduce the amount of cost-sharing available to Saskatchewan to help finance special care homes, home care and other lower cost health services . . .

The original intention of the federal proposal was to provide financial assistance to help provinces develop "lower-cost" health alternatives which would help to reduce the pressure on high-cost acute care facilities. With the implementation of the established program financing proposal, the financing of hospital insurance, medicare and post-secondary education will be converted to a block funding basis, an equal per capita grant and a transfer of tax room. The new federal proposal is to fund these "lower cost" services as part of these arrangements by adding an additional $20 per capita to the cash grant.

● (1730)

We have objected to this financing mechanism as a matter of principle. While a block funding arrangement may be appropriate to finance services whose costs are well known, it is entirely inappropriate for new programs, such as home care, whose costs have yet to be accurately determined. A funding arrangement where federal contributions are related to actual costs would be far more effective, and far more equitable.

[Mr. Orlikow.]

He ends by saying:

This is a very regrettable step the federal government has chosen to take. It is entirely perverse that they should be providing significantly more money to the richer provinces while most of the poorer provinces will break even at best while some provinces, like Saskatchewan, actually end up with less.

The Saskatchewan government has provided background information and has exchanged correspondence with the Minister of National Health and Welfare. Let me quote a letter which the Saskatchewan minister of public health wrote to the Minister of National Health and Welfare on February 15 last, in which he said, among other things:

The government of Saskatchewan feels particularly strongly that, in principle, extended health benefits should not be financed on a per capita basis as if these programs were fully developed in all the provinces of Canada. In search for financial arrangements which are acceptable both provincially and federally it is our contention that we should resist rather than encourage the discontinuation of the cost sharing instruments which have enabled the development of our national health programs. We object in principle to the block funding of programs in the development stage. More importantly, however, we regard your attempts to limit the growth of these programs to the rate of growth in gross national expenditure as a totally inappropriate response to the increasing needs of the elderly, the handicapped, and the chronically ill throughout Canada.

I think I have put on the record enough of the views of the governments of Manitoba and Saskatchewan clearly to demonstrate to anyone who wants to look at the facts that the provinces have not agreed voluntarily to this agreement which we are being asked to endorse by voting for the bill. As I said earlier, I am sure that members from at least three of the other provinces could get similar information from their provinces.

We say that this bill received the approval of the provinces because the provinces were blackmailed into agreeing to it. Despite the assurance given in the House and in committee by the representative of the federal government that the provinces will in fact get more money, the provinces themselves have made calculations which indicate they will get substantially less money in the coming years than they would had they continued under the old arrangement.

It ought to be obvious to any member of the House that in regard to the basic services of hospital insurance, health insurance and post-secondary education which have been financed up to now on a 50-50 basis between the federal government and the provincial governments, with the federal government putting up more than 50 per cent in have-not provinces, as it should, as the federal government opts out of its commitment and puts a cap on such costs unilaterally, without discussing with the provinces how annual cost increases can be slowed down, the burden on the provinces will become ever greater.

It is because we believe that this strikes a very serious blow at the basic rights of people living in Canada, who should have certain minimum standards in these fields and be treated equally, we declare that this bill and other bills that the government has introduced, or intends to introduce, strike a

very basic blow at the spirit of unity, and we propose to vote against this bill.

Mr. Fairweather: Mr. Speaker, may I rise on a question of privilege? In a speech earlier today I inaccurately suggested that the Minister of Public Works (Mr. Buchanan) had been reading a magazine called *Penthouse*. This was not correct and I want spontaneously—and this is spontaneous—to correct the record. I do so very gladly because I know that the minister is not the kind of minister who needs to get his kicks out of a jock magazine. He was reading *Quest*. I do not know what it is.

Miss Bégin: It is Canadian.

Mr. Fairweather: I am told it is a Canadian magazine, so that is fine.

Mr. Deputy Speaker: Is the House ready for the question?

Some hon. Members: Question.

Mr. Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. Members: Yea.

Mr. Deputy Speaker: All those opposed will please say nay.

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the motion (Mr. Macdonald (Rosedale)) which was agreed to on the following division:

(*Division No. 28*)

YEAS

Messrs.

Alexander
Allard
Allmand
Anderson
Andras (Port Arthur)
Andres (Lincoln)
Baker (Gander-Twillingate)
Basford
Bawden
Beatty
Béchard
Bégin (Miss)
Blais
Blouin
Breau
Brisco
Buchanan
Bussières
Caccia
Cadieu
Cafik
Campagnolo (Mrs.)
Campbell (Miss) (South Western Nova)
Campbell (LaSalle-Émard-Côte Saint-Paul)
Caron
Chrétien
Clarke (Vancouver Quadra)
Clermont
Coates
Collenette
Condon
Corbin
Corriveau
Côté
Crosbie
Crouse
Cullen
Cyr
Darling
De Bané
Demers
Dick
Dinsdale
Dionne (Kamouraska)
Dionne (Northumberland-Miramichi)
Douglas (Bruce-Grey)
Drury
Duclos
Dupont
Ellis
Elzinga
Epp
Ethier
Fairweather
Faulkner
Fleming
Flynn
Fortin
Foster
Fox
Francis
Fraser
Friesen
Gendron
Gillespie
Goodale
Goyer
Grafftey
Gray
Guay (St. Boniface)
Guilbault
Haidasz
Halliday
Hamilton (Qu'Appelle-Moose Mountain)
Hargrave
Harquail
Herbert
Holmes
Holt (Mrs.)
Hopkins
Huntington
Hurlburt
Jamieson
Jarvis
Kaplan
Knowles (Norfolk-Haldimand)
Lachance
Lajoie
Lambert (Bellechasse)
Lambert (Edmonton West)
Landers
Lang
Langlois
Laniel
Laprise
Lavoie
Lawrence
Leblanc (Laurier)
LeBlanc (Westmorland-Kent)
Lee
Lefebvre
Lessard
Loiselle (Chambly)
Loiselle (Saint-Henri)
MacDonald (Cardigan)
MacDonald (Egmont)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacKay
Maine
Malone
Marceau
Marchand
Martin
Mazankowski
McCain
McCleave
McGrath
McKinnon
McRae
Milne
Muir
Munro (Esquimalt-Saanich)
Munro (Hamilton East)
Murta
Neil
Nicholson (Miss)
Nowlan
Oberle
O'Connell
Ouellet
Parent
Pearsall
Pelletier
Penner
Philbrook
Pinard
Portelance
Prud'homme
Railton
Reynolds
Richardson
Ritchie
Roberts
Rondeau
Rooney
Roy (Laval)
Sauvé (Mrs.)
Schellenberger
Scott
Sharp
Smith (Churchill)
Smith (Saint-Jean)
Stanbury
Stevens
Stewart (Marquette)
Stollery
Tessier
Towers
Turner
Watson
Whelan
Whiteway
Whittaker
Wise
Woolliams
Yanakis
Young—169

NAYS

Messrs.

Benjamin
Broadbent
Douglas (Nanaimo-Cowichan-The Islands)
Gilbert
Hogan
Knowles (Winnipeg North Centre)
Nystrom
Orlikow
Saltsman
Symes—10

● (1800)

Motion agreed to and bill read the third time and passed.

* * *

BUSINESS OF THE HOUSE

Mr. MacEachen: Mr. Speaker, I rise on a point of order. With respect to the business of the House tomorrow, which is Bill C-45, the interim supply bill, we have a House order providing that the debate will conclude tomorrow evening. If there are any divisions, it has been agreed through the normal channels that they be deferred until Monday next, and I would like to have that made a House order.

Mr. Fairweather: That is agreed.

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. Lambert (Bellechasse): D'accord.

Mr. Speaker: It is so ordered. It being after six p.m. this House stands adjourned until tomorrow at 2 p.m.

At 6.07 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, March 24, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

TRADE

PROPOSAL TO PROHIBIT IMPORTATION OF ELECTRONIC GAME—MOTION UNDER S.O. 43

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, I rise under the provisions of Standing Order 43 to move a motion of urgent and pressing necessity. In view of the objection of the Canada Safety Council to the presence of a new electronic game destined for arcades and fairgrounds wherein the object is to drive a simulated vehicle so as to kill as many pedestrians as possible in a 60 second period, I move, seconded by the hon. member for Red Deer (Mr. Towers):

That in the name of family safety the Minister of Industry, Trade and Commerce immediately ban this game from entering Canada.

Mr. Speaker: Order, please. I have some concern about the jurisdictional aspect of the motion, but in any case, the motion can be presented for debate only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

ENERGY

USE OF OIL IMPORT SUBSIDY FUNDS FOR NATIONAL HOME INSULATION PROGRAM—MOTION UNDER S.O. 43

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I too rise under the provisions of Standing Order 43. In view of internal documents that I have received from the Department of Energy, Mines and Resources showing another whopping surplus of at least $237 million on the government's oil import subsidy program for 1977, this following a $300 million surplus for 1976, and in view of the fact that only two provinces—the only two provinces with Liberal governments—have received the benefits of the federal government's residential insulation program, I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That this House instructs the government to use the surplus funds related to the oil import subsidy program for a national program of insulating residences, which action would not only conserve energy but also stimulate the creation of jobs in the economy.

Mr. Speaker: The presentation of such a motion for debate pursuant to Standing Order 43 can be done only with unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

FISHERIES

APPROVAL OF MINISTER'S ACTIONS IN PROTECTING SEALS AND SEAL HUNTERS—MOTION UNDER S.O. 43

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to move a motion under Standing Order 43. It is the same motion that I put to the House yesterday. I have had some discussions and I understand there might be a disposition to accept this motion without debate. I think it is most appropriate that the motion be moved today because there are lobbyists in Washington at present who are providing misleading information to U.S. Senators with a view to having a resolution passed in that body similar to that passed by the House of Representatives. I would remind hon. members that Canada's integrity is at stake, and I urge them to support this motion because the resolution passed by the U.S. Congress did not include the killing of seals in Alaska by American sealers performed in the same way. With the unanimous consent of the House and seconded by the hon. member for Bonaventure-Îles-de-la-Madeleine (Mr. Béchard), I move:

That this House supports the right of Canadians to hunt seals off Canada's east coast and further supports the Minister of Fisheries and the Environment for the steps he has taken to ensure that the hunt is strictly supervised and conducted in a humane manner with quotas based on the best scientific data available to ensure proper management and conservation of the herd.

Some hon. Members: Hear, hear!

Mr. Speaker: The presentation of such a motion, pursuant to Standing Order 43 can be done only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

● (1410)

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

[*Translation*]

MANPOWER

SUGGESTION GRANTS TO CANADA AND YOUNG CANADA WORKS PROGRAM BE DOUBLED—MOTION UNDER S.O. 43

Mr. Roch La Salle (Joliette): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to introduce a motion dealing with an urgent matter of pressing necessity and I hope that I will be as successful as my colleague.

Since unemployment is disastrously high in Canada, since supplementary estimates should be allotted to meet those alarming conditions, since the Canada Works Program and the Young Canada Works Program can partly alleviate that national calamity, and finally since the estimates already earmarked for those programs are clearly insufficient to comply with a decent minimum number of requests made under those programs, I move, seconded by the hon. member for Churchill (Mr. Smith):

That the House unanimously ask the minister responsible to double immediately the estimates already announced for the Canada Works Program and the Young Canada Works Program.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent; the motion therefore cannot be put.

* * *

FINANCE

PROPOSAL THAT GOVERNMENT ESTABLISH BALANCE SHEET OF EXPENDITURES IN AND INCOME FROM EACH PROVINCE—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, pursuant to the terms of Standing Order 43, I request the unanimous consent of the House to present a motion dealing with an important and urgent matter.

In view of the inalienable right of all Canadian taxpayers to know exactly what is done with the money they pay in taxes of all sorts, in view of the responsibility all hon. members have to give an account to their electors of the use that is made of their contributions to the federal government, and in view of the fact that the government is duty-bound to be responsible for the expenditures incurred in each of the Canadian provinces, I move, seconded by the hon. member for Bellechasse (Mr. Lambert):

That this House order the Minister of Finance (Mr. Macdonald) to draw up a statement of receipts and expenditures, both direct and indirect, for each of the provinces.

[Mr. Speaker.]

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the terms of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*English*]

ADMINISTRATION OF JUSTICE

PROPOSED REVIEW OF PROVISION WHICH PREVENTS DISCLOSURE OF GROUNDS FOR FIRING PERSON AS SECURITY RISK—MOTION UNDER S.O. 43

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity. Superior Court Chief Justice Jules Deschenes recently ruled that the RCMP does not have to reveal the reasons which lead to the firing of two young Montreai women from their olympic jobs on the ground of national security and on the recommendation of the RCMP. The Chief Justice based this ruling upon a 1970 amendment to the law of the federal court which sanctioned in five specific cases the principle of absolute executive immunity, but he pointed out that a different rule prevailed in the United States, England, Australia and New Zealand.

Inasmuch as this Canadian rule is inconsistent with the Canadian Bill of Rights, which entitles any person to a fair hearing, and in view of the importance of secrecy of official documents being confined to a minimum I move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the Solicitor General be instructed to review the law in this regard and introduce legislation which would change the principle of absolute executive immunity in such cases to one of relative immunity, subject to review by the courts.

Mr. Speaker: The presentation of such a motion for debate pursuant to the standing order can be done only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[*English*]

MANPOWER

NUMBER OF JOB VACANCIES—COMPARISON OF DEPARTMENTAL STATISTICS WITH THOSE OF STATISTICS CANADA

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I would like to direct a question to the Minister of Manpower and Immigration about a very serious point relating to job

vacancies. I would like to remind the minister of his statement in the House on March 21, recorded at page 4149 of *Hansard*, when he said, and I quote:

At the end of any given month some 100,000 vacant jobs are available, just through CMCs.

I want to ask the minister if it is not a fact that the last time there were 100,000 vacant jobs available on the basis that he suggested was September 1974 and that at the present time there are less than half that number of jobs available on that basis?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, in the light of representations made by the hon. member yesterday I asked if statistics could be made available. I understand they can and I shall be tabling them, at the request of the hon. member.

Mr. Alexander: A supplementary question, Mr. Speaker. In light of the minister's obvious reluctance to supply the House and the country, including the unemployed, with a comparison between the statistics put out by his department as opposed to the job vacancy survey data of Statistics Canada, which data the minister has disputed, I want to challenge the minister to refute the data I have which indicates a pretty consistent relationship between the two sets of statistics. For example, for January of this year his department's statistics indicated job vacancies of 39,000 while Statistics Canada had a figure of 38,000.

Mr. Cullen: Mr. Speaker, once again, I have indicated that the job vacancy survey put out by Statistics Canada measures trends in the level of job vacancies as opposed to the total stock of vacancies that are available.

* * *

STATISTICS CANADA

ALLEGATION JOB VACANCY STATISTICS NOT VALID—GOVERNMENT ACTION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I put a supplementary question to the Minister of Industry, Trade and Commerce in light of the fact that Statistics Canada is under his jurisdiction. Keeping in mind that his colleague the Minister of Manpower and Immigration has indicated that the job vacancy statistics as issued by Statistics Canada are misleading, useless, and have to be looked at with a jaundiced eye, and given the fact that we must have some form of statistics in which the country can have faith, would the minister look into the allegations made by the Minister of Manpower and Immigration in order that we can come up with statistics that are acceptable not only to the Minister of Manpower and Immigration but to the minister himself, so that this whole matter can be cleared up once and for all?

[*Translation*]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, the hon. member ought to know that I do not meddle with statistics, a subject which is the responsibility of experts within this department. This is a very precise subject and there is no instruction I can give these officials. They must carry out their duties according to the standards of their profession. I have certainly asked questions about these statistics, for these data are quite precise and could serve all sorts of purposes. If the hon. member wants to know why these statistical reports are prepared, he should contact the director general of Statistics Canada, who will certainly be happy to provide him with all necessary information.

[*English*]

Mr. Speaker: The hon. member for South Shore.

Mr. Alexander: That answer is a complete abdication of the minister's responsibility. Does he not realize that these statistics as issued by his department are relied upon by the unemployed and by concerned people throughout this country. How can he stand there—

Some hon. Members: Order.

Mr. Speaker: Order please. The hon. member for Oshawa-Whitby.

Mr. Chrétien: I think the hon. member knows that he should not intervene, Mr. Speaker.

Mr. Speaker: The hon. member for South Shore, one supplementary question.

* * *

MANPOWER

EFFECT OF DECLINE IN PRODUCTIVITY ON JOB OPPORTUNITIES—GOVERNMENT ACTION

Mr. Lloyd R. Crouse (South Shore): One supplementary question Mr. Speaker, for the Minister of Manpower and Immigration. In light of the figures released by Statistics Canada for the last three months of 1976 which indicate that Canadian manufacturing industries are operating at only 81 per cent of capacity as compared with 90 per cent in 1973, will the minister indicate how much this decline in productivity affects job opportunities or are these statistics incorrect? What steps does he propose to improve productivity and provide more jobs for Canadians?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I can hardly give a statistical response but obviously if a plant operates with a certain degree of efficiency for one month or one period of time and a lesser degree at another time, then it does have an impact on jobs but so far as exact numbers are concerned, I would not have that figure.

Oral Questions

ENERGY

USE OF OIL IMPORT SUBSIDY FUNDS FOR NATIONAL HOME INSULATION PROGRAM—REQUEST FOR TABLING DOCUMENTS SHOWING AMOUNT OF FUND

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources based on internal papers prepared by his department for a deputy ministers' meeting held in Ottawa last week. These documents forecast another huge profit for the federal government related to the oil import subsidy program of approximately $237 million for 1977. I should like to ask the minister if he will confirm these figures and if he would be prepared to apply this surplus to a national program of home insulation which would not only conserve energy but provide badly needed jobs?

● (1420)

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I think the number the hon. member mentioned is about right although I cannot confirm it, not having seen the document. But I think it is of that order. I will certainly make the representations he has suggested to my colleagues. Let me say that there is no such thing as a fund with respect to the compensation account. Strictly, it is a notational account, one accumulating over a long period of time which must provide for the possibility of future increases charged by OPEC nations.

Mr. Broadbent: A supplementary question, Mr. Speaker. The minister is technically correct. It is not a fund. But as I said, a surplus is building up. There was $300 million for the immediate past year, and another $237 million is forecast for this year. I should like to know, in order to make clear his interesting answer, if the minister is saying to the House that he is prepared to recommend to cabinet this: that the kind of conservation and insulation program which has been applied in two provinces on the east coast ought now to be applied to all provinces?

Mr. Gillespie: No, Mr. Speaker, I did not say that although I have much sympathy for that particular position.

Mr. Broadbent: A final supplementary question, Mr. Speaker. I should like to know why the minister will not say that now. Will he not give us the commitment that he will take that serious and entirely desirable proposition before Cabinet? And, related to that, will he table in the House that whole set of documents to which I referred, which were presented by his own officials or which they had with them at the meetings last week with the minister's provincial equivalents.

Mr. Gillespie: Mr. Speaker, the documents to which the hon. member refers are internal documents. They are not documents I am prepared to table.

[Mr. Cullen.]

[*Translation*]

FINANCE

INQUIRY IF STUDIES MADE ON DISTRIBUTION OF FISCAL INCOME

Mr. René Matte (Champlain): Mr. Speaker, I would like to direct a question to the Minister of Finance.

Even though the right hon. Prime Minister answered me recently that it was too theoretical an approach to make an evaluation of the funds collected and spent by the federal government in every province, would the minister tell the House whether he has nevertheless undertaken such a study within his department so that all Canadians, particularly Quebecers, could know for sure how tax revenues are shared in this country?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I have already had the opportunity to answer such a question. I said it was possible, with tax figures, to make such an evaluation for the whole country and for each province. But in a broader sense, the benefits derived from Confederation involve some rather arbitrary judgments on the sharing of government's expenses and goods between the various provinces of Canada and in that sense such an evaluation has necessarily to be interpreted as arbitrary. However, I can confirm that with the tax statistics produced by Statistics Canada, we have figures which can be prepared to meet these needs.

POSSIBLE LACK OF FINANCIAL ARGUMENTS ON QUEBEC SEPARATION REFERENDUM

Mr. André Fortin (Lotbinière): Mr. Speaker, my question is supplementary to that of my colleague. Does the minister mean that if a referendum were to take place, as announced in Quebec, the federal government would have nothing but emotional arguments to put forward for stressing the value of Canada?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I already pointed out that to me, and I think to my colleagues, Confederation represents more than a simple question of money.

* * *

[*English*]

COMMUNICATIONS

EFFECT OF PROPOSED NEW POWERS FOR MINISTER ON INDEPENDENCE OF CRTC—REQUEST FOR PUBLIC MEETINGS OF REGULATORY BODIES

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is for the Minister of Communications. Since clause 9 of Bill C-43 will clearly make the minister the policy maker in communications and thus effectively destroy the independence of the CRTC, can the minister tell the House how in these circumstances the CRTC can effectively carry out its

independent inquiry into the CBC and the alleged bias in the balance of programming?

[*Translation*]

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, the bill I introduced in the House a few days ago alters in no way the independence of the CRTC, although it empowers the government to give general guidelines to the CRTC as far as the telecommunications policy is concerned. The quasi-judicial function of the CRTC is not at all amended and, as was the case before, the government will not be able to intervene in its functions relating to the allocation of licenses or permits, the content, the quality of the content and the freedom of expression. Moreover, if the CRTC accepted the Prime Minister's invitation to make an investigation into criticisms against Radio-Canada, it did so freely and its independence is not at issue.

[*English*]

Mr. Nowlan: Mr. Speaker, I thank the minister for that answer. In view of the fact that the bill authorizes the minister to delegate power to provincial regulatory authorities, and since the minister is going to meet next week with the responsible communications ministers who are in charge of those regulatory authorities, can she tell the House just what she is going to discuss with those provincial ministers, in particular the types of delegation that she intends to give? Can she assure the House that regardless of what type of delegation there is that open public meetings will be maintained at whatever level the responsibility for communications is carried out?

Mrs. Sauvé: Mr. Speaker, there is in this legislation, as the hon. member rightly says, an enabling clause which will allow the government, if and when it reaches agreement or negotiates certain aspects of telecommunications with the provinces, to delegate powers to these provinces. At the coming meeting which will take place in Edmonton, I have an idea of the general things the provinces might be interested in sharing because we have been discussing these matters for a number of years. However, the demands will obviously come from the provinces. I will be able to enlighten the hon. member when I return from that conference.

Mr. Nowlan: Can the minister assure the House that regardless of what is finally decided and resolved in terms of delegation that if the provincial regulatory body takes the delegated power, it will ensure that the discharge of that power will be by the open public meeting process that is now followed by CRTC?

Mrs. Sauvé: Mr. Speaker, any agreement that I have made or might make in the future will of course be announced. These agreements are always announced publicly, either in the House or outside the House. There are no dealings under the table when a federal minister meets provincial ministers to discuss the sharing of responsibilities or aspirations of those provinces with regard to telecommunications.

NAMES OF PROVINCES WITH WHICH AGREEMENTS HAVE BEEN SIGNED—REASON CONFERENCE WITH PROVINCES CLOSED TO PUBLIC

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, I have a supplementary question for the Minister of Communications. In her answer to the hon. member for Annapolis Valley, the minister said she has been able to conclude some agreements with some provinces. With what provinces has she made agreements and what other provinces have indicated they plan to sign agreements with the minister?

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, I have made an agreement, as I have said very often in this House, with the province of Manitoba. If the hon. member had been present in the House, he would have heard about it.

Some hon. Members: Oh, oh!

Mr. Friesen: If that is a final agreement with the province of Manitoba, why is there to be another conference in June? If the minister has these agreements with the provinces, why is the conference on communications not open to the public?

Mrs. Sauvé: Mr. Speaker, it is not for me to decide whether the conference will be open. I suppose that will be one of the first items on the agenda, whether the conference will be open or not. All the ministers present, including myself, will take a collective decision about the openness of that conference. What is certain is that there will be a full report of that conference as well as press releases and press conference after the conference. That has already been agreed upon. The fact that I have already concluded an agreement with the province of Manitoba surely does not mean I should not have a conference with the ministers of communications to discuss in an ongoing way the matter of telecommunications between the provincial governments and the federal government.

Some hon. Members: Hear, hear!

* * *

ADMINISTRATION OF JUSTICE

ALLEGATION CATHY CURTIN AND SYLVIA ROCHE TREATED UNFAIRLY AS RESULT OF PROVISION IN FEDERAL COURT ACT

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, my question is for the Minister of Justice. It relates to the recently decided case involving Quebec's human rights commission in the matter of the discharging of Cathy Curtin and Sylvia Roche from their employment in connection with the Olympics, which has already received wide prominence including an editorial in today's *Le Devoir*. Is the minister prepared to concede that the plaintiffs in this case would have had their rights far better protected under the Quebec rules of civil procedure than was the case in this instance because they were victimized by Section 41(2) of the Federal Court Act which removes judicial discretion in the question of production of

certain evidence? If the minister does concede that this is the case, what is he prepared to do about it?

● (1430)

Hon. Ron Basford (Minister of Justice): No, I do not concede that that is the case, Mr. Speaker.

POSSIBILITY OF AMENDING SECTION 41(2) OF FEDERAL COURT ACT

Mr. Elmer M. MacKay (Central Nova): The minister will recall our conversation of a few days ago when the human rights legislation was before the House, at which time he said he would consider the appropriateness of amending section 41(2) of the Federal Court Act. I should like to know whether he has come to any decision on this question and, if not, whether he will make a decision shortly and refer it to the House at his earliest convenience so that conditions which Chief Justice Deschene described so vividly can be remedied.

Hon. Ron Basford (Minister of Justice): I indicated to the provincial attorneys general at a conference in Halifax 18 months ago that I hoped to introduce amendments to the Federal Court Act which were desired by many of them. This has also been a subject of discussion by the Canadian Bar Association in the context of the jurisdiction of the federal government. I have been working on amendments to the act but at this time, because of the pressure of other legislation and other factors, I am unable to say when we shall be introducing any amendments.

* * *

[*Translation*]

LABOUR CONDITIONS

RESULTS OF MEETING BETWEEN MARITIME EMPLOYERS ASSOCIATION AND MINISTER

Mr. Raymond Dupont (Sainte-Marie): Mr. Speaker, my question is for the Minister of Labour.

Further to the appointment of Mr. Guy de Merlis last week as mediator in the staff relations at the port of Montreal between the longshoremen and the Maritime Employers Association, can the minister report to the House on any new development as regards this mediation?

[*English*]

Hon. John C. Munro (Minister of Labour): Yes, Mr. Speaker, I am happy to report that considerable progress was made during the talks in Montreal. I believe that some of the outstanding issues which were contributing to a deteriorating situation in the port have been turned around. I might mention particularly that the outstanding provision with regard to the so-called "slavery clause" has been removed to the satisfaction of both parties.

EXTERNAL AFFAIRS

STEPS TO PROVIDE UNITED STATES LEGISLATORS WITH CORRECT INFORMATION ON CANADIAN SEAL HUNT

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question to the Secretary of State for External Affairs. In view of the resolution which was passed by the United States House of Representatives the other day on the basis of false and misleading information provided to United States legislators, and in view of the fact that a similar resolution is about to be presented to the United States Senate, may I ask the minister what steps he is taking through the Canadian ambassador in Washington to provide United States legislators with correct information to offset the false and misleading information provided to them by those who in their zeal seem to show a complete and utter disregard of the facts?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): For once in my life I fully agree with the preamble to the hon. member's question. Perhaps I should have said this is one of the many times I agree with him. At any event, in this case I have made every effort to ensure that legislators in Washington are advised of the facts, including the gentlemen who were the initiators of the unfortunately intemporate and inaccurate resolution which was passed by Congress a few days ago. In addition, I have asked our ambassador in Washington whether there are any further steps which could be taken to ensure that correct information is placed before the legislators. I may have something further to report at a later stage but I can assure the hon. member that all necessary steps are being taken in co-operation with my colleague, the Minister of Fisheries and the Environment.

Mr. McGrath: Would the minister be prepared to consider making an appearance before one of the two committees of the two Houses on foreign affairs to present them with the facts—or perhaps the hon. gentleman could designate someone else to do this, his parliamentary secretary, or even myself?

Mr. Jamieson: I would be delighted, as I know he is a strong advocate, to have the hon. member for St. John's East go to Washington to any committee he wishes. However, it might not be entirely appropriate at the moment. I will certainly investigate and see whether there is a forum before which the facts can be placed.

* * *

ADMINISTRATION OF JUSTICE

SUGGESTED AMENDMENT OF SECTION 41(2) OF FEDERAL COURT ACT TO PROVIDE FOR REVIEW OF REASONS FOR FIRING PERSON AS SECURITY RISK

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is related to the question asked by the hon. member for Central Nova of the Minister of Justice. In view of his luck in that direction I will direct it to the Solicitor General. I assume he is familiar with the facts of the case and the finding that the RCMP are not obliged to reveal the sources which led to

the firing of these young women and that the sweeping clauses of section 41(2) of the federal act applied. In view of the judge's statement that this absolute immunity of the executive is based upon an amendment to the Federal Court Act, would the hon. gentleman confer with his colleagues, particularly, perhaps, with the Minister of Justice, to cause an inquiry to be made and to seek to persuade him of the need for action being taken to bring about legislation to confine this immunity to cases where it is absolutely essential and, furthermore, to provide that a judicial review be made available without the disclosure of confidential sources in cases of injustice in the firing of employees on certificates of the RCMP?

Hon. Francis Fox (Solicitor General): Mr. Speaker, I should like to point out that the procedure which was followed in the courts of Montreal was consequent upon the provisions of an act which was passed by parliament in 1970. As far as revisions to the Federal Court Act are concerned, I shall be pleased to discuss possible alternatives to present provisions with the Minister of Justice.

Mr. Brewin: Is the minister aware that even in the middle of the last war when people were interned for security reasons, this parliament under the guidance of the then minister of justice, Mr. St. Laurent, provided for a judicial hearing in security cases where the source of information was not disclosed; a right of hearing was given so that the persons concerned—in this case it would be the persons fired—would be able to object?

Mr. Fox: I can only repeat that at the moment I am acting under legislation which was passed by a previous parliament in 1970. But, of course, I am more than willing to discuss possible alternative solutions with the Minister of Justice.

* * *

SMALL BUSINESS

REQUEST FOR DEFINITION OF SMALL BUSINESS ADOPTED BY DEPARTMENT AND STATEMENT OF POLICY

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, my question is directed to the Minister of State responsible for small business. In view of the fact that there continues to exist an area of confusion within the small business community with respect to the government's definition, or lack of definition, of that sector, would the minister define small business as it relates to his portfolio? Can it be assumed that the definition will be the one adopted by the government in its policy making and that it will be the working definition adopted by the various other government departments involved?

Hon. Len Marchand (Minister of State (Small Business)): The matter of a definition is a very difficult kind of question and we have been examining it since I obtained the portfolio. There are some studies going on right now about this very question as it relates to other countries and I expect to have more to say about this in the very near future.

Mr. Jelinek: I appreciate that the minister is attempting to act in good faith within his jurisdiction but I must say it is surprising to find that the government has a ministry of small business but no definition of what small business is. Some four months ago the hon. gentleman said he would outline a government policy on small business as soon as possible—

Mr. Speaker: Order, please. If the hon. member has a question to ask would he put it now?

Mr. Jelinek: Since he has promised that such a policy will be forthcoming, can he undertake to outline a much needed small business policy before the summer?

• (1440)

Mr. Marchand: Mr. Speaker, I will not make a commitment to outline the policy before summer. I am not sure how long it will take to complete the kind of examination that I want to have. We are working at it very diligently. It is a very important subject and this is a very important group of people to the economy of this country, so I do not want to commit myself to saying I am going to do it before summer.

* * *

HISTORIC SITES

REQUEST FOR PRESERVATION OF BIRTHPLACE OF MEMBER FOR PRINCE ALBERT

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, my question for the Minister of Indian Affairs and Northern Development, of which I have given him notice, is particularly timely because tomorrow the right hon. gentleman from Prince Albert is celebrating his thirty-seventh anniversary as a member of parliament.

Some hon. Members: Hear, hear!

Mr. Beatty: Mr. Speaker, in view of the desire of the people of our constituency that the birthplace of the right hon. gentleman from Prince Albert, which is located in Neustadt, Ontario, be preserved for all Canadians as a national historic site, in view of the fact that officials within the minister's department say that no action will be taken by them with regard to this house as long as the right hon. gentleman is still alive because departmental policy forbids commemorating living Canadians, and in view of the fact that many members on this side of this House, in fact all of us, wish the right hon. gentleman many more happy years—

Some hon. Members: Hear, hear!

Mr. Beatty: —can the minister assure the House that he is prepared to waive this foolish policy so that the birthplace of this distinguished former prime minister will not be lost to future generations of Canadians?

Hon. Warren Allmand (Minister of Indian Affairs and Northern Development): Mr. Speaker, it is customary for the

government to recognize and preserve historic sites on the recommendation of the National Historic Sites and Monuments Board. This is an independent board and we deal with their recommendations. I suggest that the hon. member approach the board to see whether they want to recognize this particular site.

* * *

WEIGHTS AND MEASURES

USE OF TELEVISION PROGRAM TO PROMOTE METRIC CONVERSION

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. In view of reports that the Metric Commission is now using a television show to promote metric conversion, can the minister state how the government can expect Canadian taxpayers to have confidence in its so-called restraint program when the Metric Commission spends $60,000 to have a comedian try to put the metric system across on television as a joke, further adding insult to injury?

Hon. Len Marchand (Acting Minister of Industry, Trade and Commerce): Mr. Speaker, I have not seen these particular ads but I will have a look at the matter. We are using all kinds of means to make certain that the Canadian public knows about metric conversion and that it is a good program for us to follow for the future.

Mr. Towers: A supplementary question to the same minister, Mr. Speaker. Has opposition to certain parts of the metric system backed the commission into a corner which is causing it to resort to metric funnies as a last stand?

Mr. Speaker: Order, please. The hon. member for Grenville-Carleton.

Mr. Marchand: Mr. Speaker, I did not hear the first part of the question.

Mr. Speaker: Order. The first question was argumentative enough. The hon. member for Grenville-Carleton.

* * *

EXTERNAL AFFAIRS

PROTEST AGAINST APPRAISAL PROMOTION SYSTEM BY FOREIGN SERVICE SECRETARIES

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, my question is for the Secretary of State for External Affairs. It has to do with the petition to the Undersecretary of State for External Affairs signed by 127 foreign service secretaries in Ottawa who are protesting the appraisal promotion system being used in the department. Has this matter been brought to the attention of the minister, and is he looking into it?

[Mr. Allmand.]

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, it has been brought to my attention in an informal way. The Undersecretary has been absent from Ottawa for the last 10 days. I have not seen him since his return but I am sure that I will be doing so very shortly and undoubtedly this will be one of the matters we will discuss. I must confess that beyond that I do not have any personal response which I can give to the hon. member at this time.

Mr. Baker (Grenville-Carleton): One brief supplementary question, Mr. Speaker. The brief—and perhaps the minister might direct his attention to it—condemns the appraisal system in the sense that it acts contrary to the guidelines set out in the departmental policy paper on equal opportunities for women. When the minister is looking at it I wonder whether he would have particular reference to the applicability of the guidelines and how they may be offended by present departmental policies?

Mr. Jamieson: Yes, Mr. Speaker, I will certainly be glad to do that.

[*Translation*]

SUGGESTED DELEGATION TO WASHINGTON TO EXPLAIN SEAL HUNT CONDITIONS—GOVERNMENT POSITION

Mr. Albert Béchard (Bonaventure-Îles-de-la-Madeleine): Mr. Speaker, my question is for the Secretary of State for External Affairs and is supplementary to that of the hon. member for St. John's East. It is rather a representation.

If the minister were to send a delegation to Washington to explain to the Senate and to the members of the U.S. Congress the very humane nature of the seal hunt in Canada, particularly in eastern Canada, at the Magdalen Islands and in Newfoundland, could he include in this delegation the chairman of the Committee on Fisheries and Forestry who is also the member for Bonaventure-Îles-de-la-Madeleine so that he can give more details to the senators and members of congress?

* * *

[*English*]

UNEMPLOYMENT INSURANCE

SUGGESTED ABANDONMENT OF APPEAL OF AWARD TO MRS. STELLA BLISS AND AMENDMENT OF PROVISIONS DISCRIMINATING AGAINST WOMEN

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, my question is for the Minister of Manpower and Immigration responsible for the Unemployment Insurance Commission.

An hon. Member: Where have you been?

Mr. Rodriguez: Just be quiet.

Mr. Baker (Grenville-Carleton): He has been having speech lessons.

Mr. Rodriguez: I have been talking to the unemployed.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member for Nickel Belt has the floor.

Mr. Rodriguez: I am now talking to the insensitive. In view of the fact that a recent judgment was made by an umpire of the Unemployment Insurance Commission, Federal Court Judge Frank Collier, who ruled that section 46 of the Unemployment Insurance Commission Act contravenes the Canadian Bill of Rights, in view of the fact that Justice Collier awarded benefits to Mrs. Stella Bliss who had appealed her disentitlement under sections 46 and 30 of the Unemployment Insurance Commission Act, and in view of the fact that the commission is appealing this decision to the Federal Court of Appeal, is the minister prepared to instruct the commission to withdraw the appeal?

Hon. Bud Cullen (Minister of Manpower and Immigration): No, Mr. Speaker.

Mr. Rodriguez: One supplementary question, Mr. Speaker. In view of the fact that there is a Supreme Court of Canada ruling that discrimination between members of the same class is illegal under the Bill of Rights, is the minister responsible for the Unemployment Insurance Commission prepared to introduce the necessary amendments to sections 30 and 46 so that women will be entitled to receive all benefits to which other members of the work force are entitled, plus special benefits to cover the period immediately surrounding the birth of a child?

Mr. Cullen: I have received the hon member's representation, Mr. Speaker.

* * *

FINANCE

DATE OF TABLING DOCUMENTS RELATING TO ECONOMIC REVIEW

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I ask the Minister of Finance whether he would advise the House if, in conformity with customary practice, he is intending to table the economic reports and surveys that the Department of Finance makes prior to delivery of a budget. If so, when does he expect to make these available prior to March 31?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, the budget date this year is a little in advance of the time when the economic review, as it is described, is normally available. Therefore, I am not in a position to do that. In lieu of that I hope to accompany the budget statement with a document which would cover much of the same ground that the economic review will do a little later.

● (1450)

Mr. Lambert (Edmonton West): In view of the fact that it is almost inevitable that the budget debate may be split into two periods, does the minister envisage that he will be able to table those documents for at least part of the budget debate?

Mr. Macdonald (Rosedale): I will have to check on the time table, and I will be glad to do that.

* * *

HEALTH

POSSIBILITY OF STUDIES ON EFFECTS OF SACCHARIN ON HUMANS—REASON FOR FAILURE TO CONSULT MEDICAL ASSOCIATIONS PRIOR TO IMPOSING BAN

Mr. Bruce Halliday (Oxford): Mr. Speaker, I would like to welcome the Minister of National Health and Welfare back to the House and say that we thought he might have been in Toronto today with his colleague, Senator Lamontagne, helping to sell Conservative principles to the meeting there.

I should like to put a question to the minister regarding saccharin. Having banned saccharin in a rather precipitous fashion to the extent that three of his own Liberal colleagues questioned him in the House the other day, would the minister try to regain his credibility with the public, the health professions, the industry and his own colleagues, by indicating to the House what retrospective and prospective studies he has authorized or has done on the effects of saccharin on humans?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, decisions have been made in that field following studies which have been confirmed by international and American authorities. I would suggest to the hon. member that he not be overly impressed by a decidedly American lobbying organization which has more than $1 million at its disposal to rally public opinion against this decision.

[*English*]

Mr. Halliday: I thank the minister for his answer. We had hoped he would have started some studies on human beings.

In view of the seriousness of the possible dangers of saccharin for humans and the equally potential danger of side effects from increased use of sugar, can the minister indicate why he chose to implement the ban without having obtained well in advance official opinions from the governing and elected bodies or organizations such as the Canadian Medical Association, the Canadian Dental Association and the Canadian Diabetic Association?

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Lalonde: Mr. Speaker, consultations have been held with each one of the associations mentioned by the hon. member but decisions in that area come under government authorities and I did take it as Minister of National Health and Welfare upon advise from experts in my department and from outside experts who have been consulted. About that matter, the hon. member should read over closely the testimo-

ny that Dr. Morrison gave this morning before the Committee on Health, Welfare and Social Affairs which the hon. member attended and where arguments advocated against this decision were, I believe, refuted with great competence and in a very explicit way.

[*English*]

Mr. Halliday: Ten o'clock, Mr. Speaker.

SACCHARIN—STUDY TO DETERMINE SAFE MAXIMUM LEVEL OF CONSUMPTION FOR HUMANS

Mr. Paul Yewchuk (Athabasca): In view of the fact that a large number of Canadians will probably continue to use saccharin added to food, would the minister indicate whether he has instructed his department or ordered any further studies to be carried out to determine whether there is a safe maximum level of saccharin consumption, considering that his research project has been criticized on the basis of the fact that very high doses had been administered to rats?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the head of the Health Protection Branch gave very clear evidence on this subject this morning. According to the World Health Organization, a security level could be one part per 5,000 in such tests. As a matter of fact, we reduced the ratio to one part per 800, and at this level we still noticed some cancer. Therefore there is no doubt now in the minds of experts that the decision arrived at was largely justified.

* * *

[*English*]

IMMIGRATION

BORIS DOMAZET—REQUEST FOR DETAILS OF SUSPENSION

Mr. Jake Epp (Provencher): Mr. Speaker, I should like to direct my question to the Minister of Manpower and Immigration. It relates to Boris Domazet, an employee of the Department of Manpower and Immigration who first came to that department in May of 1973. During his time of employment with that department he has exposed a number of irregular practices within the department. I should like to ask the minister whether Mr. Domazet has been suspended as of today, and if that is the case, what were the reasons for that suspension?

An hon. Member: Was he on the black list like Rudnicki?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker,—

An hon. Member: Why are you laughing?

Mr. Cullen: The joke that came from over there was pretty funny. As of March 24, 1977 Mr. Domazet has been suspended without pay pending an investigation of his alleged public criticism of the department and the release of confidential information to unauthorized persons in contravention of the code of conduct guidelines for the public service.

Mr. Epp: I should like to ask the minister whether he can confirm details of that suspension today, namely, that Mr. Domazet had granted an interview to a press man who had declared himself to security at the Department of Immigration and that a security officer of the department not only ended that interview but also raided personal possessions including the briefcase of Mr. Domazet. If this is not in violation of privacy, can the minister explain whether those activities are in keeping with human rights and departmental practices?

Mr. Cullen: Mr. Speaker, of course I am not familiar with those particular details.

Mr. Alexander: Nor with certain deportation orders.

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AIR TRANSPORT

REASON AIR CANADA FAVOURED OVER CP AIR IN ALLOCATION OF ROUTES

Mr. Ron Huntington (Capilano): Mr. Speaker, I should like to refer the Minister of Transport to his reply to my question concerning government pressure on CPA, as reported in *Hansard* of March 21. Assuming the sincerity of the minister's reply, which reads:

> Mr. Speaker, most certainly the government has no intention of taking any action to interfere with that or other private airlines. Indeed, our action has consistently been to try to improve the atmosphere in which the airlines function, and I wish the hon. member would appreciate that fact.

Will the minister tell the House why the government negotiated Air Canada into 14 of the 17 U.S. routes in the U.S.-Canada bilateral agreement by trading off the traditional prairie and trans-Pacific traffic of Canadian Pacific Airlines to U.S. airlines?

Hon. Otto E. Lang (Minister of Transport): In view of the long time which has elapsed since all that happened, I would be delighted to answer that question in another forum.

Mr. Huntington: I am wondering if the minister would also give consideration to why Air Canada, an eastern based airline, got the Calgary-San Francisco run starting in 1978 instead of Canadian Pacific Airlines, a western based airline, and is the minister prepared to review the whole matter of the U.S.-Canada bilateral air agreement in a constructive atmosphere?

Mr. Lang: I will certainly not treat any airline as being a western or an eastern airline but rather as being good Canadian companies.

Some hon. Members: Hear, hear!

Mr. Lang: Of course, when routes were being examined and allocated consideration was given to the balance position of

various airlines and the question of the broad policy between the two airlines did arise. As I said to the hon. member a moment ago, all this happened rather long ago and I wonder if the hon. member has nothing more recent to worry about.

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GOVERNMENT ADMINISTRATION

ALLEGED SURPLUS OF OFFICE SPACE—GOVERNMENT ACTION TO SLOW DOWN NEW CONSTRUCTION

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, my question is for the President of the Treasury Board. It is with respect to the very serious imbalance in the inventory of available office space on government property, particularly in the Ottawa-Hull region. Can the minister tell the House whether it is the intention of the government to address itself to this serious problem and divest itself of surplus office space? Is it the intention of the government also to check the balance in the new construction of office space particularly in line with the policy of decentralization and restraint?

Hon. Robert K. Andras (President of the Treasury Board): Yes, Mr. Speaker, in co-operation with the Minister of Public Works.

Mr. Oberle: Since the Minister of Public Works does not have a system of control of vacant office space but is merely acting as a real estate agent, could the President of the Treasury Board assure us, in view of the fact that it is five years ago that the government made the decision to build all these new buildings and that since that time it has embarked on several programs, particularly the programs of decentralization and restraint, it is his intention to slow down any new construction and divest the government of available surplus office space?

● (1500)

Mr. Andras: Mr. Speaker, I think I have already answered that.

* * *

HEALTH

REASON FOR BANNING USE OF SACCHARIN WHEN NO ACTION TAKEN ON OTHER TOXIC AGENTS

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, my question is supplementary to earlier questions to the Minister of National Health and Welfare about the banning of saccharin. In view of the fact that we have a very serious problem related to mercury to which, I remind the minister, we devoted an opposition day, a serious problem with respect to arsenic, about which the minister attempted to defend government inaction in an article in the *Globe and Mail* by indicating there was no evidence of humans being affected in Yellowknife and problems with respect to asbestos, lead and numerous other chemicals which are known to impair health and to have caused deaths, I would like to ask the minister how he justifies his action to ban saccharin based on rat studies with no evidence of human involvement and yet refuses to take action on mercury, arsenic, asbestos and other toxic agents which are known to cause human illness and death.

An hon. Member: You are basing your policy on rats.

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, my answer to the hon. member will be very short. He clearly did not even bother to read the numerous press releases which I have issued. Specific action has been taken and well documented over the last two years.

With regard to the first question raised by the hon. member I can only recommend that he read the transcript of the testimony before the Standing Committee on Health, Welfare and Social Affairs this morning. If he would do so, he would get a full answer to his question.

Mr. Holmes: If the minister really believes that answer, he is either living in a land of make believe or refusing to address himself to the facts.

Some hon. Members: Hear, hear!

Mr. Holmes: In view of the obvious inconsistency of ministerial decisions regarding environmental health matters in which the minister ignores problems affecting health and yet takes precipitous action which will affect thousands of Canadian consumers who use saccharin, can the minister outline the criteria or the guidelines used by the government which gave rise to this incredible policy which has destroyed the minister's credibility, but more importantly which reveals the need for a responsible environmental health program?

Mr. Lalonde: Mr. Speaker, I do not know how the hon. member can expect me to give a full answer in the question period to the question he has raised. The main estimates of my department are presently before the committee. Just this morning I was before the parliamentary committee, and I will be there again on Tuesday next. We can debate this matter as long as the hon. member wants to, but I do not think he is helping his case or the health of the people of this country by making statements like the one he just made.

Some hon. Members: Hear, hear!

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HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF DIRECTOR-GENERAL OF THE FOOD AND AGRICULTURE ORGANIZATION

Mr. Speaker: I know that all hon. members will want to join with me in signalling the presence in our gallery of a very distinguished visitor, that distinguished visitor being the Lebanese parliamentarian who at the beginning of 1976 was elected

Director-General of the Food and Agriculture Organization, Mr. Edouard Saouma.

Some hon. Members: Hear, hear!

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baker (Grenville-Carleton): Mr. Speaker, I wonder if I might ask the government House leader the usual question about the business of the House.

Mr. MacEachen: At the outset I would like to ask Your Honour to designate, in accordance with Standing Order 60, an order of the day for the purpose of enabling the Minister of Finance to make a budget presentation at 8 p.m. on Thursday, March 31, 1977.

The business for today is known to hon. members. It is the interim supply bill. Tomorrow we will deal with the report stage of the bill on metric conversion, and on Monday we will deal with the motion in the name of the hon. member for Halifax-East Hants.

Mr. McCleave: Hear, hear!

Mr. MacEachen: The hon. member has waited very patiently and has co-operated very well in this respect.

Some hon. Members: Hear, hear!

Mr. MacEachen: Following Monday we shall deal with the metric conversion bill and the unemployment insurance bill. I should like to mention that with respect to tomorrow's business, namely, the report stage of the metric conversion bill, in the unlikely event that divisions may be called, there has been consultation with the understanding that any such division would be deferred until Monday of next week. Therefore, it would be useful to have an order to that effect.

Mr. Speaker: The House has heard the suggestion of the President of the Privy Council with respect to deferred divisions. Is that agreed?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, we have agreed to defer certain votes if they are called, because such a request was made by the government in view of the fact that a Liberal conference is being held in Toronto today and tomorrow. In view of the report over CBC last night to the effect that this is a "think" conference, the first in 17 years—

Some hon. Members: Oh, oh!

Mr. Munro (Esquimalt-Saanich): It's about time they started to think.

[Mr. Speaker.]

Mr. Knowles (Winnipeg North Centre): —I wonder if the minister plans to bring in a bill to require that any party which is in government ought to do some thinking at least once every five years.

Mr. Friesen: Mr. Speaker, I rise on a point of order. Two days ago the Minister of Communications tabled Bill C-43. Since then we have been attempting to get extra copies of the bill so we could study it. But they are as hard to find as hen's teeth. I think even the Minister of Agriculture has trouble finding hen's teeth. It is ironic that someone who specializes in communications cannot produce enough copies of the bill for us to study it. I would like to register a complaint about that.

Mrs. Sauvé: Mr. Speaker, to my knowledge copies are available to hon. members. I will check into this. I certainly want hon. members to have copies of the bill.

ROUTINE PROCEEDINGS

[*English*]

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

Second report of Standing Committee on Indian Affairs and Northern Development—Mr. Anderson.

(*Editor's Note: For text of the above report, see today's Votes and Proceedings.*)

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YOUTH

ANNOUNCEMENT OF STUDENT TRAVEL EXCHANGE PROGRAM

Hon. John Roberts (Secretary of State): Mr. Speaker, I am pleased to be able to announce today a federal government initiative for the young people of our country in the form of a year-round travel exchange program developed in the Department of the Secretary of State. The program will be based on the principle of twinning and, when fully operational, will involve between 20,000 and 30,000 young people per year.

Hon. members will recall that in the last Speech from the Throne on October 12, 1976, the government committed itself to federal initiatives designed specifically for youth. My department's new travel exchange program, to be known as "Open House Canada/Hospitalité Canada", is one component of these initiatives. Information on other projects will be available within the coming month. Our new program will enable young people, both individually and in groups, to participate in exchange visits with others across the country. In taking this initiative, the government is responding directly to the young people of Canada. We have all seen examples of youth taking such initiatives on their own, assuming the burden of the cost of these initiatives, and in so doing demon-

strating to the rest of us how much they care about their country and that they would like to get to know it better.

I am also aware of the valuable contributions made for many years in the area of youth exchanges by voluntary organizations. It is our intention to continue to work closely with them to achieve our common goals.

[*Translation*]

I have also noted a kind of tacit agreement in the press and in the House to the effect that some people would like us to promote further visits and exchanges among Canadians. The Commissioner of Official Languages has often complained about the fact that many Canadians know the United States and Europe better than some parts of their own country, especially the areas where another language is spoken.

● (1510)

[*English*]

"Open House Canada/Hospitalité Canada" is designed for the generation that will produce our leaders in the decades to come. Those participating as individuals will be from 16 to 22 years of age and those participating in groups will be from 14 to 22 years of age. Their transportation costs will be paid by the federal government but each traveller will be expected to pay a small participation fee.

The mechanics of the program, although not yet worked out in fine detail, will proceed along the following lines: young Canadians interested in participating will apply to a central bureau where they will be matched with an individual or group from another province. Once the twinning is established, the participants will be encouraged to have exploratory correspondence and other types of exchanges with each other in order to establish rapport and then eventually to visit each other in their homes. Further details will be available in a month, and application forms for those who wish to participate will be ready in June.

[*Translation*]

While we put the emphasis on mutual exchanges among participants, the program does provide allowances for individuals or groups who would take part only as visitors or as hosts.

[*English*]

The aim of the program, then, is to create an encouraging environment for what we look upon as an extremely desirable national purpose: the year around discovery of Canada by the young people of our country. By removing the cost barriers involved in travel, we feel we shall not only be encouraging, but also challenging young Canadians to do something for the unity of their country.

[*Translation*]

Through that program we hope to encourage a dialogue and a closer understanding among Canadians, especially among those who speak English or French, as well as between the regions and provinces giving an opportunity to the young people to get acquainted with a new style of living and environment.

[*English*]

In concluding, may I say that I am convinced Canada's reputation around the world for openness and hospitality is deserved. We are now offering an opportunity for Canadians to be open and hospitable to each other.

Some hon. Members: Hear, hear!

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I should like to thank the minister personally, and on behalf of this party, for his courtesy in sending us the statement earlier. I should also like to thank him, on behalf of parliament, for making the announcement in this chamber.

Some hon. Members: Hear, hear!

Mr. Fairweather: If I could editorialize—and I will, even if I should not—it is an all too rare quality in ministers and obviously shows that he has been one of us in the not too distant past.

Mr. Friesen: He is still a beginner.

Mr. Fairweather: He is enough of a beginner to know that when he has important things to say, he says them here and not in Vancouver or somewhere else.

Some hon. Members: Hear, hear!

Mr. Fairweather: I am also very glad that the statement has come within a day or two of a rather extraordinary statement about a bilingual program which affected only two of the ten provinces and two territories—a program of Ontario-Quebec travel. Obviously, the minister has recognized, a day or two late, that there is more to Canada than his province of Ontario or the great province of Quebec. I am glad this program has been redressed.

A few years ago there was an anguished cry in the United States—"What have they done to our children?" It was made in times of frustration in American national life. I am anxious that such an anguished cry will never be heard in this country, because we will have done something for our young people. Unhappily, though, the rather interesting initiatives and travel plans are not matched—and I mean this as a positive criticism—with initiatives by the Department of Manpower and Immigration for the 350,000 Canadians under 25 years of age who have nothing to do, who are out of work. What I am really saying is that if the Secretary of State (Mr. Roberts) has an initiative for the young, the Department of Manpower and Immigration must gear up and pay particular attention to Canadians under 25 years of age who are seeking work.

This particular week is a rather opportune time for the minister to make his statement. The galleries are often filled, because of school breaks in various provinces and because of a rather imaginative program run by a volunteer organization which brings young people from the high schools of Canada into the capital. I do not want to be preachy or self-righteous, but I think the fact that we have visitors this week, and the fact that the minister has said there will be other visitors all

through the year puts a special onus on us as members of parliament. In a way, we are on exhibit here: the way we respond, our sensitivities, and so on, will be marked and carefully analysed, I hope, by those who do us the honour of sitting in the galleries this week and in years to come.

The young Canadians who are travelling may well be our sons and daughters. They will not be mine, because mine have travelled and are now young men and women. I cannot help but say that I hope, as we extend hospitality, we will not shut doors to people because their costumes may not be the same as we would travel in, or their hair might be a different length. In other words, if young people travelling wear jeans and have a pack on their backs, the hospitality program should be aware that this is the dress and mode of the young today.

I have never got over the fact that somebody told me once that when they saw someone on the road hitchhiking who wore blue jeans, they called the RCMP. My horrified response was that the person in jeans who was hitchhiking might be my son or daughter. I know the minister wants to think that in a hospitality program we welcome the young in their various modes of dress and with their various concerns, which I very much hope will not be identical to those of us who are part of this "splendid" status quo.

Some hon. Members: Hear, hear!

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I, too, would like to thank the minister for sending an advance copy of the statement. We in the New Democratic Party welcome this initiative by the minister to assist young people in exchanging visits in all parts of the country. I think we should have had more of this in the past than has been our experience. I think, too, that with the high rate of unemployment among young people—about double the national rate—a lot of young people will have plenty of time on their hands this summer to take advantage of the program. As the hon. member for Fundy-Royal (Mr. Fairweather) noted, it is unfortunate that we can find initiatives in the Department of the Secretary of State to meet the needs of young people but cannot find the same degree of commitment in the Department of Manpower and Immigration. I think the federal initiative should be looked at carefully by all the provinces, and I hope we will see some initiatives at the provincial level as well in terms of exchanges between the regions of Canada.

The minister's statement is not precise in some details, and I should like to raise some questions. I am concerned about the selection process, and just who will be chosen. I should like to make sure there is a built-in mechanism to guarantee as broad a representation as possible. Not only should we have people participating from large and small urban centres, but they should be from the rural areas as well. There should also be some guarantee that it will not be just one particular income group that will receive the benefit. I hope there will be some form of proportional representation in that regard.

[Mr. Fairweather.]

• (1520)

I hope that one of the conditions of eligibility will be a guarantee by the young people involved that they will take part in follow-up programs, so to speak, after their visits are over. In this way they could share their experiences and knowledge. Perhaps they could report to fellow students in schools, seek out the local media in their communities and ask them to report and appear before service clubs and other interested groups.

In conclusion, I welcome the initiative. We want to know more of the details. Let me echo the sentiments of the late Governor General, Georges Vanier who in his 1967 New Year's message said that one of the strengths of this country was its diversity; that we should open the doors and windows of the provinces so that we could see one another, meet one another, share our experiences and so promote understanding and unity. I hope this program will in some small way fulfil the wish of our late and distinguished Governor General, Georges Vanier.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, today the Secretary of State is launching a program of a permanent nature through which young Canadians of 14 to 22 are being invited, individually or in groups, to take part in exchange visits throughout Canada. It will be remembered that a similar program of exchanges already exists between Quebec and Ontario. I am of course very happy with the praiseworthy initiative of extending the program throughout Canada. I feel that it is even desirable. As a youth, I myself was able to take part in a similar program, though its purposes were different. The young people in eastern Canada were encouraged to go and help bring in the crops out west; all they had to reimburse was $10 for their travelling expenses.

We were paid to harvest the crops. Of course we were working but for myself and the other young people of my age it was a very enriching experience. It is essential for each young Canadian to get a better knowledge of his country and of the desires, the problems and the views of others in all provinces. We never know enough about our own country. So I wish to thank the minister for having given such importance to the commitment made in the last Speech from the Throne last October 12. However, I have some reservations based on our experience with similar programs. An excellent program is often smothered and thwarted by a heavy, slow and inefficient bureaucracy which ignores the wishes clearly expressed by the citizen, young or not so young, who wants to benefit from a government program.

As usual, hon. members are informed of the major aspects of a government project which seems excellent in principle, but what will happen in practice? Civil servants are the only ones who know, for instance the members of the future secretariate announced today by the minister. The population must realize the fact that when members of parliament vote for a program generally proposed by a minister, they do not vote on rules, requirements or selection criteria. The whole implementation

of a program is the sole responsibility of bureaucracy. Members of parliament have nothing to say on that matter.

This is why we can say today that the intention seems excellent. The objective is supported by every member of the Social Credit Party. Our party believes that Canada should be better understood and we must encourage any program that will allow our fellow citizens, particularly young Canadians, to gain a better insight of the real dimensions of their country. In doing this we might have fewer extremists on one side or the other or in one province or the other. Through a better knowledge of Canada by future generations, politicians in general might stop trying to benefit from divisions among us in Canada, owing to the vigilance of those future Canadian adults.

[*English*]

Mr. Speaker: Order please. The rules with respect to ministerial statements under which we operate give the Chair a great deal of discretion with respect to questions following a statement. It is apparent that the minister's statement, the details of which are to follow later, has aroused no disagreement. Hon. members, obviously, do not disagree with it. Therefore, I do not propose to allow a great deal of questioning. However, I note that the hon. members for Lanark-Renfrew-Carleton (Mr. Dick), for Battle River (Mr. Malone), for York-Scarborough (Mr. Stanbury), and for Nanaimo-Cowichan-The Islands (Mr. Douglas) are interested in putting questions. I ask them to be brief.

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I shall ask my questions slowly in order to allow the minister to make notes. He indicated that the applications will be ready in June. Is it intended, after these applications have been processed, to let the exchanges take place in July and August this year when students will be out of school and our youth unemployment is the highest in our history. For how long will the exchange students be away? Will their visits last a week, two weeks, one month, or perhaps even two months? Could the minister be more specific? Also, can he say how many young people he hopes will be involved. He is under a budgetary limitation, I am sure—I do not know if it is $1,000, $3,000 or even $10,000 per student. Does the minister at present expect the program to continue each year, say for the next five years, or will it be in place only this year and perhaps next year?

Mr. Roberts: Mr. Speaker, I can reply briefly to the perceptive questions of the hon. member for Lanark-Renfrew-Carleton (Mr. Dick). I mentioned June as the month when applications will be available, and we hope strongly that the exchange will begin in the summer, in July and August. Perhaps the initial exchanges will involve groups rather than individuals because of the longer lead time we may need to establish procedures for the placing of individuals who may wish to make visits back and forth from one part of the country to another.

To answer the hon. member's second question, the program is designed to support travel costs. Its purpose is not to assist tourism—let me put it that way. It is designed to establish an exchange of views and contacts between individuals in different parts of the country. We shall be considering some requirement for a minimum length of stay which could be perhaps a week. If individuals wish to stay longer—for two or three weeks or one month—that would not affect the travel cost portion of the government's participation. The travel costs will remain the same, no matter how long people stay. There would need to be a minimum time requirement, but the length of the visit can be extended for a considerable period since that would not affect the cost of the government's participation.

I cannot say how many people will be involved in the program. We shall be able to assess numbers in the light of demand, But we believe, initially, that when the program becomes fully operational it will involve between 20,000 and 30,000 young people a year.

It is intended to continue the program indefinitely although, of course, in light of our experience we may refine, alter or change it. Experience may indicate some better ways of meeting our objectives. In initial terms, we are not thinking so much of a dollar figure as of the participation of between 20,000 and 30,000 young people between the ages of 14 and 22.

Hon. Robert Stanbury (York-Scarborough): Mr. Speaker, we welcome the return of the spirit of centennial year in the form of some of the programs initiated for that year—after an unfortunate lapse. Can the minister tell us if other programs of this kind will be announced in time for older people to be involved in interprovincial exchanges this summer? Too many good things in life have been reserved for the young. Under the former exchange programs there were opportunities for adult groups and families to get to know their fellow Canadians in other provinces. I wonder if there soon will be an announcement to extend the scope of this program to people other than the young, even though I think the minister has started in the right place.

● (1530)

In addition to organized programs, is the minister considering, as well, less structured schemes whereby families can travel the country? Particularly at a time when we are trying to encourage rail traffic, perhaps once a year each family in Canada might have the privilege of travelling to another province by rail at no cost. It would simply reduce the subsidies that this government will have to pay to the new Via Rail system. Why not a Via Rail visa for every family in Canada?

Mr. Knowles (Winnipeg North Centre): Hear, hear!

Mr. Roberts: Mr. Speaker, I see my hon. friend from Winnipeg North Centre (Mr. Knowles) applauding. He, obviously, would like to take advantage of extending the program to those other than the young. He is youthful in spirit but would not, under the present age limits of this program, be eligible for a twinning arrangement. The hon. member for York-Scarborough (Mr. Stanbury) really anticipated in his second question my response to his first. The orientation of this program is specifically, as I indicated, for young people be-

tween the ages of 14 and 22 or 16 and 22 on individual exchanges.

We did consider the possibilities of finding some means of assisting with the transportation costs of young people and their families, or within the context of their families, in an exchange or twinning arrangement. That is, indeed, an intriguing and interesting idea. We felt that at the present time there were certain administrative difficulties to such a plan. We felt we could not wait until we had ironed out all those difficulties before proceeding with the steps I described in the House today. This is a matter upon which we will continue to reflect.

Without in any way making a commitment, I would say that this is a subject we will consider, in light of our experience with the program, to see whether some extension toward families may be contemplated some time later, probably in subsequent years rather than this year.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I, too, want to congratulate the minister on initiating this program. I want to ask two brief questions. The first is whether this will be a continuing program. We had an excellent exchange program. I know that groups of high school students from my province visited the province of Quebec, and students from the province of Quebec came to stay in the homes and visit the communities from which I come. There has been an ongoing correspondence ever since, which is of great benefit. Unfortunately, the program was stopped. Is this likely to be an ongoing program, or a one-shot deal? Second, will groups, particularly groups of students who make application, be able to arrange exchange programs so that the young people they visit will make reciprocal visits in order to see each other in their home territory?

Mr. Roberts: Mr. Speaker, the answer to both questions is "yes". The program is envisaged as a continuing one. It is not intended that it should expire after one year, or be, as the hon. member terms it, a one-shot program. We are looking at a continuing program of government. Yes, indeed, groups of students will be eligible. The essence of the program is to adopt the idea the hon. member expressed in his question, that is to say, there should be an exchange.

One's ability to take advantage of the program and visit a student, or a particular group of students to visit another group of students, will depend upon willingness to accept, in return, a visit from that individual or group. There may be a few exceptions to that principle in the application of the program. There may be some people who will be hosts and who will not feel they are able to go on a subsequent visit. But the general theme of the program will be on the basis of twinning; that is to say, that people will be accepted as eligible under the program to visit another part of the country if they will in turn accept a reciprocal visit.

While I am on my feet, I should indicate to the hon. member for Sault Ste. Marie (Mr. Symes) that I welcome his support. Indeed, I welcome the support indicated by all parties in the House. This is not a partisan or party measure. It is one which responds to the wishes of all parties and all members of the House. I welcome the support for the program. I hope hon. members will do what they can to make the program effective and tell young people about it.

I should say that the concerns which the hon. member for Sault Ste. Marie raised about how people will be chosen, and whether this will be a program which will meet only the needs of a narrow segment of the population, are concerns we had. We are determined to ensure that it covers a broad range of social and economic status, geographical representation, and so on. There should be a continual method of follow-up.

It is not, as I said earlier, a tourism program. It is designed to share human contact, exchange and understanding on a continuing basis.

Mr. Arnold Malone (Battle River): Mr. Speaker, at the outset I would like to pay tribute to the minister for introducing this legislation. I find it noteworthy for a country as diverse as Canada. While I very much appreciate the spirit of what the minister is attempting to do, there is a bit of conflict in relation to something that is already going on. The minister mentioned the value of the cultural exchange, something none of us would deny. However, at the present time there is an international exchange going on in Alberta, particularly with Scandinavian families and their host families back home. It has been going on for about a decade. I would point out that an airplane of Scandinavian people landing in this country at the international airport in Edmonton were unable to get off the airplane because the federal government had not completed its paperwork. About a year ago they were about to get on an airplane in a Scandinavian country—I believe in Oslo—but the paperwork was not done.

In talking to the people who have been putting these exchanges together, each successive one has been a series of continuing roadblocks. I will supply the minister with further information because I know he needs greater detail with regard to this. First, will the minister review the whole matter of this international exchange of people going to work in other countries? Second, will he bypass the representation he is getting directly, and talk to the families who have been hosting these exchanges for a long period of time about the value they think the program has, so that he can have direct input and representation from them on what they consider to be an extremely important international exchange?

Mr. Roberts: Mr. Speaker, I am grateful to the hon. member for raising the point. I will await the information which he is sending to me. I am not aware, specifically, of the program he has mentioned, nor am I aware of the difficulties which have been encountered in relation to it. From his description, I am not sure whether those difficulties really relate to my jurisdiction. They may relate to external affairs or immigration. When the hon. member sends me details of the problem which these families have faced, I will ensure they are brought to the attention of the proper minister to be looked into and, I hope, settled.

I must say, with frankness, to the hon. member that the purpose of this exchange is not set within the international

context. It is to encourage young Canadians to get to know one another better and to get to know parts of Canada better. I have often been disturbed to find that Canadians know other countries better than their own. For example, people in my city of Toronto often find it easier to take holidays in Florida, or Europe, than to take holidays in Canada in areas such as that represented by the hon. member. A way should be found to get them to know one another as well, and to know other parts of the country.

Mr. Speaker: Order, please. In addition to the hon. members I said I would recognize, I see three hon. members who seek the floor. In fairness, and to be consistent with previous practices and in keeping with my previous arrangement, I will have to stop the questioning. This is a rather important supply day and a special procedure for going to committee of the whole.

● (1540)

It is a rather important point, because I indicated earlier that I have to exercise discretion with respect to these questions. Other questions, for information purposes, could be brought to the attention of the minister directly. I really think we ought to get on with orders of the day.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: 1,060, 1,331, 1,696 1,780, 1,804, 1,863, 1,864, 1,885, 1,886, 1,911, 1,943, 1,952 and 1,977.

[*Text*]

DEPARTMENT OF MANPOWER AND IMMIGRATION—MAINTENANCE OF BUILDINGS OR OTHER EQUIPMENT

Question No. 1,060—**Mr. Mazankowski:**

1. What items, buildings or other equipment were repaired or maintained by the Department of Manpower and Immigration in the fiscal year (a) 1974-75 (b) 1975-76?

2. In each case, what was the nature of the breakdown, malfunction or condition of the item and what were the repairs or maintenance?

3. In each case, what was the original value of the item?

4. In each case, what was the expected life span of the item before the repairs or maintenance and what is the expected life of the item subsequent to the repairs or maintenance?

5. For what reason was the repair or maintenance not foreseen at the time of the presentation of the 1975-76 main estimates, resulting in an expenditure of 11,666.7% over the estimates and also the previous year?

Hon. Bud Cullen (Minister of Manpower and Immigration): 1 to 4. To obtain the requested detailed information would entail a very costly procedure in terms of man-hours and research required.

5. The government policy on cost of office accommodation for the year 1975/76 has been changed to be reflected in the department's main estimates instead of the Department of Public Works' main estimates. The change in policy was made after the deadline date to submit main estimates. Consequently, this amount of money had to be requested through supplementary estimates.

LOTO CANADA

Question No. 1,331—**Mr. Jones:**

Is Quebec getting the largest share of the Loto Canada money and, if so, for what reason?

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The government of Quebec receives its province's share of Loto Canada's net revenues as stipulated by the passage of Bill C-94 on June 22, 1976: "an amount not to exceed 12.5 percent of the credit of the National Lottery Account, to the government of each province, in proportion to the number of tickets sold by Loto Canada Inc. in each province. . ." As the province with the largest number of ticket sales, Quebec, therefore, receives the largest share of these net revenues. The Régie des Installations Olympiques receives its share of Loto Canada's net revenues as stipulated by the passage of Bill C-94: "an amount not to exceed 82.5 percent of the amount to the credit of the National Lottery Account, subject to any directions that are from time to time given by order of the Governor in Council, to (a) the Régie des Installations Olympiques to assist in the financing of the deficit of the 1976 Olympic Games; and (b) the XI Commonwealth Games Canada (1978) Foundation to assist in the financing of the 1978 Commonwealth Games."

POST OFFICE CALENDARS

Question No. 1,696—**Mr. Howie:**

1. What was the total cost of the 1977 Post Office Calendar?

2. Was the job put out for tender and, if so, who was awarded the job?

Hon. J.-J. Blais (Postmaster General): 1. Total cost of the 1977 Post Office calendar is $112,000. Earlier figures released (No. 1,296 answered on February 2, 1977) indicated the cost as just under $117,000; however, certain austerity moves managed to reduce costs.

2. Yes, the job was put out for tender through Department of Supply and Services. It was awarded to Lawson Graphics Ltd., Toronto.

PROJECTED IMMIGRATION STATISTICS UNDER THE PROPOSED IMMIGRATION BILL

Question No. 1,780—**Mr. Wenman:**

1. What are the projected immigration statistics for (a) 1977 (b) 1978 (c) 1979 (d) 1980 (e) 1981 under the proposed Immigration Bill and the Minister's new regulations and what is a breakdown of the total by country of origin or geographic area?

2. What are the projected immigration statistics for the Greater Vancouver Regional District for (a) 1977 (b) 1978 (c) 1979 (d) 1980 (e) 1981 by country of origin or geographic area?

Order Paper Questions

Hon. Bud Cullen (Minister of Manpower and Immigration): 1. (a) For 1977, the level of interest abroad combined with labour market factors in Canada tends to indicate that total immigration for the year may be a little lower than it was in 1976, when 149,249 immigrants were landed in Canada. (b), (c), (d), (e) Under the proposed Immigration Bill currently before Parliament, Section 7 states "The Minister, after consultation with the provinces concerning regional demographic needs and labour market considerations and after consultation with such other persons, organizations and institutions as he deems appropriate, shall announce annually the number of immigrants that the Government of Canada deems it appropriate to admit during any specified period of time". The consultations process referred to in Section 7 will not take place until such time as the Bill receives Royal Assent. As a result, there are no estimates or projections available regarding the volume, source or distribution of immigrants that will arrive in Canada in the years 1978 onward.

2. (a) There have been no projections regarding immigration by source region or destination in Canada for the year 1977. (b), (c), (d), (e) Please see answer to 1 (b), (c), (d), (e).

LIP—FINAL ALLOCATION BY PROVINCE OF FUNDS

Question No. 1,804—**Mr. Korchinski:**

1. What was the amount of money (a) initially allocated (b) made available under the second allocation to each province under the LIP Programme?

2. What was the amount finally approved for each province?

Hon. Bud Cullen (Minister of Manpower and Immigration):

Province	1. (a) Initial Allocation	1. (b) Supplementary Allocation	Increase or Decrease after Redistribution	2. Final Allocation
Newfoundland	$ 7,718,000	$10,097,000	$3,296,900	$ 21,111,900
Nova Scotia	3,707,000	6,340,000	416,057	10,463,057
Prince Edward Island	1,638,000	1,460,000	74,000	3,172,000
New Brunswick	7,701,000	9,888,000	−965,290	16,623,710
Quebec	28,991,000	38,562,000	1,976,636	69,529,636
Ontario	16,305,000	13,678,000	−1,654,529	28,328,471
Manitoba	2,449,000	2,233,000	312,480	4,994,480
Saskatchewan	1,784,000	1,263,000	−556,408	2,490,592
Alberta	1,798,000	730,000	388,464	2,916,464
North West Territory	535,000	588,000	−176,223	946,777
British Columbia	16,171,000	12,828,000	−2,735,109	26,263,891
Yukon	303,000	333,000	−94,662	541,338
Totals	$89,100,000	$98,000,000	$282,316	$187,382,316

NOTE: This information refers to the 1976-77 Local Initiatives Program.

JURISDICTION OF NEW ISLANDS ARISING AS RESULT OF ISOSTATIC REBOUND

Question No. 1,863—**Mr. Yewchuk:**

When new islands arise in (a) Hudson Bay (b) Ungava Bay (c) the Labrador Sea, as a result of isostatic rebound, under whose jurisdiction do they come, Canada or the nearest province?

Mr. Maurice Dupras (Parliamentary Secretary to Minister of Energy, Mines and Resources): The Department of Energy, Mines and Resources reports as follows: No islands have arisen in (a) Hudson Bay, (b) Ungava Bay, (c) the Labrador Sea, as a result of isostatic rebound. Therefore, no information on jurisdiction is available at this time.

TEMPERATURE COMFORT LEVELS

Question No. 1,864—**Mr. Herbert:**

1. With reference to the answer to Question No. 1,605, does the Department of Energy, Mines and Resources promote the concept that temperature comfort levels depend on a combination of the heat levels and humidity levels?

2. Does the Minister believe that economies can be affected in winter by increasing humidity levels with corresponding reductions in the setting of the thermostat?

3. Does the Department intend to promote the use of dehumidification systems in summer as a means of reducing the consumption of fuel for air cooling purposes?

[Mr. Wenman.]

Mr. Maurice Dupras (Parliamentary Secretary to Minister of Energy, Mines and Resources): The Department of Energy, Mines and Resources reports as follows: 1. The effectiveness of humidity in allowing lower temperature settings is uncertain. The equipment guide (1972) of the American society of heating refrigeration and air conditioning engineers states the following: Human Comfort. The effect of relative humidity on all aspects of human comfort has not as yet been completely established. From the standpoint of thermal comfort, it has usually been assumed that higher temperatures are required to offset the effect of decreased relative humidity. This is exemplified by the effective temperature lines of the basic ASHRAE Comfort Chart, which was developed through studies of the immediate reaction of people entering a conditioned space. More recent studies based on the reactions of subjects after several hours' exposure to the controlled environment have suggested that relative humidity has a negligible or much smaller effect on the sensation of warmth. These results apply to lightly clothed subjects engaged in light activities. The effects of relative humidity on the comfort of people engaged in moderate to high levels of activity have not been carefully re-examined, but it may be assumed that relative humidity will have a marked influence under conditions of sweating. Low relative humidity may well be undesirable for reasons other

than those based on thermal comfort. Low levels will no doubt lead to increased evaporation from the membranes of the nose and throat, and to drying of the skin and hair. Some medical opinion attributes the increased incidence of respiratory complaints to drying out of the mucous membranes due to low humidities indoors in winter. However, no well documented evidence appears to have been presented which would indicate a serious hazard to health resulting from exposure of people to low humidity conditions. In spite of lack of complete information, it seems logical to assume that extremes of humidity are undesirable and that, for human comfort, relative humidities should be kept within a broad range of 30 to 60 percent."

2. The benefits of humidification are not fully documented. Note response to first question.

3. No.

ESTIMATED ANNUAL QUANTITY OF IMPORTED OIL USED FOR ELECTRICAL GENERATION

Question No. 1,865—**Mr. Herbert:**

1. What is the total estimated annual quantity of imported oil used for electrical generation and what is the estimated quantity of electricity generated by this means?

2. What was the total quantity of electricity exported in the last year for which figures are available?

3. Is any tariff applied to exported electricity?

Mr. Maurice Dupras (Parliamentary Secretary to Minister of Energy, Mines and Resources): The Department of Energy, Mines and Resources reports as follows: 1. In 1975, electric utilities in Quebec and the Atlantic provinces generated 5,948 GWH of electricity from 12,328 thousand barrels of imported oil. In addition, there was a further 5,214 thousand barrels of oil used by industry to generate electricity in 1974, the latest available data.

2. In 1975, Canada exported 11,425 GWH of electricity.

3. Electricity exports are licenced by the National Energy Board but there is no tariff applied.

VETERANS AFFAIRS—QUEEN MARY VETERANS HOSPITAL UNILINGUAL ENGLISH EMPLOYEES

Question No. 1,884—**Mr. Herbert:**

1. In the discussions concerning the transfer of the Queen Mary Veterans Hospital to the provincial government, what agreements have been sought to guarantee the continuing employment of unilingual English employees?

2. How many unilingual English employees are presently employed by the Department of Veterans Affairs at this hospital?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): 1. The question of continuing employment for unilingual English employees following the transfer of Queen Mary Veterans Hospital has not been discussed with provincial authorities other than to have it included as an agenda item for a future meeting.

2. Approximately 50 continuing employees are unilingual English.

QUEEN MARY VETERANS HOSPITAL—BENEFITS TO TRANSFERRED EMPLOYEES

Question No. 1,885—**Mr. Herbert:**

Is it the intention, in the agreement of transfer to the provincial government of the Queen Mary Veterans Hospital, to include a guarantee that the terms and conditions of employment of transferred federal employees be no less favourable than those enjoyed while the public servants were in the federal service and, if so, how will it apply to the benefits of the Public Service Superannuation Act?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): It is the intention, in the agreement of transfer, to ensure that terms and conditions of employment of transferred staff are globally the same before and after transfer. Discussions respecting a superannuation plan are under way; no conclusions have been reached.

QUEEN MARY VETERANS HOSPITAL—OUT-PATIENT SERVICE

Question No. 1,886—**Mr. Herbert:**

Under the agreement of transfer to the provincial government of the Queen Mary Veterans Hospital in Montreal, will there be continuing provision of out-patient service to veterans and, if not, will the Department of Veterans Affairs be providing this service elsewhere and, if so, what are the details?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): The terms of an agreement to transfer Queen Mary Veterans Hospital have not been finalized. Appropriate arrangements for out-patient services will be a subject for discussion with the Provincial Authorities.

CANADA WORKS PROGRAM—OKANAGAN CONSTITUENCY

Question No. 1,911—**Mr. Johnston:**

What was the total amount spent on advertising for phase one of Canada Works in the Constituency of Okanagan—Kootenay, including newspapers, radio and any other medium?

Hon. Bud Cullen (Minister of Manpower and Immigration): Radio, $9,072; Dailies, 7,427; Weeklies, 3,288; Total, $19,787.

TELECOMMUNICATIONS—COSTS FOR EQUIPMENT AND SERVICES

Question No. 1,943—**Mr. O'Sullivan:**

1. What were the total costs included in the 1975-76 estimates of the Department of Manpower and Immigration for telephone equipment and services and other related communications devices?

2. How are such costs divided between (a) equipment rentals (b) professional and special services (c) purchased repair and upkeep of equipment (d) charges on other than local communications (e) materials and supplies (f) other costs?

3. What is the total forecasted expenditure for 1976-77?

4. How are such forecast expenditures divided between (a) equipment rentals (b) professional and special services (c) purchased repair and upkeep of equipment (d) charges on other than local communications (e) materials and supplies (f) other costs?

5. What amount of damages were sustained to telephone equipment and other related communications devices in the Department in 1975-76?

Hon. Bud Cullen (Minister of Manpower and Immigration): 1. $6,719,888.

Order Paper Questions

2. (a) $4,412,836; (b) nil; (c) equipment is on rental; (d) $2,307,052 (e) information not available; (f) nil.

3. $6,245,386.

4. (a) $4,153,189; (b) nil; (c) equipment is on rental; (d) $2,092,197; (e) information not available; (f) nil.

5. Nil.

GOLF PROFESSIONALS REGISTERED WITH CANADA MANPOWER CENTRES

Question No. 1,952—**Mr. Herbert:**

1. How many golf professionals are presently registered with the Department of Manpower and Immigration as seeking employment?

2. How many are presently drawing unemployment insurance benefits?

Hon. Bud Cullen (Minister of Manpower and Immigration): In so far as the Department of Manpower and Immigration is concerned the answer is: 1. Although there may be golf professionals registered with the Department of Manpower and Immigration as seeking employment, they form only a small part of a larger group defined as coaches, trainers, instructors and managers, sport and recreation. Present statistics gathering processes do not lend themselves to the disaggregation of data to pinpoint golf professionals.

2. The commission does not maintain the statistical information requested.

LIP—ADMINISTRATION OF JOB CREATION BRANCH IN BRITISH COLUMBIA

Question No. 1,977—**Mr. Whittaker:**

1. (a) What was the total amount allocated under the Local Initiatives Programme to British Columbia constituencies in 1975-76 (b) what were the individual allocations for each constituency?

2. (a) How many job creation offices, additional to Vancouver, have been set up or are being planned for the Province and, in which constituencies (b) how many persons will be required to staff each such office and from what locations will they be drawn (c) what will be the salary of each officer?

3. How many jobs were created by the LIP Programme in (a) British Columbia (b) each B.C. constituency in 1975-76?

4. What percentage of the LIP Programme allocations in British Columbia constituencies covered administrative costs for 1975-76?

Hon. Bud Cullen (Minister of Manpower and Immigration): 1. (a) $18,128,000; (b) See statement "A" following.

2. (a), (b) and (c) See statement "B" following.

3. (a) 4,986; (b) See statement "A" following.

4. nil.

Statement "A"

Constituency	1. (b) Allocation	3. (b) Jobs Created
Burnaby—Richmond—Delta	325,000	73
Burnaby—Seymour	250,000	59
Capilano	384,000	102
Coast Chilcotin	1,145,000	295
Comox—Alberni	1,069,000	271
Esquimalt-Saanich	804,000	203
Fraser Valley East	979,000	280
Fraser Valley West	363,000	95
Kamloops—Cariboo	1,014,000	303
Kootenay West	608,000	195
Nanaimo—Cowichan—The Islands	1,251,000	379
New Westminster	482,000	109
Okanagan Boundary	883,000	226
Okanagan—Kootenay	1,142,000	309
Prince George—Peace River	1,255,000	380
Skeena	1,631,000	519
Surrey—White Rock	506,000	139
Vancouver Centre	1,088,000	290
Vancouver East	835,000	188
Vancouver Kingsway	491,000	178
Vancouver Quadra	368,000	89
Vancouver South	378,000	82
Victoria	877,000	222
Total	18,128,000	4,986

Statement "B"

Job Creation Branch offices in British Columbia, excluding Vancouver

Location of Office	Constituency	Staff*	Salary
Victoria	Victoria	1	$17,241-$19,549
		2	$15,459-$17,523
		11	$14,296-$16,207
		1	$10,394-$11,364
		2	$ 9,363-$10,232
Terrace	Skeena	1	$17,241-$19,549
		2	$15,459-$17,523
		5	$14,296-$16,207
		1	$10,394-$11,364
		1	$ 9,363-$10,232
Prince George	Prince George—Peace River	1	$17,241-$19,549
		1	$15,459-$17,523
		7	$14,296-$16,207
		1	$10,394-$11,364
		2	$ 9,363-$10,232
Kelowna	Okanagan Boundary	1	$17,241-$19,549
		3	$15,459-$17,523
		12	$14,296-$16,207
		1	$10,394-$11,364
		2	$ 9,363-$10,232

* The offices in Prince George and Terrace were staffed entirely through local competitions. In Kelowna and Victoria, some staff were recruited locally while others were transferred from the Vancouver office.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURN

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if questions Nos. 135, 190 and 1709 could be made orders for returns, these returns would be tabled immediately.

[Text]

DREE—CONTRACTS FOR PROFESSIONAL SERVICES

Question No. 135—**Mr. Orlikow:**

1. For the fiscal year 1975-1976, what contracts for professional services were let (a) for studies, surveys and analyses into present or future policies, programs or information analysis, and their efficiency and effectiveness (b) into the examination of the administration or internal operation of the Department of Regional Economic Expansion?

2. How much was committed on each contract and to whom?

3. What were the comparable figures for the fiscal year 1973-1974?

Return tabled.

PAYMENTS MADE BY RDIA

Question No. 190—**Mr. Saltsman:**

By province, what were the payments made on RDIA grants to each industry, classified at the three digit SIC level for each fiscal year from 1969-70 to 1974-75?

Return tabled.

CFB GAGETOWN—RENOVATIONS AND MAINTENANCE

Question No. 1,709—**Mr. Howie:**

Were any contracts awarded for the construction, renovation or maintenance of roads, buildings or equipment at CFB Gagetown since January 1, 1975 and, if so (a) to whom (b) in what amounts?

Return tabled.

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I ask that the remaining questions be allowed to stand.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

* * *

STARRED QUESTIONS

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you be so good as to call starred questions Nos. 929 and 1,836?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, the answer is in the form of a table and a schedule. I am quite prepared to read it, but it will take some time. I wonder whether the House would agree to have it taken as read and printed in *Hansard*.

Some hon. Members: Agreed.

[*Text*]

*LIP—ALLOCATION AND UNEMPLOYMENT RATES, NEWFOUNDLAND

Question No. 929—**Mr. McGrath:**

By constituency, what were the amounts allocated under LIP in Newfoundland and what were the unemployment estimates upon which such allocations were based for 1976-77?

[*English*]

Hon. Bud Cullen (Minister of Manpower and Immigration):

Constituency	Allocation	Unemployment Rate
Bonavista-Trinity-Conception	$1,141,000	17.07
Burin-Burgeo	213,000	8.65
Gander-Twillingate	1,049,000	17.04
Grand Falls-White Bay-Labrador	1,056,000	14.72
Humber-St. Georges-St. Barbe	1,807,000	20.25
St. Johns East	1,284,000	13.71
St. Johns West	1,168,000	13.49

[*Text*]

*AIB—STUDY KITS ON INFLATION

Question No. 1,836—**Mr. Diefenbaker:**

1. Is the Anti-Inflation Board distributing free study kits on inflation across Canada?

2. Do the kits include an "Inflation Debater" and the text of the Prime Minister's address to the Nation in October 1975?

3. How many pages are there in this kit and what is the total number of pages of printed matter setting out the government's anti-inflation policy?

4. What is the estimated total cost of the kit?

[*English*]

Hon. Donald S. Macdonald (Minister of Finance): 1. Yes. The study kits were offered to high schools across Canada. These kits consisted of the items listed in Part 2 for use in discussion by the teachers and an additional 40 copies of the Inflation Debator are included for distribution to the students. To date 427,600 copies of the Inflation Debator have been distributed through 4,360 class sets and 160,000 copies were carried as a feature section in the teenage publication Todays Generation—January, 1977 edition.

2. Yes. The complete kit is composed of: Glossary of Terms, Anti-Inflation Program; Year One; A Guide to Your Personal Fight Against Inflation; Inflation and the AIB; Attack on Inflation—A Program of National Action; Text of the Prime Minister's Message on National Television and Radio, October 13, 1975; Labour's Manifesto for Canada; Inflation Debator and The Way Ahead: Framework for Discussion.

3. There are 160 pages in the complete kit. The total number of pages setting out the government's anti-inflation policy—106.

4. $91,000 approximately. Total number of kits in both official languages, 5,920; Total number of Inflation Debator in both official languages, 489,000.

GOVERNMENT ORDERS

[*English*]

INTERIM SUPPLY

ESTIMATES FOR FINANCIAL YEAR ENDING MARCH 31, 1978

Hon. Robert K. Andras (President of the Treasury Board) moved that Bill C-45, for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1978, be read the second time and referred to committee of the whole.

Mr. Knowles (Winnipeg North Centre): He is here today.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, while the greater part of the substance of the bill relates to the responsibility of my colleague, the President of the Treasury Board (Mr. Andras), clause 5, which has to do with the borrowing authority, comes under my responsibility. I should, therefore, like to make a report to the House on the exercise of borrowing authority in the fiscal year now ending and in the coming year.

In clause 5 of the interim supply bill now before the House the government is seeking a new statutory borrowing authority of $7 billion and to cancel all outstanding and unused borrowing authority. As hon. members are aware, the Financial Administration Act, part IV, section 36, requires that "no money shall be borrowed or security issued by or on behalf of Her Majesty without the authority of Parliament". This refers to "new" money only because there is a continuing authority in the act for the government to borrow funds to repay maturing debt. Authority to borrow sufficient new money to cover estimated financial requirements together with a margin for contingencies is normally sought and granted in one of the first appropriation acts of a new fiscal year.

The long-established procedure for seeking new borrowing powers had been to attach a clause to supply bills brought before the House. This provided no opportunity to debate the borrowing authority being sought under this procedure because the clause is not part of the estimates discussed in standing committees and the supply bill is normally passed without debate.

Mr. Speaker, it was agreed last year that there should be an opportunity for debate on this topic and, indeed, the procedures now being followed reflect a recommendation by the Standing Committee on Procedure and Organization and agreements among the House leaders.

Hon. members may find it helpful if I begin by reviewing the situation in fiscal 1976-77 which will shortly come to an end. It will be recalled that a borrowing authority of $6 billion was provided in Appropriation Act No. 2, 1976. Under this total authority of $6 billion, we have obtained net new money of $4.85 billion this fiscal year and a further $275 million will be obtained from the April 1 bond issue. Thus, the unused authority which will be cancelled by the passage of this bill will amount to about $875 million. By March 31, 1977, the increases in debt issues will be as follows: treasury bills, $1,760 million; Canada savings bonds, $800 million; marketable bonds, $2,290 million. The total is $4,850 million.

The amounts offered at the 90-day and 180-day treasury bill auctions were $30 million above the amounts maturing each week of the fiscal year. The one-year bills were auctioned four times during the year with increments totalling $200 million over the period. In fiscal 1976-77, $1,960 million marketable bonds matured and $4,250 million new bonds were sold. In order to both broaden the market for our marketable bonds and to lengthen the average term to maturity of our debt, emphasis was placed, during the year, on raising money in the longer term bond market. About 38 per cent of the bonds sold during this period had a maturity in excess of ten years and, as a result, the average term of the federal debt was lengthened from three years eight months to four years six months.

The 1976-77 Canada savings bond program was most successful in terms of meeting our objectives. Gross sales of about $2,100 million were achieved while redemptions during the fiscal year totalled about $1,300 million. Reflecting our efforts to de-emphasize Canada savings bonds as a source of new funds, Canada savings bonds now represent approximately 38 per cent of the total government debt, as compared with 41 per cent a year ago.

The ownership of the government's debt changed quite significantly during fiscal 1976-77. Chartered banks increased their holdings of marketable securities by about $700 million, or 8.6 per cent, while the Bank of Canada has increased its holdings by about $1,000 million, or 12.5 per cent. The general public, however, increased holdings of government of Canada marketable securities by about $2.3 billion, or 36.8 per cent, as well as increasing holdings of Canada savings bonds by $800 million, or 5.1 per cent.

● (1550)

By March 31, 1977 our cash balances are expected to be standing at a level somewhat higher than the $3.1 billion level recorded at the end of the previous fiscal year. The difference reflects exchange transactions with the Bank of Canada and in the foreign exchange markets. These elements of our balances are extremely volatile and cannot be counted on to provide a permanent contribution toward meeting our cash requirements.

Since the books will remain open for a period of time after the close of the fiscal year, it will be some time before more detailed accounts can be prepared showing the breakdown between budgetary and non-budgetary transactions. I shall be providing the House with some preliminary estimates, however, in my budget. The new statutory borrowing authority of $7 billion will provide a margin for contingencies. In the coming fiscal year, as in most previous years, the full amount of this borrowing authority may not be required. It is important, however, that we have the flexibility properly to plan and implement our debt management operations.

Mr. Knowles (Winnipeg North Centre): Thank you!

Mr. Macdonald (Rosedale): For example, it is our practice to provide a margin of unused borrowing authority against which we can charge new Canada savings bond sales in the event that an unexpected high level of sales is achieved in the campaign period. We also have to take into account any unpredictable requirements caused by exchange fund account transactions.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, on behalf of the official opposition I welcome this opportunity to debate the appropriation bill for interim supply. I am very pleased that we have the opportunity of showing the government how displeased we are when they try to circumvent the rules by including borrowing authority in supplementary

appropriation bills the authority for which has not been provided for in the estimates. This may be a concrete example of why it was necessary to have the motion we had on Tuesday with regard to $1 items. We have to come back to this from time to time in order to teach hon. members that they have to conform with the practices and rules of parliament. Today is a concrete example.

I shall comment at length on the statistical information that the minister gave us. I am sure my colleagues and others in the House will avail themselves of this information in preparation for the budget debate which starts in about ten days' time. It is a matter of record.

I do not intend to speak very long this afternoon because it is generally agreed that other than a short speech of commentary on second reading the House will by agreement move to committee of the whole, on clause 2, it will be open to hon. members to choose any estimates of any department which they see fit.

We clearly indicated to the government House leader yesterday that we wish to discuss in particular detail the estimates of the Minister of Energy, Mines and Resources (Mr. Gillespie) and the Postmaster General (Mr. Blais). As far as we are concerned, these shall be given an even break between now and 9.20 p.m. tonight, although I must say the introduction of a ministerial statement with comments did knock off half an hour of our timetable.

I would hope that as part of this experiment we could introduce later a grievance session where members who may have objections can catch Mr. Speaker's eye for maybe three or four minutes so there can be as wide as possible participation until 9.45.

Mr. McCleave: Going back to the old days!

Mr. Lambert (Edmonton West): As my colleague from Halifax-East Hants (Mr. McCleave) says, it is going back to the old days. The older practices in this House with regard to estimates permitted members to express themselves on the question of supply. That is part and parcel of the task and the role of parliament, regardless of what some pundits say. They say that this shall be a legislative grist-mill and shall be something new and bold. I do not know what they are talking about, because they have not expressed a new idea in years. Be that as it may, I hope that today will provide us with a blue-print for good practice and that in consequence thereof we may bring about some changes in the rules in order to have this better participation.

The minister said he was asking for an increase in the statutory borrowing authority to $7 billion. That is up from $6 billion this year. I think the margin he has provided is good fiscal management, because on a previous occasion it was found that the government, by selling its Canada savings bonds in a good year exceeded the statutory borrowing authority and had to come in by the back door to legitimize its actions.

The latest Bank of Canada statistics, of January 12, 1977, indicate that $41,138 million is the debt of Canada. Of this, there was $16,577 million in Canada savings bonds and $24,279 million in various types of papers, bonds, treasury bills, and so on. With particular reference to our estimates, what is of more concern to me is the increase in the size of the estimates to deal with the national debt. In 1966, $1,110 million was required. In 1974 it was $2,608.9 million. In 1975 it had gone to $3,208.4 million. In 1976, up to supplementary estimates A, it was $3,775 million. This year, as it appears at page 82 of the "blue book", we see that the total program for public debt shall cost $5,350 million. This is not an inconsiderable sum of money. One will appreciate these astronomical figures. In other words, I would say that 96 per cent to 97 per cent of the interest that the government of Canada paid on its national debt is payable in Canada. To that extent, it is money that stays at home.

I do not think this could be said entirely with respect to some of the provinces and the provincial Crown agencies which have to pay a great deal of interest abroad. This is not entirely a matter of accident, because I think, because of the annual sales of Canada savings bonds and certain other features of federal bonds, that some of the provincial authorities find themselves entirely crowded out of the Canadian money market. Canadians, under our tax system, have precious little money to invest in Canada savings bonds, RRSPs, life insurance and other forms of investment. Up to 43 per cent of our gross national product is paid directly into public treasuries. This affords very little leeway for savings. Government of Canada bonds are not bought by provincial governments and municipalities: they are competing for money.

● (1600)

Since the so-called 1971 tax reforms the government of Canada, as well as the provinces, has certainly been slicing into the GNP, leaving precious little to the Canadian bond market. It is no wonder that Canadian Crown agencies, governments, the provinces, municipalities, school boards and businesses have to go abroad to tap savings. Our tax system in Canada confiscates earnings to a degree that should be unacceptable to the Canadian public.

One can only do certain things with one's dollars. Either the Canadian government takes them in the form of tax, which naturally is of no benefit to the taxpayer, or the taxpayer is given an opportunity of saving some money and investing it at his own choice either in Canadian bonds or some other form of Canadian investment. Until we learn our lesson we will be forever bleating that there is too much demand on foreign capital to serve legitimate Canadian interests. Frankly, we as Canadians are the authors of our own misfortune because governments both at this level and the provincial level are going in with both hands and ladling up all they can of the Canadian economic pie.

On that count, Mr. Speaker, I hope we will be able in due course to move into committee of the whole, where my colleagues and others in the House will then turn their attention

to particular estimates. I commend this practice to the House and we should see whether we can repeat it and come up with something better than we have had in the past.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise at this second reading stage of the bill mainly to say that we do not intend to make any speeches on second reading. We agree with and accept the idea put forward by the hon. member for Edmonton West (Mr. Lambert) that we should use this day primarily in committee of the whole. We have at least three of our members who hope to get on before we reach the time tonight when there might be shorter statements on grievances. Those members include the hon. member for Cape Breton-East Richmond (Mr. Hogan), the hon. member for Greenwood (Mr. Brewin) and the hon. member for Broadview (Mr. Gilbert). If it is of any value to the government to have some warning, the hon. member for Cape Breton-East Richmond is concerned about unemployment in his part of his country as well as throughout Canada. He will be addressing himself to the failure of the Department of Regional Economic Expansion and related matters. The hon. member for Greenwood will be dealing with defence. The hon. member for Broadview will be dealing with housing. Because we want to spend the day on these matters of substance we are quite prepared not to debate second reading of the bill but to let it carry so we can get right into committee of the whole.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to say only a few words at this stage of the debate on Bill C-45 because I have had the opportunity to examine several bills of this kind since I have been sitting in this House and I note that this one does not differ much from the others.

I would have also liked to make several comments on clause 5 of this bill, but since the Minister of Finance (Mr. Macdonald) more or less bombarded us with a number of figures that we found very hard to stomach, I for one—and I do think that most of my colleagues will have to do the same thing—will have to wait until tomorrow to consider a rather comprehensive set of figures that we were given.

In any event, I note the procedure used by the minister and the government, namely the power to borrow $7 billion not only to meet public works but mainly to pay back loans coming due, and I note that the greater part of that $7 billion is going to be used to pay back amounts that are already due, and that sort of leads me to say that there are holes to be filled and that further holes are going to be dug to fill them. The problem will not be solved like that. We will have to pay this year over $5 billion interest on our public debt, nearly the whole amount that is to be borrowed.

Mr. Speaker, I think that until the government decides to take the necessary steps to administer this country the way private industry is administered, we cannot expect to have bills different from this kind.

[Mr. Lambert (Edmonton West).]

[*English*]

The Acting Speaker (Mr. Ethier): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Mr. Goodale: I rise on a point of order, Mr. Speaker. There were discussions earlier today, and yesterday, with respect to our proceedings later this afternoon in relation to private members' hour. I believe the hon. member for Edmonton West (Mr. Lambert) has a suggestion to make respecting that matter.

Mr. Lambert (Edmonton West): Mr. Speaker, in reply to the point of order may I say it would have been my hope that at the appropriate time at five o'clock, when the Chair has to intervene for private members' hour, the House would agree to waive the hour for today in view of the fact that the sponsor of the private bill with first priority is not here today. I suggest we defer it until next week. I have had assurances from the various party House leaders that this is acceptable.

Mr. Goodale: Mr. Speaker, I simply raised the point at this stage because it would cause us some procedural difficulty to attempt to take a decision of the House to deal with private members' hour in other than the usual way if we were in committee at that point in time. I thought it might be easier to deal with the matter now, rather than requiring the committee to rise, report progress and go through that more complicated procedure.

Mr. O'Connell: Mr. Speaker, I certainly intend to support the suggestion of the parliamentary secretary, but I am one of those who is interested in private members' hour on Thursdays, having sponsored private Bill S-2 which, presumably, would have been the bill which would have come into the House if the other private bill was not ready. I am really saying that I regret I have not been consulted about this. I think it would have been more appropriate to consult those who have an interest in private members' hour before making this kind of suggestion. However, I do understand the urgency or importance of this move, and I will support it.

Mr. Goodale: Mr. Speaker, let me just say I regret the oversight in not raising the matter with the hon. member who has just spoken, and I appreciate his courtesy in co-operating with the suggestion that we are making.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, as hon. members will realize, it took a little arm-twisting to get us to accept this proposition, but we do agree to it.

The Acting Speaker (Mr. Ethier): Order, please. There seems to be general agreement that we waive private members' hour. Is that agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Ethier): It is so ordered. Accordingly, this bill stands referred to committee of the whole. With

the indulgence of the House I will now refer to the adjournment motion.

Motion agreed to, bill read the second time and referred to committee of the whole.

• (1610)

PROCEEDINGS ON ADJOURNMENT MOTION

[*Translation*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Surrey-White Rock (Mr. Friesen)—Anti-Inflation Board—Suggested instructions to Hostess Foods on refunding excess profits; the hon. member for Nickel Belt (Mr. Rodriguez)—External Affairs—Proposed loan to Chile by Canadian banks—Government position; the hon. member for St. John's West (Mr. McGrath)—Transport—Commission of inquiry into problems in Newfoundland—Terms of reference and date of commencement.

Pursuant to Standing Order 54, I do now leave the chair for the House to go into committee of the whole.

GOVERNMENT ORDERS

[*English*]

INTERIM SUPPLY

ESTIMATES FOR FINANCIAL YEAR ENDING MARCH 31, 1978

House in committee on Bill C-45, for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1978—Mr. Ethier in the chair.

Mr. Crosbie: Mr. Chairman, at this stage I want to discuss some questions in connection with the energy estimates, but before going into that I would like to record my surprise at parliament's lack of control in these matters, something which I have observed in the brief time I have been here since last November. At least today we have an opportunity to discuss these matters, but I have found that the time we spend in committees on estimates is misspent so far as obtaining answers from ministers is concerned. I have made many attempts to get some information in various committees but I have found my attempts to be futile.

Not only am I surprised at the fact that billions of dollars go through parliament on deadlines without an opportunity being afforded to the opposition to pressure the government in connection with the estimates and supplementary supply, but the new rule changes brought in by the government have choked off discussion and limited control by the House in these matters. Also, when questions are asked during the question period they are treated very lightly.

I consider that when Canada faces a grave energy situation—and presumably the government and the Minister of Energy, Mines and Resources feel the same way in this matter—the question must be treated seriously. Heaven only knows that we have had a sufficient number of energy studies, energy strategies, energy policies and initiatives, as well as technical studies in the last three or four years since the energy crisis arose in the fall of 1973. We have had every kind of strategy, initiatives and report that one could expect from the Department of Energy, Mines and Resources. What we want now is some kind of action from the department in these areas.

Studies were tabled in the House last week which show that energy self-sufficiency in Canada is very unlikely to be achieved. The situation is very serious indeed. Energy costs will escalate. They will certainly double within the next five years or less. Yet when we ask questions in the House regarding these matters we are treated with buffoonery. Hon. members opposite act as if they were gargoyles when they answer questions in the way mine was answered yesterday on this matter. We consider this to be a very serious issue.

An hon. Member: Shame.

Mr. Crosbie: In 1973 the Department of Energy, Mines and Resources initiated all these studies and strategies, and yet they are not being carried out. Only lip service is given to them. Let us consider some of these studies. Let us take a look, first, at a study entitled, "An Energy Strategy for Canada (Summary)" tabled in the House last Thursday. At page 3 it is stated that these are energy-related targets. These days it is always a target, a policy, an initiative or a strategy. The study reads, at page 3:

> The major energy-related targets adopted by the government of Canada are . . . to reduce Canadian net dependence on imported oil in 1985 to one-third of our total oil demands.

That will never be achieved under the present initiatives. It goes on to read:

> —to double, at a minimum, exploration and development in the frontier areas of Canada over the next three years—

This goes back to 1976 when the study was published. It goes on to read:

> —under acceptable social and environmental conditions.

What is happening? The other study tabled last week shows that if Canada is even to attempt to be self-sufficient in oil and gas, and I refer to page 4 of the study entitled "Oil and Natural Gas Resources of Canada, 1976" which reads:

> The bulk of the hydrocarbon potential (mainly gas) lies in the three frontier regions, the Mackenzie Delta-Beaufort Sea, Arctic Islands and Labrador Shelf regions which are expensive and difficult to explore.

The other two areas where we have a chance to be self-sufficient are in heavy oils and in the tar sands, both of which will

be very expensive to develop. I attempted to ask a question yesterday about what the minister is doing to expedite frontier exploration. It is stated in the energy strategy study that he will double it over the next three years, but two years have already gone by and we find that not only has the exploration not doubled but it has been decreased by in excess of 50 per cent. In the Arctic Islands the number of oil wells drilled plummetted to 12 last year from the 1973 and 1974 high figures of 23 each year, and the forecast is that there will be a 50 per cent drop in 1977 from last year. In the Mackenzie Delta there is a dramatic drop of 70 per cent from the 1973 peak season of 60 wells, and this year there will be much the same number as in 1976. In other words, the rate has not doubled since the statement was made; it has declined in excess of 50 per cent. Why is that? I will not give you my own opinion as to why. I will give you the opinion from *Oil Week* in their issue of February 28, a knowledgeable magazine of the industry:

> The decline in exploration in the northern frontiers is due to two reasons. In the southern basin, established transportation facilities, good potential . . . have caused exploration companies to redirect this money to the more favourable areas, and secondly, government waffling, fence-sitting, inaction and indecision on pipelines and land regulations has led to the conclusion that eventual cash flow from Arctic regions may be small.

As the Minister of Energy, Mines and Resources has been waffling, sitting on the fence, not acting and indecisive on these questions, we would like some answers from him. Six years ago the oil and gas regulations then in effect were removed and the whole subject was opened up for further exploration. I believe it was on April 27, 1976, that the energy strategy for Canada was made public. It was on May 19, 1976, that the proposed petroleum and natural gas act and the proposed Canadian oil and gas regulations were tabled by the minister, but we are still waiting for the legislation and the regulations to be made public and introduced into the House. That is despite the fact that in the study, "Energy Strategy for Canada", at page 38 it is stated that these regulations would be introduced that year. The following is stated:

> Federal legislation concerning Canadian oil and gas land regulations, to be introduced to parliament shortly—

It was practically a year ago that the document was published. Further on in the same document, at page 127, the following statement is made:

> —the legislation concerning Canadian oil and gas land regulations that will be presented to parliament this year and that will govern exploration and development activity in areas falling within federal jurisdiction, will impose only a nominal royalty and provide a substantial degree of flexibility.

They have not yet been introduced. Yesterday the minister said "soon", and in the committee last week he also said "soon". People who know something about this say that unless speculation is ended about the terms that will apply, there will be very little exploration in these frontier areas. The fall in exploration levels is not so much due to exploration results as to the result of government inaction. There is no foreseeable production time-frame. That is what has happened. Yesterday, when I attempted to ask a question about whether the government is going to provide an incentive so that these frontier areas can be explored more quickly in order to achieve the government's targets, the minister brushed off my question with what I described as a "smart-ass" answer. I made the mistake of using the word "smart".

● (1620)

The Assistant Deputy Chairman: Order, please. The Chair does not think that is parliamentary language.

Mr. Crosbie: If the Chairman considers those words to be unparliamentary, I withdraw them. In any event, it was a Smart Alec answer which had nothing to do with what I was asking. If I wanted to ask about the oil and gas regulations of the government of Newfoundland, I would ask the government of Newfoundland; I would not ask the federal Minister of Energy, Mines and Resources. We are not here in this House for jokes and byplay—and it is not true to say that I have any connection with anything the government of Newfoundland is doing. I left there seven months ago. I am quite prepared to defend whatever that government did when I was there, but I do not even know what its proposed regime is with regard to these oil and gas regulations. They were set out in the last couple of months.

In any event, that is irrelevant. The minister is in a jurisdictional dispute with the government of Newfoundland as to who has control of these matters, but there is no jurisdictional dispute about frontier areas north of the 60th parallel. That is what I was asking about. The minister should get on with the job of seeing that every action necessary to develop the frontier areas is taken if it is his desire that we be self-sufficient.

Our energy future is grim indeed from the point of view of our being self-sufficient and from the point of view of costs; but all we have are these studies and some very tentative steps. What we need now is action. There have been enough studies. There has been enough ministerial mug-wumping. It is time for the minister to outline what he is going to do, how he is going to do it, what it is going to cost, and what the price of oil and gas will be. His studies show that even when oil and gas prices in Canada rise to the world level, that will not be enough to make new tar sands plants and new heavy oil plants economic, certainly not with the present royalty and taxation regime. What is the minister doing about that?

There is supposed to be a meeting of federal and provincial officials to try to settle the terms of the development of another tar sands project. When will there be a progress report on that? What is happening with regard to heavy oil? What is happening to oil prices? In his studies the minister says that within two to four years those prices will rise to the world level. They have to rise to the world level. The other day, in committee, the minister asked what the policy of the Progressive Conservative party is on that. If he does not already know, I will reassure him that our policy is that the prices for oil and gas have to rise to world level, but that in doing this over a period of time we have to keep prices in the United States as a major factor since we cannot allow our prices to climb higher than theirs for competitive reasons.

However, bearing that in mind, we have to go to world prices for oil and gas for conservation reasons and so that we can develop our frontier resources, our tar sands and our heavy oil. But what is the program for that? There is to be a meeting of ministers on April 6. What will be the minister's strategy there? What is holding up the legislation on oil and gas regulations? A year ago the government said the legislation would be introduced in parliament very shortly. What is happening? Nero fiddled while Rome burned, and the Minister of Energy, Mines and Resources is giggling, but all our gigawatt hours are being used up and our reserves are burning away.

The minister is not taking our questions seriously. Alberta, British Columbia and, now, even Saskatchewan have changed their revenue regimes. Saskatchewan says it is now going to change its regime to encourage more exploration and development because its past regimes have been too restrictive. That is how the industry has found them to be. What is the government of Canada doing to encourage more exploration in this area? I sometimes think that the minister must be a foreign agent. He should be listed as a lobbyist for East-Can. He keeps referring to East-Can in irrelevant references to the Labrador situation and the dispute with the Newfoundland government.

I have yet to see an oil or gas company which is satisfied with even the regulations proposed by the federal government, much less the regulations of the other government. However, there is no doubt—and experience shows—that if we are going to get under way development in the frontier regions and on the Arctic Islands, and if we are going to do very much with regard to tar sands and heavy oil, there has to be a considerable number of government initiatives.

When the minister speaks I would like him to touch on these energy strategies. They pay lip service to the development of hydro power and renewable energy resources, but lip service only. Each of these documents has the same kind of thing to say about hydro energy and about how it must be encouraged, yet the government of Canada has gone backward in the last six or eight years by not encouraging the development of hydro resources in Canada. I am not just referring to Labrador, although in Labrador alone, if our hydro resources were developed and if they were used in Newfoundland and Canada generally, there would be a tremendous saving: there would be 44.3 million barrels of electricity generating oil saved if Gull Island, Muskrat Falls, the Eagle and several other rivers were developed, and another 38 million barrels of oil would be saved if the hydro potential of five rivers running from Labrador through Quebec to the gulf were developed.

I am not talking just about Labrador. Hydro energy can be found in many remote locations, but it is expensive. There are many other areas throughout Canada where hydro can still be developed, although they are remote northern areas. That potential can be found in the Yukon and in British Columbia. In northwestern Ontario there are rivers which flow to James Bay and to Hudson Bay. There is the Mackenzie River, and rivers running to Ungava Bay. There is the Great Bear River near Norman Wells, the Rat River near the Mackenzie Delta, the Liard River, the Yukon River in the Yukon and in northern British Columbia, and so forth. There are other potential sites in British Columbia. Hydro sites are not just to be found in Labrador, but the hydro potential which is available is remote and expensive and it will not be developed unless the government of Canada is forthcoming with a more generous policy of financial assistance.

Six or seven years ago, in Manitoba, the policy was that the government would lend 100 per cent of the cost of transmission lines from the Nelson River development, but the policy today is to lend a provincial utility engaged in a project involving interregional or interprovincial connections 50 per cent of the money at Crown corporation interest rates. The policy has gone backwards, even though the need is now much greater. The policy of helping nuclear developments is much more generous. The policy is to provide a 50 per cent loan for the first plant in a province, but the government is heavily subsidizing heavy water, Atomic Energy of Canada Limited and the development of nuclear energy in every direction. Meanwhile, hydro energy, which is renewable, clean and which has no dangers associated with it, receives this half-hearted federal support which is nothing but lip service.

What is the matter with the Department of Energy, Mines and Resources? Is the minister blind to the use and the virtues of hydro development? Has it something to do with the fact that the only river he is familiar with is the Humber River which flows through Toronto? Why cannot a real policy of hydro development be initiated by the government of Canada?

In reply to a question asked yesterday by the hon. member for Central Nova, the minister said that he is taking a new initiative with the province of Newfoundland for Labrador. If that is so, it is a very low-key initiative. There have been no substantive new offers from the federal government with regard to hydroelectric development in Newfoundland for Gull Island. There should be. It is criminal that development is not under way there now, but as yet there has not been developed—and there should be—a general hydro assistance policy with much more generous terms than the present one. If Canada is going to get anywhere, we need a new hydro assistance policy.

Lip service has also been paid to the matter of energy conservation. All the strategies and documents suggest that the government hopes to reduce growth to 3.5 per cent per year. As long as politics intervene there is no chance of that, because any genuine conservation assistance will go only to certain selected provinces, depending on what governments those provinces have and depending upon political factors, but not on reason or logic at all.

● (1630)

There are a lot of questions that should be asked in this area and I suggest to the minister that he should deal with some of the major issues today. The documents he has tabled are a major indictment of his inaction. The ordinary people do not understand what they are going to be hit with in the next five to ten years or that what they are going to pay for energy will

be stupendous. They do not even know whether their needs can be met. They will not be met if we drift along as we are drifting today and if when questions are asked in this House they are not treated seriously but used as a means to score political points. The minister's energy program requires action. It requires movement in order to meet these problems. I want to end with a short poem, Mr. Speaker.

While energy costs climb and supplies dwindle
Mr. Gillespie engages in the energy swindle
The impression he hopes—

The Assistant Deputy Chairman: Order, please. The hon. member's time has expired.

Mr. Crosbie: Just two lines, Mr. Chairman.

The impression he hopes is that Canada wins—

The Assistant Deputy Chairman: Order, please. When hon. members refer to any member of the House it must be by riding, or as "the hon. minister."

Mr. Crosbie:

While energy costs climb and supplies dwindle,
The minister engages in the energy swindle,
The impression he hopes is that Canada wins,
But he answers our questions with inane grins.

Mr. Gillespie: Mr. Chairman, I should like to make a few general remarks by way of introduction and then permit members to put specific questions. I think all hon. members have been entertained by the rhetoric of the hon. member opposite. When I made the charge yesterday that he was the author of the Newfoundland regulations, I did not realize that I had hit home so accurately. I can place no other interpretation upon the very substantial part of his remarks this evening which have been directed to defence of the position of Newfoundland and the freedom of Newfoundland to impose its own set of regulations regardless of the price to Newfoundland and regardless of the price to Canadians.

That was the most disappointing part of his remarks. Newfoundland is often regarded—and I think is probably claimed by the hon. member—as one of the poorer regions of the country. It is also a province that has on its offshore some of the richest potential oil and natural gas resources in the country. Six wells have been drilled in some of the toughest water anywhere in the world, and indications of petroleum and natural gas have been found in three of those six wells. That must be regarded as unique in this country and in the northern regions of the offshore. It is very encouraging, and any oilman will endorse that. It is also a fact that drilling in this area has only a three-month season because the icebergs move down and the rigs have to move off. It is dangerous to the drillers and dangerous environmentally, to extend the season. It is also in deep water.

Mr. Baldwin: Like you are.

Mr. Gillespie: In other words, the cost of drilling is probably higher there than almost anywhere in the country, perhaps almost anywhere else in the world. It is also likely to be the most high-cost energy to move to shore once it is found in commercial quantities. That is why the régime in respect of the regulations is so important. That is why the East-Can consortium, which has already invested $100 million in the prospects of this region, has said it is not prepared to go ahead unless they receive assurance from the Newfoundland government—

An hon. Member: That is not true.

Mr. Gillespie: The hon. member says that is not true. I will leave it to him to state his proof. I think the burden of proof is on him.

Mr. Bawden: Tell us about the things you are in charge of.

Mr. Gillespie: I am concerned about the future oil and gas situation, the energy situation in Canada. I think we must take every opportunity to explore where we can, to locate where we can the resources we are going to need in the future. Quite clearly, the frontier is going to be important. The arrogant attitude the hon. member displayed this afternoon is not going to encourage the oil industry to pursue the kind of activity needed in this country. It will be a loss to Canada and Canadians, and very particularly to the people of Newfoundland and Labrador. It will delay the time when we will become self-sufficient. I ask the hon. member to reconsider what can only be called a very defensive and transparent argument in support of his actions and the actions of the government of which he was previously a member.

The hon. member also referred to frontier exploration in other frontiers of Canada and indicated that we were not going to meet the target which our energy strategy set out as double-exploration on the offshore in the next three years. He suggested we only had one year to go. I am not surprised that he might drop a year. What is a 33 per cent error for someone who can make the wild statement he made this evening? The fact of the matter is that one year has gone by and there are two to go. It is also a fact that one of the reasons the industry is standing back at present is that a decision has not been taken on a pipeline by the federal government which would bring the natural gas resources of the Mackenzie Valley to Canada. The hon. member quoted from "Oil Week" and said the minister is waffling on the pipeline decision; I think that was his phrase, that the minister, and perhaps the government as well, are fence-sitting on the pipeline decision. I can only assume the hon. member has made up his mind with respect to the pipeline and has decided it should be built. I can only assume he would tell us which pipeline he would support.

Mr. Crosbie: Mr. Chairman, I rise a point of order. The hon. minister has misquoted me. I referred to a decision on pipelines and land regulations.

Mr. Gillespie: The hon. member has clarified his position. He mentioned pipelines and he has confirmed that part, but he has added "land regulations". I will deal with that in later remarks. Let it be clear that he was saying to us that the

government has been waffling on a pipeline decision. I should not think it necessary to tell him that the National Energy Board was created by an act of this House for purposes of examining the public interest and determining whether a certificate should issue with respect to public convenience and necessity.

That act was introduced in the 1950s by the government of the right hon. member for Prince Albert. Through that act the National Energy Board was given authority to examine the merits of various pipeline proposals. The hon. member suggests that we should have ignored all that and should have made up our minds in any event; that we should not have waited for the facts. I think that is more than arrogant; I think it is just plain irresponsible.

● (1640)

Mr. Oberle: That is not what he said.

Mr. Gillespie: I challenge him, if he has already made up his mind, to tell us what his decision would have been in these circumstances. I think he should be prepared to back up his charge by following through. Perhaps other members of his party share this view, although I doubt it. He seems to have ignored the fact that the Berger commission was created to examine the social and environmental impact of a pipeline in the Mackenzie Valley. He criticized the government for not having taken a decision at this time. He ought to know that we will not take any decision until the Berger commission report has been tabled, until there has been public discussion, and until we receive the report of the National Energy Board. How else can I possibly interpret his remarks when he says that the government has been waffling on the pipeline?

Mr. Oberle: No, you are twisting; you are stretching.

Mr. Gillespie: As I said, I think the hon. member was more interested in rhetoric, in covering up his own inadequacies, his own decisions of perhaps one year ago, than he was in seeking a real explanation for certain important strategic decisions which have been taken by people in this country. There are other reasons why the exploration in the north, when measured in feet drilled this year, has not been as extensive this past year as it has been in other years. One of those reasons is that the new drilling is largely taking place offshore and is, therefore, very much more expensive. It is much more expensive to drill a well some miles offshore.

I hope hon. members remember the decision the government took one year ago with respect to deep Beaufort Sea drilling. I think hon. members know that it costs in the order of $30 million to drill such a well. It is much more costly to drill wells at sea than it is to drill a well in the shallow gas fields of southern Saskatchewan or Alberta.

The hon. member referred to the oil and gas regulations and asked if I could clarify when the government would place those oil and gas regulations before the House. He would be one of the first to argue that it is important, since the field is technical, since regulations could affect the decisions of the industry and will be considered by the House, that there should be consultation with the industry as to the impact of those regulations.

One year ago we submitted a proposal with respect to the principle of the new regulations, and since then there have been large numbers of discussions between my department and the industry and myself and the industry. The hon. member also recognizes that such regulations are technically difficult to draft and that they must be drafted with great care and skill.

Mr. Bawden: And how many more years will they take?

Mr. Gillespie: Mr. Chairman, this process has been going on. I hope it is close to final conclusion. I can tell the committee that the legislation dealing with the new land regime and tax regime is being considered by the Department of Justice. I hope to present it to the House shortly. Lastly, the hon. member referred to Gull Island.

The Assistant Deputy Chairman: Order, please. I see the hon. member for Calgary South rising. Does he wish to raise a question of privilege.

Mr. Bawden: No, Mr. Chairman. I wonder if the minister would permit a question?

Mr. Gillespie: Mr. Chairman, the hon. member will have plenty of time to ask his question when I have concluded my general comments in reply to the questions raised by the hon. member for St. John's West. The hon. member for St. John's West referred to the Gull Island development and its potential. He knows perfectly well that I regard that development, as he does, as most important to Newfoundland and Labrador, indeed to all Canada. I think it is likely to be most important to people in the maritimes. He ought to know that initiatives I have taken are moving forward significantly. I hope he will be prepared to admit that I cannot say more at present because I am awaiting a response from the Premier of Newfoundland. I called the premier some weeks ago and told him of the proposal which would, in effect, not only resurrect the discussion with respect to the transmission system from the lower Churchill to Newfoundland but provide, also, a basis upon which the federal government could discuss with him a financing arrangement involving, possibly, equity financing of the generation facility itself.

The premier responded positively, and I think has indicated publicly his interest in pursuing this question. The ball is now in Newfoundland's court; we are awaiting an update on the engineering study and the cost study to allow us to pursue that particular project in an intelligent and informed way. We will not advance the cause of Gull Island with the wild sort of statements which the hon. member opposite has been making.

Let me make another comment. The hon. member seemed to imply that we were much more generous in supporting the financing of new nuclear facilities than in supporting the financing of transmission systems and hydro systems. I remind him that the offer to Newfoundland with respect to transmis-

sion systems is still on the table. The amount of $343 million offered with respect to transmission lines compares favourably with the assistance we have offered New Brunswick for the Point Lepreau nuclear station. When you consider that we are prepared to discuss financing arrangements for generation as well as transmission, you can see that the federal government's offer with respect to that significant hydro facility is greater than any outstanding offer made with respect to any nuclear facility.

I think, in general, those remarks cover what the hon. member said in his introductory statement. I regret that it was not a more constructive statement, although I compliment him on one point: he said his party has now adopted a policy position, which has been a long time coming forward. At least it has adopted a policy position with respect to the pricing of oil. He suggested this afternoon that his party now supports the government's policy of moving oil prices up to the world price. I congratulate him on that, because he should take some of the credit. The Conservative party had not made a policy statement before he joined it. Now, a short time after joining the ranks of those hon. members in this House, he has been able to secure such a policy statement.

Perhaps he will be able to persuade his colleagues to recognize the importance of Petro-Canada. The hon. member comes from the east coast and should recognize the important role Petro-Canada plays in the development of east coast resources. Surely he will be among the first to recognize the potential benefit of Petro-Canada. I regret that he did not mention Petro-Canada when he spoke. There may be some reason for the omission. Perhaps his colleagues recognize his sympathies for Petro-Canada and have sworn him to secrecy. I suggest to the hon. member that if he keeps working away in this manner he may influence the Conservative party to take yet another positive position.

● (1650)

Mr. Hogan: Mr. Chairman, the estimates of the Department of Regional Economic Expension for this year, like the last two years, scarcely keep up with the inflation factor in this country. In my opinion, the Department of Regional Economic Expansion is largely a failure in terms of its stated goal to eliminate the disparity in income gaps as between the Atlantic provinces and central Canada or the Canadian average income. So much of the DREE funds each year, including this year, are allocated to the provinces of Quebec and Ontario that DREE has become a sort of farce in so far as closing the income gap between the Atlantic region and central Canada is concerned.

DREE in the modern period had its genesis with the study that was done by Walter Gordon in 1957 in which he advocated for the Atlantic provinces that a capital projects commission be established. This was shortly to be followed by the Atlantic Development Board which consisted largely of infrastructure expenditures in the Atlantic provinces in the nature of power and highways. It was supposed to come up with a plan for development of the Atlantic provinces that would gradually, over a period of years, close the interim gap that is so old and so consistent within Canadian confederation. The Atlantic Development Board folded before it came up with a plan. It was rapidly followed by another alphabetical agency, the Area Development Agency. It, too, folded after a few years.

In 1969 we got the Department of Regional Economic Expansion. The Department of Regional Economic Expansion has followed a policy of developing the larger or metropolitan areas of Atlantic provinces, practically ignoring the smaller ones. There are gaps between the regions within a province; for example, between metropolitan Saint John, New Brunswick, and northern New Brunswick, between St. John's, Newfoundland, and all the outer regions of Newfoundland, between Charlottetown and the rest of the province of Prince Edward Island, and between the Halifax-Dartmouth area and the rest of the province of Nova Scotia.

What we have is a policy that is based upon the notion that where there is already a government apparatus in the form of an existing government, for example in Nova Scotia which is highly supplemented by the defence sector, the policy is to push large funds in infrastructure into these areas while at the same time allowing the outer areas to go down relative to these central areas. The result is that only recently, with the advent of the Anti-Inflation Board and the cutting down of federal expenditures in areas such as Halifax-Dartmouth, has the gap been somewhat closed between the Atlantic provinces and the central Canadian average. However, this was at the cost of the outer areas. What DREE has done is look after three-quarters of a million of the people in the Atlantic provinces while completely neglecting the other 1¼ million who live there. I suggest that this is a stupid policy.

If I were a Liberal member from the Atlantic provinces I would ask the cabinet to reconsider whether what they are doing in the Department of Regional Economic Expansion is largely a waste of time except for image building. They can say they have a Department of Regional Economic Expansion. When Premier Regan took over in the province of Nova Scotia, rather than completely throwing out the voluntary economic planning board that had been set up by a previous Conservative government, he left it in order to show that they had the image of a planning power. Something much more decisive is needed. I do not have time to go into detail. However, in my opinion one of the great failures of DREE as far as the Atlantic provinces are concerned is related to the general fiscal and monetary policies that have been followed by this government in recent years, especially the so-called Trudeau years.

Today there is a pessimistic feeling that we can never really get back to full employment in this country. Why? It is because of the monetary and fiscal policies that have been followed for so long. We have a classic example of that now with over one million Canadians unemployed. If you include the hidden unemployed, it would be no exaggeration to say that there are between 1,300,000 and 1,500,000. All of this has been done in order to control inflation. At the same time, we have had tight control over the private sector by means of the

Anti-Inflation Board. In my opinion, there was no need for it. A correction was probably needed to balance off the public sector wages in the past five or eight years against the private sector. Rather than the government facing up to that responsibility—and this includes not only the federal government but provincial and municipal governments—they let the whole situation get out of line.

The failure of DREE is closely related to the failure of national policies. We will never get a successful Department of Regional Economic Expansion and a closing of the income gap between the Atlantic provinces and other poorer regions of Canada and the other regions that are well off until there is co-ordination between the fiscal and monetary macroeconomic policies and the policies co-ordinated with new development organizations at a regional level.

As I have pointed out, there are many today who are saying that we can never get back to full employment. With the proper policies we can get back to it within three or four years. There is a pessimistic feeling that we can never really get back to a full employment economy. I propose in this speech to show that it can, and must, be done in order to keep confederation going.

We are worried, now, about the cultural climate of Quebec because of the victory of the Parti Québécois which is connected with separatism. We know there are linguistic and cultural roots. The feeling of separatism and the kindling of that feeling in Quebec is largely tied to the fact that their economic resources have not been used well. Many of their people, both young and old, who should be working are not working. According to Statistics Canada, there is 10 per cent unemployment in that province, but in reality it is closer to 13 per cent. That, in itself, is enough to kindle the separatist feeling. All this has happened under a man well-intentioned in his bilingual policy, although it has been badly implemented, but who has completely neglected to manage our economy so well that these forces in Quebec could be squelched. I feel, coming from the Atlantic region, complete affinity for these people as far as this economic insecurity and this feeling of economic inferiority is concerned, because really what the government has failed to do in managing its over-all policy is to allow Quebec, the Atlantic regions and northern Ontario, and so on, to suffer in order that the large metropolitan areas would improve.

● (1700)

It is true that most people in this country live in the large metropolitan areas, and it is true that the government—and this bothers me very much—has a policy for the future based upon a policy that has been shown in the United States to be stupid, to build very large—huge—cities so that you never contain, for example, a population of the size of Toronto; you just let it go on and on, because you let market forces keep intervening because you cannot take the steps to halt them as a government; and provincial governments seem to agree. It is the same in Montreal, the same in Vancouver. So we are content to say, as Canadians, that within the next 20 or 25 years, three-quarters of our people will live in four or five cities.

No wonder there is a feeling of alienation. No wonder there is a feeling of separatism outside these areas, when most of the government's thinking is done this way and when you have a kind of a bone thrown to the dog in terms of something called DREE that does nothing except add to that type of thing by just improving the large metropolitan areas of the Atlantic region.

Again, if you look at the statistics, Mr. Chairman, you will find that outside Halifax and Dartmouth in Nova Scotia, outside Saint John and Fredericton in New Brunswick, outside St. John's in Newfoundland, outside Charlottetown in Prince Edward Island, the rest of the people in the Atlantic region get only 50 per cent—between 50 per cent and 55 per cent—of the average income of Canadians who live in the other metropolitan areas I have mentioned, especially here in central Canada, in Ontario, Alberta and British Columbia. I submit this is a disgrace and that we need policies of a national nature that will make regional organizations such as DREE meaningful only when they are co-ordinated so that they will have some kind of meaning for these outlying areas. Until this is done, until we get these policies, until we get a recommitment for full employment, there is no hope that what I am asking for will take place. In other words, we need the pursuit of equity in this country through guaranteed employment.

Everybody in Canada, left, right and centre, would probably say they are in favour of an equitable society. The difference arises as to what exactly is meant by equity and the divergent evaluation of the costs and benefits in conflicting ways of achieving equity. Since in our democratic country society's idea of fair distribution of economic resources depends upon bringing together our various individual ideas of equity, the first problem is to determine how each of us would specify an equitable society. Only then can we move on to determining and implementing our collective wisdom.

To aid in this process I invite hon. members to perform the following experiment called, in psychology, the Gedanken experiment. Imagine that all economic resources were to be awarded in a random lottery where none of us would know whether we were to gain the largest or the smallest prize. If this were the case, what distribution of prizes would we like our lottery to make? While we might agree on the amount of inequality we would be willing to generate, most of us would not advocate great inequalities, and all of us would be in favour of some minimum prize—our survival would depend on it. Those advocating inequality must prove that any decrease in inequality would reduce the size or rate of growth of the economic pie that is available for distribution.

Given this burden of proof, what does the evidence show? Fortunately, this is one of the few cases where in North America all the empirical evidence points in the same direction. Surveys of work behaviour, econometric studies of work decisions and negative income tax experiments all suggest that current inequalities are much larger than those necessary to produce and expand the gross national product. The tax

system, positive and negative, could be made more progressive and, if anything, work efforts would increase rather than diminish.

Just how thorough is the inequality in the distribution of the national economic pie? In 1965, as far as family units were concerned, the bottom 20 per cent were getting 4.4 per cent of that pie while the top 20 per cent were getting 41.4 per cent. The family unit is defined here as including both families and unattached individuals. In 1974, the bottom 20 per cent were getting 4 per cent of the national pie and the top 20 per cent were getting 42.5 per cent. The sad part of the matter is that both in Canada and the United States the relative position of these groups has been the same since 1957, despite all the individual components which go to make up the welfare state in a mixed capitalistic system.

When you look at families, and that includes the unattached individual, you find that in 1965 the bottom 20 per cent were getting 6.2 per cent of the pie and the top 20 per cent were getting 39 per cent. In 1974 it was 6.3 per cent for the bottom 20 per cent and 38.8 per cent for the top 20 per cent. In 1974, there were 5.5 million families in Canada. We dismiss this fact and try to hide behind the statistics. But they are Canadian citizens and families.

● (1710)

There were, in 1974, 93,500 families who received less than $3,000 a year in this country. There are some, of course, who are quick to point out that these statistics need to be qualified. For example, it is pointed out that the lowest income group, who get such a miserable morsel of our economic pie, are not a permanent group but change from generation to generation. In the economists' parlance, they are a flow and not a stock. This argument seems to me to take nothing away from the argument that the lowest 20 per cent, so heavily made up of senior citizens and women who are heads of households, are suffering very badly under our economic system.

The Chairman: Order, please. I have to inform the hon. member that his allotted time has expired. The hon. member for Madawaska-Victoria.

[*Translation*]

Mr. Corbin: Mr. Chairman, I will speak briefly, but I did not want to miss the opportunity of mentioning that I agree with a number of things stated by the hon. member for Cape Breton-East Richmond (Mr. Hogan) this afternoon when he referred among others to the effects of our DREE program. His comments were particularly relevant when he said that since the establishment of the Department of Regional Economic Expansion some really serious inequalities have appeared within regions and I entirely agree with his statements. He is absolutely right and it is a matter which concerns me also very much but I feel that he has failed to point out the role or responsibility of provincial governments in the development of a policy to deal squarely with regional inequalities. I think in all fairness that we must recognize and respect provincial jurisdictions. I would have preferred that the hon. member speak in a non-partisan way. The question is not whether Nova Scotia's provincial administration is Liberal or not, or whether New Brunswick's is Progressive Conservative or not. The basic question is far too serious to stop at partisan considerations. Be that as it may, it is apparent that since the Department of Regional Economic Expansion was established by Parliament in July 1969, disparities have been getting worse in New Brunswick, between the richer areas in the south, including the cities of St. John, Moncton and Fredericton for instance, and the northern areas including to all practical purposes the rest of the province. The average income of people in the northern part of the province has been on a constant decline relative to people in the south. This is why I am very much concerned, as is the hon. member for Cape Breton-East Richmond (Mr. Hogan). Certainly he can speak with much eloquence and conviction for his province of Nova Scotia, and I commend him for that. But I feel we must not enter into partisan considerations.

This leads me to suggest it is more urgent than ever that provincial governments in the Atlantic area and the national government here in Ottawa, and especially the Minister of Regional Economic Expansion (Mr. Lessard) sit down and develop together a plan to tackle regional disparities effectively and efficiently, taking into account the needs of all parts of the area, and putting and end once and for all to the injection of millions and hundreds of millions of dollars into the already thriving centres he referred to, as Halifax, St. John, N.B., St. John's, and Charlottetown. This is urgently needed. I have been urging this for a long time. I do it now publicly in this House. I do not mind stating I have already urged this a number of times in writing. I called attention to this problem a number of times during meetings in my province, in my constituency, in the House of Commons standing committees. But people have always been turning a deaf ear. I gladly recognize that I am not the only one to share these views.

[*English*]

Mr. Hogan: Mr. Chairman, may I ask the hon. member a question?

The Chairman: The hon. member for Cape Breton-East Richmond, for the purpose of asking a question.

Mr. Hogan: Mr. Chairman, in no way was my speech a partisan speech except in passing.

[*Translation*]

Mr. Corbin: It is possible, Mr. Speaker, that my colleague from the Maritimes misunderstood my meaning. I certainly do not wish to accuse him of partisanship. I could perhaps clarify my meaning by saying more precisely that I have mentioned this as an obstacle to avoid and not as an actual fact. I wish we could stretch out our hands in friendship across this aisle and work together for the full economic development of the Atlantic region. I do not know his region well, just as I suspect he does not know mine very well but I think it could be possible to transfer the problems of his area to mine even though there are great differences between both. We do not have his coal mines,

his steel mills but we do have other problems with regards to forest industry, agriculture and means of communication. But the basic point is that we understand each other. We talk of the inherent wish of the people living in these areas to work together, to see their two levels of government and even their three levels of government—if we include the municipalities—work together without partisanship to solve these problems.

In New Brunswick, either the required skills are lacking or people work with blinders, but it is an unmistakable fact that since DREE was created the Northumberland-Miramichi area, the northwestern region including Madawaska-Victoria and another area in the south of the province have not, for all practical purposes, derived any benefits from the hundreds of millions of dollars made available to the province, because those amounts were spent on urban centres whose situation was not that bad after all.

And when in the House we want to voice all kinds of reservations regarding bills or amendments to the Unemployment Insurance Act, we sometimes get the feeling that we are just speaking in a vacuum, that our colleagues from other parts of Canada do not or simply will not understand what we are speaking about.

As long as people in the Atlantic region are denied other means of earning a decent living without having to expatriate themselves, social assistance programs, such as the unemployment insurance plan, will have to be kept in place until governments actually get together and bring about in Canada the industrial development required to adequately meet people's claims for jobs and a decent living.

That is all I will say for today. I think the basic arguments have been made and forcefully so. I simply wish to echo these comments and I hope we can work together towards the solution of this problem.

● (1720)

[*English*]

Mr. Oberle: Mr. Chairman, may I take this opportunity in the time allotted to me to return to the energy situation. I wish to express to the minister our appreciation for accommodating members on this side of the House by being here and having his officials present to listen to our side of the story and possibly answer what we think are some very pressing questions. I intend to indulge in a short discussion this afternoon which will add an entirely new dimension to the energy question, new at least to the minister and his department though certainly not new to those of us who have always been looking at energy policies which are designed for the future, having looked back to the past and evaluated what has been happening in the field of energy production and consumption.

I look on the government and this particular department as a group of crisis managers. I call them crisis reactors. "An Energy Strategy for Canada" was, of course, the result of the energy crisis of 1973, when we woke up one morning and found that our fossil energy reserves were not at all what the government and most of us, including industry, had perceived them to be. It is obvious to me, as it is to most people, that the need is for a long-term energy policy. By that I mean that we have to plan 25 years ahead. In order to do that, we must also look back 25 years to get a realistic picture not only of where we will stand 25 years hence but what type of energy we will be using at that time, and beyond, and the price we will be paying for that commodity.

In order to put that picture into focus, Mr. Chairman, one would have to take account of the total global community. I would be naive in the extreme to think that over that period of time Canada could plan its own energy strategy in total isolation and be able jealously to guard its reserve in isolation. One would have to take into account the present rate of growth in the world. There are presently four billion people in the global community; 25 years from now or by the turn of the next century there will be roughly 6.5 billion people.

It is only reasonable to assume that all these people will have achieved a much better standard of living, much closer to that of our own, and that to achieve any kind of breakthrough in the development of the third world and improve the standard of living in some of the underdeveloped countries massive amounts of energy will be required. It seems that the kind of lifestyle which we enjoy depends on gadgetry and the energy required for same. Canadians today are second only to the United States in the consumption of energy. Each family in Canada consumes roughly 55 barrels of oil every year. In projecting 25 years ahead we must take account of the fact that over the past 25 years consumption of energy by Canadians has tripled. Oil and gas 25 years ago met one-quarter of our total energy needs. Today they fill two-thirds of our requirements.

One of the first stages of a long-term energy policy would have to be a policy of conservation. I compliment the minister and his officials for at least recognizing that terminology. I am not at all enthusiastic about the early signs of his conservation policy. I do not believe that these primitivists in our society today are really serious when it comes to turning off the lights and turning down the thermostat. They let their hair grow and say that we have to return to a more primitive lifestyle, but if they were really put to the test I do not think they would be serious.

Furthermore, I do not think we would be as aggressive as the minister likes to tell us to be in turning off our lights at home and turning down our thermostats. Domestic requirements for energy are not really all that great. What we need to be doing, and what the essence of a conservation policy must be, is that our industries and our cities have to learn to convert some of the industrial and solid wastes. It is estimated by the minister's officials that every year we are wasting roughly as much energy as we consume. If trends which have been set over the past 25 years continue, and there is no reason to believe they will not—the trends I am talking about are the increase in our population and our treatment of energy reserves—25 years from now we will be consuming four times as much energy as we do today.

I think that puts into focus the kind of picture I am hoping to portray, namely, that in terms of the global community—

our own energy requirements and the requirements of North America 25 years from now—it should be quite obvious to anyone, and it is no great challenge to the imagination, to come to the conclusion that this globe and its fossil reserves will not be sustaining the demand on its inventory past the year 2000.

The obvious questions are: Where will we go, and what will we do? This government will likely wait until the crisis becomes real and more people indulge in deeper examination of the whole question. Then we will react to a crisis situation and implement all kinds of programs which not only will be very costly in human terms but in most cases will be irreversible in terms of the environmental and ecological penalties which we will have to pay.

I have a 14 year-old son, Mr. Chairman, who the other day wrote an essay in school. I suppose he got his information from an encyclopedia that one could go to, but the theme of his essay was that the sun, solar energy, would likely be the answer. As I say, he is only 14 years old and he says this in his essay, which I think is quite a compliment to him:

> The most colossal dynamo of all is the sun, an unimaginably vast source of power which directly or indirectly affects everything on earth. If all the world's fuels were gathered in one place and burned at a rate to match the sun, they would be consumed in four days.
>
> Although the sun is overcoming a distance of 93 million miles, if trapped, would be enough power to sufficiently supply the earth for over a year, in only two minutes! Considering the amount of energy available from the sun, man has been surprisingly unsuccessful in obtaining it.

What I am getting at, Mr. Chairman, is that this government has done nothing at all, or very little, to look ahead and examine some of the options that we will have to consider in the year 2000 and beyond.

● (1730)

A joint conference in which 13 countries took part was held in Winnipeg last year. The conference looked at solar energy in particular. Our scientists and officials attended. The American contribution to the conference was well founded and well documented, and their solar energy program was well planned. By the year 2000 they plan to draw from the sun 70 per cent of their needs. Over the next two years they have committed $260 million to solar energy development. If they were to make a firm commitment of the type they made to send a man to the moon, I say that in the next ten years there will be no energy shortage because between us we will have developed the technology to harness energy from the sea of energy in which we bathe every day.

One of our leading scientists at the conference showed a blank slide on the projection screen to portray the total amount of our research in the coming year in the field of solar energy. If we continue this approach to renewable resources, we will have to continue to rely on other countries, as we do in other fields of scientific endeavour, to produce the technology that is required to harness these new modes of energy. Also we will have to rely on these countries to produce the technology required to convert energy.

[Mr. Oberle.]

The conference concerned itself also with cost comparisons. We all know what it will cost to bring to market the conventional reserves on which we rely under this government's long range energy policy. In comparison with the cost of renewable resources, the cost of conventional reserves will skyrocket every year as we push farther back to the frontiers, to the Mackenzie Valley and the Beaufort Sea. It will cost more and more every year as we convert heavy oil and tar sands, and there will be a steady increase to our consumers as our prices reach the level of world prices. In contrast with that, the kind of technology that is now being developed to harness solar energy will cost the most at first, but as it is used and refined, and as we convert our homes to the use of this kind of energy, the price will drop. There are no penalties to pay in environmental or ecological terms for the use of the energy which nature provides for us, and there is no limit to that resource in terms of renewable energy reserves.

The minister's officials estimate that capital requirements for the remainder of the 1970's will be $40 billion to $68 billion. Of course this will have to be recovered with the marketing of our oil. If we close our borders to foreign countries, Canadians will have to pay back the $40 billion to $68 billion. The energy policy for Canada indicates the spread in these huge amounts. In the $40 billion component, if we were actually to achieve a conservation program, we would be using less energy in the next two years. Then in the $50 billion program we would use about equal amounts to those we have been using recently. In the $68 billion program we would build the Mackenzie Valley pipeline and several of the infrastructures which will be required to bring the frontier reserves to market.

I would like to hear the minister's response to my remarks when I conclude them. In view of the fact that he is such a proponent of Petro-Canada and of public involvement in the field of energy, I would like him to tell us whether he has asked his officials to estimate how much of the $68 billion will have to come from the public purse to be channeled into this field. Our forecasters estimate that from 1975 to 1990 we will have to come up with $31,000 per family to satisfy our energy requirements. Even solar energy is cheaper today. Surely solar energy, wind energy, and energy from the sea have been intended for man to use, but we have always taken the easy way out.

The minister made a critical comment about my colleague who said that the National Energy Board and the government are procrastinating in making decisions. Let me point out that it was a Tory government which had the first energy policy that ever existed. It was a Tory government which created the National Energy Board. It was Tory policy that established a two-price system—the first policy ever in existence in Canada so far as energy is concerned. It has allowed us to bring oil from the Middle East and Venezuela to our eastern shores, and has allowed us at the same time to harvest and develop our reserves in Canada and to protect our markets. The two-price system was certainly acceptable to eastern Canadians so long as the western price was higher than off-shore prices. But as

soon as these prices reached the same level, we soon found the means to equalize oil prices in Canada, and this government has learned to concern itself with energy matters.

Against the background of a long range energy policy, which takes into account that after the year 2,000 we can no longer rely on conventional reserves and will have to develop a new technology that will give us access to the renewable resources around us, we need to catalogue the remaining reserves we have. We need to know every cubic foot of gas and every barrel of oil that are in the ground, and how expensive it will be to market them. In the short term we must be very aggressive in defining our policies with regard to cataloguing our reserves. But then we must learn to plan the period of transition because it will take us 25 years to change our lifestyle and the economic and industrial strategies which we now have.

The most significant segment of our economy is related to the energy field, to the automotive industry, the gasoline marketing industry, and so on, and it will take at least 25 years to plan an orderly transition to allow different economic and demographic strategies to evolve. What is our government doing? It has not even recognized the fact that this kind of thing is necessary, never mind getting to work on it and doing something about it. When can we expect the minister to address himself to this very serious problem?

● (1740)

The problem is that all the policy announcements which come from the government are based on statistical information which is four or five years old; for example, the statistical information we have with regard to the government's intention to channel certain percentages of the available moneys to research. Phase one of "An Energy Policy for Canada" states that we intend to spend 70.6 per cent of our research dollars in the nuclear field and 13.4 per cent on coal. I assume that has to do with some type of coal-gasification or liquefaction for quicker conversion to energy. Oil and gas are to receive 10.6 per cent, and electrical 4.2 per cent. There will be 1 per cent spent on the tar sands, and the others will receive 1 per cent.

I see that my time has elapsed, Mr. Chairman, but I hope you will allow me to make a final comment. The initial priorities for energy research and development must be addressed to fossil fuels. These are the resources which Canada will rely upon to carry it through this century and into the age of nuclear fusion and other advanced technologies. If that is the case, what will we do when we need nuclear fusion and other advanced technology, and who will do the research, if not ourselves? Surely to God we cannot rely on Third World countries, and forever be parasites on the scientific community of the rest of the world.

Mr. Gillespie: Mr. Chairman, perhaps I can deal quickly with the remarks of the hon. member because I know that other hon. members are anxious to enter the debate, and some want to put questions.

I commend the hon. member for his emphasis on the need for Canadian policy makers to keep their eyes on the long term, the year 2000 and beyond. As the hon. member knows, we have a report which takes us up to 2020. It is that kind of time frame we will be looking at, and we will be publishing a summary of a report this summer dealing with some of the longer term implications for Canada of the energy supply demand and the opportunities in renewable energies and other forms of energy. Our membership in the IEA is very helpful because other countries are doing the same thing, and we benefit from their work, as they do from ours.

I also commend the hon. member for his emphasis on solar energy. That is clearly one of the most important long term energy sources for the world, and I consider it very important for Canada. That does not mean that in the short term it is going to replace our dependency on oil, foreign or otherwise, or on any fossil fuels for that matter but it can play an important part in our future, and I think that the greater the emphasis on looking at solar energy potential, the greater will be the emphasis on the part of the public on conservation attitudes. I think that renewable energy and conservation go hand in hand. They reinforce each other because they get people thinking. They are self reinforcing.

The hon. member asked a question about investment, and he used the figure of $68 billion. I am not just sure where he got that figure. I am dealing with "An Energy Strategy for Canada". I think he was looking at an earlier report, "An Energy Policy for Canada, Phase One", which was, interestingly enough, an analysis. It is properly described as an analysis as it came out just before the energy crisis itself. The energy crisis came a few months after it had been prepared and published, so that not surprisingly some of the figures in that report have now been superseded by events.

"An Energy Strategy for Canada", which was published last year, under "policies for self-reliance" on page 108 provides a fairly detailed schedule of the investments we estimate will be needed. This refers to capital requirements both in the private sector and in government in five-year time frames up to 1990, and there are two schedules. One deals with what is described as a high price scenario where conservation is likely to be more effective and the attitude toward conservation is likely to be more positive. Another deals with a low price scenario. Roughly one half of the capital expenditures in the high price scenario are expected to be for electric power. That would be for both generation and transmission. Clearly an overwhelming proportion of that would be federal and provincial government expenditure.

As I indicated earlier to the hon. member for St. John's West, there may be a need for federal government participation and assistance, particularly in areas like the maritimes and especially in Newfoundland, where the resources of Newfoundland will be needed for more than just Newfoundland—they will be needed for the maritime region as a whole—where the output of any one particular generating facility will be greater than the needs of the province in which it is located

and where the cost of that generation will be beyond the capacity of that province to finance.

On the question of renewable energy research and development, increasingly the government has been placing greater emphasis on the renewable side and the conservation side. In these main estimates there is a provision for an additional $10 million for energy research and development expenditures. The highest priority has been accorded to the renewable side, roughly doubling the investment in energy research and development over the previous year.

Mr. Oberle: How much for solar?

Mr. Gillespie: The next largest amount is for conservation. The hon. member asks specifically what the proportion for solar will be. I will have to find out that amount and give it to him in committee. Last year some 15 separate demonstration projects were funded across the country, but I will get the hon. member the figure on that.

The hon. member also referred to fusion. I am not sure Canada would benefit from fusion. I think we should take a very close look at the potential of our unique CANDU system. There is a strong possibility that a second generation CANDU, using thorium, for example, might well replace any need to consider fusion, which is still a long way off, and certainly any need to consider the fast breeder approach which some European countries are looking at and which the United States is still looking at.

However, the United States has scaled down the fast breeder approach in terms of its order of priority, according to the allocation of research funds this past year. I think we have in the CANDU a remarkable and unique national asset with an enormous potential, because I am told that the thorium cycle, for example, could be used in our existing reactors without any significant re-design of those reactors.

Mr. Martin: Mr. Chairman, I would like to probe one aspect of the energy question a little further with the minister before we move to the next topic, and that is the conservation aspect.

● (1750)

First I should like to take the opportunity to place on the record the extremely important contribution that parliamentarians can and hopefully will make to discussions on energy through the Standing Committee on National Resources and Public Works, which I have the honour and pleasure of chairing. I might say that the hon. member for St. John's West, who spoke this afternoon, has made a substantial contribution to the work of that committee since he joined it as a relatively new member of the House. We have also the distinguished hon. member for Nanaimo-Cowichan-The Islands, who has participated very actively over the last year or so as the representative of his party. There are also members on this side, such as the hon. member for Algoma, the hon. member for Wellington, and the vice-chairman, who is the hon. member for Renfrew North-Nipissing East, and others. It seems to me there is an excellent opportunity through the work of this committee for members on all sides of the House to discuss the vital issues which affect Canadians in the field of energy.

We sought and obtained very general terms of reference that relate to the entire energy strategy report tabled in this House last spring by the minister. We have held two or three meetings in connection with that report but have had to leave it in order to deal with the matter of the estimates. Meetings are planned for the months ahead, and I hope we will be able to formalize these and get into areas of real interest and concern to Canadians.

I will mention a few of these areas, Mr. Speaker. We hope, subject to discussion within the steering committee in the near future, to deal with the question of energy conservation which is probably the single most important area of our entire energy strategy. No matter what we do about future development, figures reported to us recently indicate that by the year 1990 world-wide we will be consuming as much oil in one year as the entire production of the North Sea area. It is extremely important that we bear this in mind.

People are concerned about whether we are actually facing energy shortages or not. Various figures are produced from time to time, but we have to deal with the information at hand, so at the present time it would seem to be the case that by 1990, unless conservation measures are brought in and made an important issue throughout the world, the world will be consuming something in the order of 27 billion barrels of oil. That is a little more than the entire discovery of the North Sea area over a 15-year period. In four months we will be consuming the entire production of the northern slope of Alaska, which is about 10 billion barrels. The problem is there, and our committee intends to deal with energy conservation in a very serious way.

We also want to deal with the subject of nuclear power. Hon. members opposite have raised questions about this recently. It has been suggested there should be special committees, but our committee can deal with it. It is clearly a matter of increasing concern to Canadians, so it is difficult to imagine that our committee would not look into it. It will not be possible to consider all aspects of nuclear power development in a matter of several weeks, but we will endeavour to select the most important issues in the field.

Another area the committee intends to explore is energy transmission systems. The committee had the opportunity to do considerable background work during last year in another general reference dealing with oil and gas supplies in frontier areas and related pipelines. In fact the committee had the unique opportunity of travelling to some of the frontier areas and observing first-hand the difficulties involved in trying to get energy out of some of these fields. There is nothing like going to the tar sands site to see the difference between mining oil, which is done at the tar sands, and obtaining it through drilling operations. The former method is heavily labour intensive and costly, and very different from that to which people have been accustomed.

We went into northern frontier areas such as Rea Point, which is in darkness for a good part of the year. From there crews move into remote areas of the island for 60 to 90 days at a time. They are completely self-sufficient when they go out to try to find new sources of energy.

We had an opportunity to view the Alyeska project in Alaska, and see some of the difficulties in the construction phase and its aftermath. The problems of bringing in new sources of energy are tremendous and far reaching, so the matter of conserving energy and reducing the demand for new resources is very, very important.

The hon. member for Prince George-Peace River asked questions about conservation a moment ago. He is a valued member of the committee, but unfortunately was unable to be present at a meeting on February 22 when an official from the department made a very substantial presentation of some of the plans the department has in the area of conservation.

The Chairman: Order, please. I regret to interrupt the hon. member. It being six o'clock I do now leave the chair until eight o'clock tonight.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

Mr. Martin: Mr. Chairman, I should like to conclude what I was saying about energy matters before the committee rose for supper. Since I understand there is general agreement to consider the Post Office this evening, perhaps I can address a question to the Postmaster General.

I wish to make two comments in connection with energy. First, I raise the general terms of reference the committee has been given to achieve its objectives. I suggest that at the outset it will be necessary for us to divide the energy problems of the country into long-term and short-term ones. This afternoon I was speaking of some of our longer-term problems. Although the committee will agree they are serious, I think it will be appreciated that this country and other countries will face a more immediate crunch, so to speak, around 1985 or 1990. Therefore it is important for the committee to address itself to the short-term aspects of Canada's energy difficulties.

I encourage hon. members to participate actively in the work of the committee, in work which will be done in accordance with its terms of reference. Those interested in the subject should make it a point to attend our meetings and participate fully in our deliberations. There will be ample opportunity to question expert witnesses, hold general discussions and, it is to be hoped, make field trips.

Since it has been agreed that we are to consider the Post Office, I wish to raise with the Postmaster General a matter I have raised several times previously in the House. I raised it in questions during the question period twice, in two consecutive years, and also more extensively in a supply debate one year ago. I refer to the possibility of having some quasi-independent agency undertake the Post Office operation. I hesitate to use the term Crown corporation in view of some of the difficulties some of us have recently encountered in connection with the operation of Crown corporations in one of our standing committees. All the same, I suggest that a strong argument could be made for a study of this alternative. Perhaps the proposal could even be referred to an appropriate standing committee for consideration and debate. I say this because it seems to me that a separate agency, perhaps organized as a corporate structure, could handle Canada's mail delivery and perhaps resolve some of the complex problems we presently face in the area of mail delivery.

• (2010)

I have used the analogy before; I use it once again. I refer to the manner in which the production and distribution of electricity have been handled in my province of Ontario over the past 50 or 60 years. Had that whole area been left in the hands of a department of the government of Ontario, in my view we would probably not only still have the problem of our lights blinking, but the quality of the service would not be near the high degree that most people in this province have come to accept today through the medium of Ontario Hydro.

This does not mean to say that the creation of an agency, a quasi-independent body, is going to offer any magic solution to the very serious problems that face the Postmaster General in endeavouring to give Canadians the kind of service they want. However, it might be a step in the right direction.

If authority and responsibility could be exercised appropriately within a corporate structure of some form, there would be one place in which management-employee problems could be sorted out, and in which new post office locations and equipment could be decided upon and bought. I understand these are all things which are handled by different departments at present, and by the time you come back to the Postmaster General his responsibility in the over-all operation tends to represent only one segment of that operation as most Canadians understand it.

For whatever reason, we have to accept the fact today that there is a general lack or gap in the satisfaction level of many Canadians regarding the efficacy of our mail service, yet we are facing rates that are 50 per cent higher than they were this time last year when we were debating the same issue. It has been my observation, and the observation of others, that very often mail to and from overseas points can be despatched and received in a more efficient way than mail to and from points within our own country.

I appreciate the types of problems being faced by the Postmaster General. I know he is attacking these in the competent manner he has displayed since being appointed to this position. I know he is confident he will be able to overcome many of the problems facing the Post Office at the present time. I would appreciate his comments as to whether, in his view, adequate consideration has been given to the

alternative of placing the entire responsibility for the mail operation outside the departmental structure as we know it within the public service and into, I hesitate to use the term, completely independent, but some sort of quasi-independent agency such as was discussed by his predecessor in office during this debate a year ago.

Mr. Blais: Mr. Chairman, first let me extend to the hon. member for Scarborough West my thanks for the kind remarks he has addressed to me. I trust he has set the tone for this evening's discourse and that I can expect from all sides of the House that sort of implied approval of the way the operation is being carried on.

I would also like to indicate to the hon. member that I listened with a considerable amount of interest this afternoon when he was discussing the question of our joint foray into the Mackenzie Valley in October, 1975, under a different responsibility. It was a tremendous experience in terms of Canada's breadth and scope. Indeed, I am very much encouraged by the recognition of Canada's potential, not only in terms of Canada's resources, but in terms of the talent manifested on this side of the House by people of the calibre of the hon. member for Scarborough West.

I will now address myself to the question that is relevant at this particular time and to which an answer is required. The Post Office has for some time now been involved in studying the question of an alternative to the present structure and its particular relationship to the government as a government institution. As the hon. member for Scarborough West has so well indicated, the Post Office as a government department is dependent on other departments in order to achieve certain of its responsibilities. I draw the attention of the House to the fact that the buildings we occupy are either leased or built by the Department of Public Works. We purchase a large portion of the equipment and supplies for our department through DSS. In our negotiations through collective agreements with our unions we have to receive the authorization, really the delegated authority, from Treasury Board. We are dealt with as a government department. That is the way it has been for some time.

Post Office departments in other jurisdictions have attempted to remove themselves from the grip of government bureaucracy. To date the experience in other areas has not been that encouraging. Those difficulties that the Post Office in Canada has had, and there have been some, have also been those of other jurisdictions. I call the hon. member's attention to decentralization in Great Britain and Germany, as well as in the United States.

In the United States, and I owe this information to the hon. member for Brandon-Souris, notwithstanding the attempt to remove the Post Office from the political arena, the impression that one is left with in the United States is that the Post Office is still part and parcel of the government institution. So long has the tradition been in Canada of having the Post Office responsible to the political process that it would take more than one generation, even if a decision were made to have a Crown corporation, for the public to be persuaded that the political process was not somehow involved in the postal service.

The situation is such that in our present economic context, as hon. members know from the estimates that have been tabled in the House, we are facing a deficit of somewhere in the vicinity of $671 million, more than 50 per cent of the total cost of operation of the Post Office. Having that sort of deficit, it would be very difficult to persuade the Canadian taxpayer that the political process and the post office, which is supported to such a large degree by the public treasury, ought not to be responsible through this particular institution.

I want to assure the hon. member for Scarborough West that decisions are being made now to intergrate the Post Office fully into the market place. Some six years ago we created a director of marketing, customer relations.

Mr. Baker (Grenville-Carleton): How many years ago?

Mr. Blais: Six years ago. It has really assisted the Post Office in adopting a more aggressive stance in the market place. It has resulted in large measure in the introduction of the mechanization process on which we are presently nearing completion.

In effect, what has happened is that we recognize the limits that we face as a government institution as well as the responsibility we face as that same government institution. We have tried to supplement the responsibility that we have toward the taxpayer of Canada, not only to justify the expenditure of public funds but to provide a service to the Canadian public by trying to integrate to a greater extent the commercial establishment, the commercial market place of Canada, and trying to play a bigger role in that area. This brings me in a very roundabout way to the issue of third class mail. It is an example of the way we are attempting to increase the volume that comes into the Post Office, and thereby increase our revenue.

● (2020)

Third class mail has received a very poor misnomer. It is referred to generally by the Canadian people as junk mail. I have given an example of how great that misnomer may be by using the example of—

An hon. Member: A junk speech!

Mr. Blais: —by using the example of the mailing received by the Prime Minister shortly after the selection of the Leader of the Opposition last February. Members may recall that at that time the president of the Conservative Party, in attempting to solicit funds, sent to the Prime Minister, and to myself as well, a letter soliciting moneys, a letter soliciting funds, and also to the hon. member for Moncton—a letter which was received in the mails by all true Grits. That is truly junk mail!

The Deputy Chairman: The hon. member for Moncton on a point of order.

Mr. Jones: I want to ask the minister a question. Was he referring to everyone who received that letter as Grits, or just to himself?

Mr. Blais: I was pointing to the hon. gentleman to my right, but if the hon. member for Moncton wants to be included in that category I have no objection. I am told that some others might have.

What I want to say is that what is, or what is not, unacceptable mail is really a matter to be determined by the recipient.

I want to put on record that third class mail, mail which is used by the manufacturing and retail industries in order to reach potential customers, is mail which not only brings additional revenue to the Post Office but is mail which serves the interest of the public. It provides information which is very helpful to the Canadian public. I would simply launch this plea to hon. members generally: discourage the use of that abhorrent term, and encourage constituents to use the mail and to accept the material which comes in the mail and from which they can glean information relating to products they may wish to purchase. As to that information which is not welcome in their own homes, and which is unsolicited, what they can do with it, very simply, is fire their own hearths. They can put it in the fireplace. It burns well, and it will encourage those who do market their goods via direct mail to make sure that the material they do send is in a form acceptable to householders.

I know I have not satisfied the hon. member for Scarborough West by providing him with the type of answer which is positive in content or which, perhaps, he was expecting. But I wanted to indicate to him that the Post Office, is becoming a brand new outfit, a brand new institution. We are experiencing slight difficulties for a short period of time because we are being modernized, we are mechanizing the whole process, but we recognize the obligation to service the public by delivering personal mail. We also recognize that we are an institution which is central to the market place, an institution of communication which has to be used by the Canadian public to the profit not only of the market place but also of the recipient, so that everyone will benefit from this institution which is marching along with the times.

Mr. Dinsdale: Mr. Chairman, I trust the Postmaster General does not intend to make a speech after every contribution to this debate tonight because what we are engaged in is the traditional custom of dealing with grievances, which used to be one of the sacred rights of parliament before the government was granted supply. We shall be bringing up certain specific grievances and I trust that the Postmaster General will try to come to grips with those problems, just as the Minister of Energy, Mines and Resources did this afternoon.

I think the Postmaster General is labouring under self-delusion when he says the Post Office is an efficient organization. Obviously he is not reading the press, he is not listening to the dialogue which takes place here, and he is not reading the mail.

An hon. Member: He doesn't get any.

Mr. Dinsdale: It is agreed by most people who are in a position to judge that the postal service in Canada is a pale shadow of what it used to be. Nine years ago Canada had an efficient, reliable, postal service. Today it is the butt of snide jokes. For example, when the further postage increases were made on March 1, two cents on top of the two cents added last September, the comment that rippled across the country, in the light of the poor service given by the Post Office, was that it must represent an additional charge for storage. We can all find examples of mail taking weeks to move across the country. Even the Prime Minister has been quoted as saying, "Everyone knows that the postal service is lousy".

The President of the Treasury Board, who is here tonight, is having great difficulty in bringing Post Office expenditures under control. The Post Office has been a special target of the Auditor General, as well. For example, in an article which appeared in *Macleans* in June 1976, there is a reference to departmental increases which are well beyond those permissible under Anti-Inflation Board rules. For 1976-77 the figure is $1,122,706,000, which is an increase of 25 per cent over the expenditure for 1975-76. Actually it went higher than that because there were supplementary estimates that added to the total. Of course this will be the case with estimates that are before us this year. There is plenty to grieve about. Some of my colleagues will also be grieving as the evening progresses. I do not want to deprive them of that opportunity.

● (2030)

The previous postmaster general began his career optimistically, and he was the fifth postmaster general since 1970. It is a short and vigorous life. Most postmasters general have talked themselves out of the job very early and suffered a very early demise.

An hon. Member: Just one last round.

Mr. Dinsdale: I was just thinking that when I heard that comment by the hon. member for Scarborough West. I have before me a series of dissertations published by the Post Office Department. I think they cost some $25,000.

Mr. Blais: No, they did not.

Mr. Dinsdale: Perhaps the Postmaster General can correct me on that figure. "What is Behind the Lemming Urge?" is the title. These are speeches that were made by the former postmaster general, Bryce Mackasey. I think we should read, at this time, the last sentence of the last speech in the collection so that the Postmaster General might get the proper perspective of the responsibility that is now his. It reads:

> We are moving beyond ideology. We are responding to necessity. Our choice, as Buckminster Fuller said, is between Utopia and oblivion.

As I listened to the Postmaster General tonight, he was talking about Utopia. I am afraid he is going to fall between two stools and he might wind up in early oblivion unless he comes to grips with some of the problems we shall be bringing forward tonight.

Necessity is the mother of invention. Certainly there must be many inventive skills to come to grips with the many Post Office problems. The practice of the Post Office, in the past few years, has been to launch a study. We have had some 15 studies that have been completed. Most of them are gathering dust on the shelves of the Postmaster General. I have a question on the order paper asking for a reply in specific terms for information on each of the studies. They include the famous blueprint for change which was launched by the former postmaster general of 1968 to 1970, the hon. Eric Kierans, who is not with us. He started this dynamic process of change. The Postmaster General has referred to this. But the postal service has been going downward since that time. Prices have been going upward as well. The latest report is that compiled by Hayes Consultants in co-operation with officials from the Treasury Board. I trust that that report is going to be made available to all members of the House. It seems to me it could be a good basis for dialogue, and we all might work together to improve the postal service.

What we need now is not studies or words, but action. We have a new minister. He already has that feeling of being submerged by the very magnitude of the problem. He made a speech to the Postal Users' Conference in Toronto last November.

Mr. Blais: That is four months ago.

Mr. Munro (Esquimalt-Saanich): Plus ça change mais c'est la même chose!

Mr. Chrétien: Qui a dit ça?

Mr. Dinsdale: "The public thinks that our people—employees and managers both—exemplify the best way not to run a Post Office." That was the minister's observations.

Mr. Baker (Grenville-Carleton): He said that?

Mr. Blais: I never said that. I do not know where you got that speech from.

Mr. Dinsdale: Yes, he said that last November. I am quoting from the speech.

Mr. Baker (Grenville-Carleton): Who is the guy who wrote the text?

Mr. Dinsdale: The minister's speechwriter wrote it.

Some hon. Members: Oh, oh!

The Deputy Chairman: Order. The hon. member for Brandon-Souris has the floor.

Mr. Dinsdale: Mr. Chairman, I am reminded of an occasion when I was teaching Sunday school. I had a bright scholar, and we were talking about the children of Israel approaching the Red Sea. The children of Israel stopped at the Red Sea to pray. This young, bright student of mine was very impressed by the fact that the Bible said stop praying and get moving. I think that is an admonition we might give to the Postmaster General at this time because what is needed is action and not studies, and certainly not the verbosity that we have heard here tonight.

I have been encouraged by the start the Postmaster General has made in carrying out his responsibilities. Almost every day complaints come to my office and I send them to the Postmaster General's office. I have been impressed by the fact that he was willing to deal with them. He has shown considerable insight in dealing with them. I hope he will continue to operate on that basis. Also in that speech last November, the Postmaster General—

Mr. Blais: On a point of order, Mr. Chairman—

The Deputy Chairman: The hon. Postmaster General on a point of order.

Mr. Blais: I just want to indicate to the hon. gentleman that that speech was not delivered. If he wishes to quote from that speech, I want to point out that it was a speech that was written but it was a speech that was not delivered.

Mr. Friesen: On a point of order, Mr. Chairman—

The Deputy Chairman: The hon. member for Surrey-White Rock on a point of order.

Mr. Friesen: Mr. Chairman, if the Postmaster General says that that speech was not delivered, did he send it through the mail?

The Deputy Chairman: I must point out to the hon. member for Surrey-White Rock that that is not a point of order. That is a point of debate.

Mr. Dinsdale: I am sorry to hear the Postmaster General disavow the speech. Actually it was a pretty good speech. It was a much better speech than he made tonight.

An hon. Member: He is not the writer.

Mr. Baker (Grenville-Carleton): Did he have a speechwriter?

Mr. Dinsdale: He said that the Post Office has the finest postal equipment in the world.

Mr. Chrétien: The speechwriter said that.

Mr. Dinsdale: He said that the Post Office has the unhappiest workers. Grievances are piling up, a backlog of 1,200 at that time. The turnover rate among employees is running at 40 per cent. The work force is plagued by absenteeism, slowdowns, walkouts and strikes. This exists even though, as the hon. gentleman said, wages are the same as for firemen and policemen.

Mr. Blais: I never said that.

Mr. Dinsdale: The Postmaster General keeps denying that, but the publication of the Canadian Union of Postal Workers quoted the same speech.

An hon. Member: You must have given it to them.

Mr. Dinsdale: I did not give it to them.

An hon. Member: You did. It went via junk mail.

Mr. Dinsdale: "P.M. Blames 3,000 Officials" is the headline in volume 6, No. 7, of "CUPW", the official publication of the Canadian Union of Postal Workers, dated Nov.-Dec. of 1976.

Mr. Baker (Grenville-Carleton): Transport is in a mess. The Post Office is in a mess.

Mr. Dinsdale: There were news stories carried about this speech. I am amazed that the Postmaster General disavows it at this time. I do not want to get bogged down placing responsibility for the problems of the Post Office only in one area, that is, in the area of unhappy labour relations, because it is more than a labour problem. As he said, we have gone through a revolutionary period of change in the Post Office.

Mr. Blais: I didn't say that, either.

Mr. Dinsdale: This period of radical change has been carried forward without a sense of direction and proper planning. There have been no clear policy guidelines. The Postmaster General has not helped us in this regard tonight.

There is a lack of ministerial responsibility. The hon. member for Scarborough West raised this point. It has also been raised by successive postmasters generals. The Postmaster General does not really have responsibility for running his department. I do not want him to repeat what he has already said because he seems to have grasped that point. He is subject to Treasury Board, to the Department of Labour for labour relations, to Supply and Services for purchases, to Public Works for buildings, and so forth. This is why, in a question I asked the other afternoon, I urged the Postmaster General to seize the initiative and to get all these groups together, because after all it is his ultimate responsibility to come to grips with these matters.

● (2040)

There has been a process of managerial decentralization carried out. It has not been decentralization in the real sense of the word but merely a process of adding yet another tier of executive responsibility. There is no consultation, there is no delegation of authority, and there is no real communication between the regional offices and the national office.

I was talking about rotation of postmasters general in the past few years. Unfortunately, Mr. Chairman, the same process seems to be going on with deputy postmasters general because Mr. John MacKay, who was deputy postmaster general from 1969 until recently, has now moved on to the Department of Public Works. I had the privilege of attending a farewell reception for Mr. MacKay, and judging from the tributes which were paid he had done an outstanding job and just seemed to be getting his teeth into some of the major areas of concern, such as the labour problem with which it had taken so long to come to grips.

I have visited some post office plants in company with a few of my colleagues across Canada and been impressed with the quality of the labour force in the Post Office. Some 50 per cent of them are women and, as they say, our best men are women. Having talked to the employees on the floor, I discovered that the cause of this backlog of 1,200 grievances to which I referred is the little things, such as failure to deal with personal, human problems; failure on the part of supervisors and shop stewards to consult and deal with a difficulty when it arises on the floor of the plant.

What is needed in the Post Office is a wailing wall where people can get things off their chests. Perhaps we need what many modern industries have these days, a chaplain where personal problems can be dealt with. What is needed is a facility to meet human relations.

The mechanization and automation program has been carried on with unwise haste. This has resulted in delays in the opening of some of the major plants, particularly the bulk mailing plant at Mississauga. It has also produced unnecessary labour difficulties, particularly in the Toronto area. The Post Office has a major problem on its plate at the present time with respect to the long delay of up to two years in the opening of the bulk mailing plant in Mississauga because its chosen company to produce the computers to operate the bulk mailing plant, Computing Devices, has not been able to deliver.

I should like the Postmaster General to comment on how he is going to get around this difficulty. Our opposition post office committee was in the Mississauga plant just before Christmas, and it was a crying shame to see a vast area which should have been humming with activity, having been mechanized and automated, occupied by manual sorters who were attempting to cope with the accumulation of mail during the pre-Christmas rush period. The delay must have been costly, and perhaps it is one of the major reasons why the President of the Treasury Board is not able to bring Post Office costs under control. This is another indication that action is urgently needed, and I trust the Postmaster General will come to grips with that specific problem.

Reference has been made to the Post Office service in the United States. I was there last week and I was pleased to see that they are gradually solving some of their difficulties.

Mr. Baker (Grenville-Carleton): Are they ahead of us?

Mr. Dinsdale: Yes, they are ahead of us in many respects. They have their bulk mailing facility functioning. The one I saw in Washington—

The Deputy Chairman: Order. I regret to inform the hon. member that his allotted time has expired. The hon. member for Greenwood.

Mr. Blais: Mr. Chairman, may I simply reply briefly to a few points which have been made by the hon. member for Brandon-Souris before the hon. member for Greenwood speaks. First of all, may I indicate to the hon. gentleman that I did not agree that the control that the Postmaster General had

over the Post Office in terms of quality was not adequate. The difficulty is having to act, often having made decisions through agents.

As it stands now, the Postmaster General is responsible for negotiations with the five unions. The hon. member for Brandon-Souris knows that. We are also responsible for the decision regarding what type of building should be built and where it is to be located. We have to act through DPW as a client of DPW, but the decision-making process is ours. We select through S-S the type of goods, supplies and equipment that we need, and they are purchased through the S-S purchasing facilities. So it is not the decision-making process that is hampered; it is simply a question of administrative convenience.

With regard to Mississauga, the hon. gentleman knows that the delay at Mississauga was not the result of labour difficulties or labour strife. As a matter of information—information the hon. member ought to have—the Toronto labour scene in the Post Office has been relatively quiet.

Mr. Dinsdale: It is due to the failure of mechanization.

Mr. Blais: No. So far as mechanization in Toronto is concerned, we have three plants in operation. The mechanized plants are in operation save and except the bulk facility in Mississauga. That has nothing to do with labour relations; that delay was caused by one contractor in that particular plant. I would invite the hon. gentleman to visit that plant. The Mississauga plant is really the most sophisticated postal plant. The difficulty is that there is some slight delay owing to a decision made to centralize the computer activity for the whole plant in one central computer. This had not been done before and there are difficulties in this regard. To obviate these difficulties we have decided to use the more orthodox process of using varius computers for various procedures, and in this way we have now completely transferred operations from terminal A to the three mechanized postal plants in Toronto. Within six weeks I am sure the hon. gentleman will join me in congratulating the Post Office staff on having transferred with as little inconvenience as possible under the circumstances.

Having said that, Mr. Chairman, perhaps in my initial remarks I did use too much levity. We are not here to joke about the Post Office but to talk about an essential service in Canada. It is a federal institution which serves every Canadian citizen on a regular basis. It is true that it has been the butt end of a number of jokes, but I think this is completely unjustified. The hon. member for Brandon-Souris will agree with me that a great part of the criticism which has befallen the Post Office is unjustified.

In the early days, as the hon. member knows, the Post Office was the only mode of communication in Canada. In those days we had to traverse the country by railway, ox cart, or whatever means of transportation was available. There was no expectation of next day delivery. Today the Post Office is competing with modern communications technology, technology which produces instantaneous results. It is evident that within that particular context the Post Office will fare badly in comparison. But in terms of the Post Office which the hon. member knew in his early years, today's Post Office is a most efficient and modern institution. As a matter of fact, by 1978, after our mechanization process is completed, we in Canada will have the most sophisticated and reliable postal service in any place in the world.

• (2050)

When the hon. gentleman tells me that the American system is better than ours, I say to him, fie, because that is completely inaccurate. I have visited postal installations in the United States and so has the hon. member, and they do not compare in any way with the sophisticated institutions that the Canadians have developed here. Surely the hon. gentleman should at least admit to his own pride in the high technology involved in our postal code system.

Mr. Munro (Esquimalt-Saanich): Does that account for the delays?

Mr. Blais: The hon. member is complaining about delays. He has complained about delays before because he says that mail coming in from Great Britain is late. It is not late in Canada, it is late getting from Great Britain to Canada. I am not responsible for that service, but when it comes within our boundaries it is dispatched with all due haste in the way Canadians can expect their mail to be dispatched.

As everybody will agree, Canada is a leader in communications. One of the pearls in our communications system is the Post Office Department.

An hon. Member: It is still in the oyster.

Mr. Blais: We are having some temporary difficulties because of the immense transformation within the institution. But the transformation is nearly completed. I just wish hon. gentlemen opposite, as well as members on this side, who criticize the service would consider the fact that the Post Office is still engaged in the delivery of hard mail, mail that we cannot stick on microwave or insert through wires which traverse the country, and that we still have to deposit it in a mail box on a street to be picked up by a truck and thereafter to be carried through a system which cannot compare favourably with the telephone and the telegram.

Mr. Brewin: Mr. Chairman, I regret that the Minister of National Defence is not here—I believe he is attending NATO meetings—but having listened to the Postmaster General, I am quite sure he would be capable of answering my questions as well as any other minister.

Some hon. Members: Oh, oh!

Mr. Blais: Mr. Chairman, I rise on a point of order. If I had known the hon. member for Greenwood was not going to speak on the Post Office I would have taken some more time to make my comments because there are a number of other topics that are pressing and have to be discussed. I had hoped he would introduce those topics through the questions he would ask.

Having said that, and you, Mr. Chairman, having recognized the hon. member for Greenwood, let me say that if he wishes me to reply to his questions on national defence, I will be pleased to do that to the best of my ability.

Some hon. Members: Oh, no!

Mr. Brewin: I am glad that my hope that the minister would answer my questions was justified. I want to assure him that it was with a sense of relief that I thought he would get off the question of the Post Office in a short time.

The subject I intend to raise is not a light one; it is rather serious. I regard it as being of some importance to the Canadian taxpayer.

An hon. Member: And the Post Office is not?

Mr. Brewin: There are other things even more important than the Post Office. We are in danger of imposing a grievous burden on future generations. I refer to the question of the proposed purchase of fighter aircraft at a price estimated at present of $2 billion. Their design, I take it, is for double duty purposes. First of all, in North America we are told we will have a long range interceptor aircraft, and also we will use them in Europe in various roles that I do not need to go into now. I do want to talk about the question of whether these fighter aircraft are needed or are not needed to defend North America. When I questioned the Minister of National Defence about this, he said with a kindly smile that they were designed to protect Canadian security. But I am afraid he is getting into bad habits from the company he is keeping. He did not begin to answer the question which I put to him, which was: how is Canadian security affected by this particular purchase?

I urge that we take a long and careful look at the military needs before we launch on an expensive venture such as the spending of $2 billion, which is the initial figure. We know from long experience that such figures usually multiply. At least that amount of money is supposed to be spent, and I suggest that we take a long and careful look at our military needs. I appreciate that this is a capital expenditure which will be spread over a number of years, but I also recall that it comes on top of $1 billion spent on long range patrol aircraft which were sold to us by Lockheed.

What is the purpose of a fighter aircraft so far as north America is concerned? These new aircraft are to replace the Voodoos which were designed to shoot down manned bombers which would attack Canada, presumably from a source in Europe such as the U.S.S.R. We all agree now that the Voodoos are obsolete, but I suggest that the substitute in defence, the new proposal, is equally obsolete because it is aimed at a non-existent threat. The fact of the matter is that any attack by manned bombers—and this includes the new proposed Backfire which is a medium range bomber which can be refueled to be a long range bomber—on Canada or North America would telegraph its punch, would give advance knowledge of the proposed attack, two or three hours before the weapons arrived, and we have on this continent the power to retaliate massively long before the bombers reached our shores. Indeed, most of the targets would disappear long before, and a massive retaliation could be launched and would be available which would completely and utterly destroy the U.S.S.R. as a society.

We live in a missile age, and some people have not caught up with that. They have an idea that a group of bombers coming over from one side can be shot down on the other side, which makes no sense at all in a missile age. We have to assume the sanity of those who might become military opponents, and who amongst the people in those countries would contemplate making an attack on North Amercia or, indeed, on Canada, which would invite their own annihilation?

● (2100)

We are told that this is necessary for deterrence. How much deterrence do we need? The world has surplus deterrents, enough to wipe out the people in both the super powers over and over again, and yet we are supposed to add this extra deterrent of being able to strike down a bomber which might come over to this country, in the face of the fact that we could create a situation in which the use of nuclear retaliation would be almost completely inevitable.

It is sometimes said, as I have mentioned, that this is for deterrence. To my mind that is an argument which makes no sense whatever. We must determine what is the most effective deterrent, whether we have it and whether anything we do or spend is adding one iota to the strength of our deterrents, and I suggest that the constant building up of the ability to respond to a manned bomber attack, which will probably never happen, is a form of deterrence which is an utter and complete waste of money.

I would like to examine what we could do if we could save a large part of this $2 billion. I do not deny that there is some use for interceptors. We have to defend our sovereignty against casual intervention either in our air space or over our territorial waters, but we certainly do not need 120 or 160 up-to-date fighter aircraft to perform that particular function. The purpose of this large number of fighter aircraft, as I said, is to repel a large scale attack by manned bombers on North America or Canada. When we are talking about how much we could save if we scaled down this colossal sum, I suggest that we always underestimate the total amount required to carry out this kind of plan. My argument is that we should adjust the purchase to the actual need. That indeed is the essence of sound planning of defence policy.

It has been suggested that there is a counter attraction in the possibility of procurement in Canada. Of the six suppliers with whom we are supposed to be dealing four are American, one, I believe, is British, and the other is French. We have absolutely no arrangement, and may never have any arrangement, for procurement in Canada. Indeed when the matter came up before the Standing Committee on External Affairs and National Defence this morning, I asked some of our senior officials, and they said there was no assurance, no knowledge or even a tentative assessment or estimate of the amount of

procurement in Canada which will result from expenditure of this sum of about $2 billion.

I would like us to consider—because this is not an impractical subject—what we could do if we did not spend that amount of money on this kind of expenditure. We could use $2 billion in a number of areas. I am not suggesting we could use it for all of them. One area is direct job creation. Capital works, both federal and provincial, are needed in such areas as urban transit, which has been promised, schools, hospitals, nursing homes, and parks. We need money for housing for low income Canadians, and we need it to buy insulation to save energy. We could use it—and we would use it—to increase pensions for senior citizens and to reduce the age eligibility to below 65. We could use it—and we need to use it—to cut personal income tax.

We cannot have it both ways. We cannot spend our money on useless hardware and at the same time spend it on the social needs of the people of Canada. There are specific items. During the last election the Prime Minister promised an urban transit subsidy of $290 million. That is part of it, but I think the major area is direct job creation. It is estimated that we could create 200,000 to 250,000 jobs and reduce the unemployment rate from 7.9 per cent, seasonally adjusted, to about 5 per cent.

It is highly practical to suggest that we spend our money on things which are needed. We do not have infinite options. We cannot go on spending money which is wasted and at the same time do the things we need to do.

I do not blame Canadians or particularly the Canadian government. This form of insanity is pervading the whole world. Humanity as a whole is travelling down the road to disaster. We have distorted priorities. We spend $300 billion per year on armaments and other military expenses of that sort. The developing countries, as well as the great powers, spend money in this way. We spend a fraction of that amount dealing with starvation and abject poverty throughout the world. As human beings we are totally misusing the resources we have. We have the ability to deal with human poverty, but we use available money to pile up absolutely fantastic powers of destruction of humanity as a whole.

I am afraid that we in Canada too are in the process of having our attitude softened up by what General Eisenhower described as a military-industrial complex. We are told what we must restrain ourselves, but we are not supposed to restrain ourselves when it comes to extra defence capital expenditures. We in this House do not even go into them. The Standing Committee on External Affairs and National Defence does not go into them. The Department of National Defence does not really tell us how necessary those expenditures are and what purpose they serve. We are supposed to take that on faith.

I started by saying—and I will now repeat in closing—that in accepting this $2 billion proposal we in Canada are putting a burden on the necks of our children and grandchildren. We are acting as if we are not entirely capable of understanding the realities of life.

[Mr. Brewin.]

Mr. Douglas (Bruce-Grey): Mr. Chairman, I was not going to take part in this debate until this point. I certainly do not want to speak for the Minister of National Defence because he is well able to speak for himself when it comes to matters of security concerning our country.

Before I start I would like to inform hon. members that today is a very special day for at least one hon. member. Today is the birthday of the Deputy Chairman of Committees of the Whole House, who is in the chair at the present time.

Some hon. Members: Hear, hear!

• (2110)

Mr. Douglas (Bruce-Grey): I should like to express to him, on behalf of hon. members of this House, our congratulations on this auspicious day and wish him many, many years of happiness and health in this place.

The hon. member for Greenwood made some very pertinent points about the defence of the nation. I have every respect for the hon. member but I must take issue with his comments about so-called senseless expenditures on defence. I think that concern has been exhibited by members of the New Democratic Party time and time again. The hon. member talked about the lack of restraint in capital expenditures proposed for the Canadian defence forces. I would point out that it was the restraint in the past that was imposed on capital expenditures for defence forces that brought us to the state we are in today where we must invest in capital works in order to bring our forces to the point where they are capable of maintaining their role in the defence of our nation.

This makes me think of the years between 1918 and 1939 when the United Kingdom found itself in a poor economic condition and had to suffer restraint and cutback. The history of the Royal Air Force shows that it almost ceased to exist because at that time there were some in the country who thought it could be done without. It was only through the efforts of a strong Conservative member between 1935 and 1939 that the Royal Air Force was able to maintain its place in the British military picture. It was Winston Churchill who assured the future of the Royal Air Force for Great Britain. As we know, it turned out to be the saviour of that country in the second world war.

The hon. member for Greenwood suggested that we do not really need a strong defence capability because our good friends to the south have plenty of aircraft and all the things he says we do not need. I would point out to the hon. member that when people become your protectors they cease to be allies. A country must be able to provide some protection for itself; some of the interest in the country's safety must be shown by Canadians.

It seems to me that as elected representatives we cannot allow our defence forces to deteriorate any further. I certainly endorse the move of the minister in upgrading the fighter capability of the Canadian Armed Forces. I back him in the upgrading of the

long-range patrol aircraft. Certainly, as the hon. member for Greenwood said, our friends to the south have the capability to protect us, if that is what we want, but I am not sure that this country wants to be protected by the army of another country.

I believe we also have to look to our commitments in Europe, in the North Atlantic Treaty Organization. Our commitments there will provide us with our first line of defence should an agreement be broken between ourselves and the Soviet Union or the Warsaw Pact nations. I think we owe it to our partners in that organization to provide the young men and women whom we send to represent us in NATO with the best equipment possible. We can send the best troops. We have the best technological people, but without the equipment we might as well keep them at home—which is what our friends in the New Democratic Party would probably have us do—and forsake our commitments to other countries.

The hon. member for Greenwood also said there is no threat to security in the world today that is not nuclear or a missile force. The build-up of Soviet forces within the NATO bloc nations is at the highest point in its history. Since 1945 they have been spending at least 25 per cent of their gross national product on defence and a build-up of their armed forces.

Mr. Darling: Don't forget their navy.

Mr. Douglas (Bruce-Grey): And, as the hon. member says, their navy. The *Kiev* has been introduced to the Mediterranean and the Atlantic. This is a new picture that has been painted for the defence forces of the allies, if we may use that expression. It is the first time an aircraft carrier has been put into operation by the Soviet Union. We can call it what we want. They called it an armed missile cruiser in order to get it into the Mediterranean and they have violated a couple of international agreements in doing so. A picture of it shows that it is an aircraft carrier, no matter what they call it. It is the first instrusion. We cannot look upon it as a missile; we cannot look on it as anything but a conventional type of warship sent by the Soviets to do conventional warfare.

We cannot look ahead and say everything will be taken care of by missiles and nuclear warheads. This is the type of thinking that would get us into difficulty with the Soviet Union.

We must look at how the Soviet Union and its allies have approached their confrontation with our allies up to this point. We must look at the Cuban crisis, at Korea and other areas in which Canadians have been involved. They have used conventional forces to push as far as they possibly can. It is only when they meet determined resistance at the conventional level that they take the stance that they are not interested in overpowering any nation but are interested only in co-existence. If we, or the United States, or any of the free nations of the world want to take the stance that the Soviet Union and the Warsaw Pact nations are not to be reckoned with in this particular fashion, then we have another think coming, Mr. Chairman. History will prove that.

It seems to me that the New Democratic Party has put forth the idea that we do not have to defend ourselves; that big brother to the south will protect us. At the recent meeting of the North Atlantic Treaty Organization in the United States this idea was put forth by many of the socialist members of NATO. Word came out from a meeting of the military committee that some were saying, "When you think of it, I would much rather be red than dead." Canada put its position. One of our delegates, an hon. member of the other place, put my sentiments and I hope the sentiments of all Canadians on the record at this meeting. He used the words of Patrick Henry, a famous American, and I echo those words. I think they should be used by all free men wherever they live. He said: "Give me liberty, or give me death." I would never say I would rather be red than dead.

● (2120)

I said this because I think someone must put that side of the story before this committee. I, for one, back the program of the Minister of National Defence for spending $2 billion, or whatever the sum may be, in order to provide our young men and women with the best possible machines. They need those machines, not only to do their job in Canada but to do that job around the world which Canadians over the years have done so well.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, as the various parties of the opposition agreed, for Bill C-45, to limit their remarks so that it might be passed as quickly as possible, so that the government might administer Canada's business as effeciently as possible, I should like to say that my own observations will be very brief, but to the point, and will bring elements of solution so that we can quit going around in circles without finding practical means of breaking away from the financial dependence that prevents us from being ourselves.

Mr. Speaker, I believe I am the only member of my party to participate in the debate, and I would not want tomorrow's newpapers to accuse the Social Credit Party of Canada of killing time and preventing the government—

An hon. Member: Oh, no, no; they won't say that.

Mr. Lambert (Bellechasse): —from getting bills passed to ensure Canada better administration. Mr. Speaker, the Minister of Agriculture (Mr. Whelan) had me among others as a guest for dinner tonight. It was not a patronage dinner but a dinner for reflection where we were honoured by the presence of an FAO representative who reported on the efforts made by Canada to help reduce poverty in the world, to enable human beings like us to meet their own needs.

Mr. Chairman, if we could have practical and in-depth discussions in the House, just as those we had during this dinner, I think we would have a better mutual understanding and that we would not have to expand on the financial needs of the country to provide for services for the Canadian people. Mr. Chairman, during this dinner, I was proud to hear the

Minister of Agriculture, speaking on behalf of Canada, describe the efforts made by our country to help mankind.

Mr. Chairman, those people in misery have the same God as we have in this country. We Canadians should draw inspiration from the same feelings we have when it comes to help others. I suggest that we should take the opportunity offered to us tonight in the debate on Bill C-45 to try fraternally together to find ways of preventing those who control credit in our country from selecting our standard of living and deciding who should work and who should not.

I see the Minister of Manpower and Immigration in his seat. I congratulate him for the efforts he has made through programs in which I have enormous confidence, and I have already said so in the House. I am talking of Canada Works and Young Canada Works. I am pleased with those programs because I have deep convictions about the virtues of work. I believe it is a valuable tool which allows each and every individual to achieve something to meet his own needs.

Mr. Chairman, I was disappointed, but I do not want to offend the Minister of Manpower and Immigration, when I learned what estimates were available for such a satisfactory program throughout Canada. It is not the responsibility of the minister but of those who control the credit of the country as well as the program—

An hon. Member: The LIP program!

Mr. Lambert (Bellechasse): Yes, the LIP program which I have often mentioned and I say so in reply to the hon. member for Lapointe (Mr. Marceau). I have often mentioned it in the House and said that I approved the improvements to the program which, when well managed and enforced, has created jobs in underprivileged areas and guaranteed a purchasing power enabling the under privileged to get the necessaries of life.

Mr. Chairman, my comments are not to be considered as those of a member who objects to everything and does not acknowledge the good points of the government. Absolutely not! However I should like to do my share so that we may understand more all together. Why, when dealing with hard working and dedicated people, are we always paralysed because of the absence of the almighty dollar sign?

● (2130)

Mr. Chairman, I should like hon. members to stop and think about this damn dollar sign—I apologize for the expression—which rules the world, the government and the parliament of Canada. How is it that our efforts are paralyzed by a dollar sign, while claiming that we are Christians and as such, willing to live under the sign of God. The sign of God, what is it?

An hon. Member: He is the one who gave us the dollar!

Mr. Lambert (Bellechasse): Absolutely not! It is a sign of distribution and friendship among the people of the world.

Mr. Chairman, through Bill C-45 the government is asking parliament permission to borrow $7 billion; what for? To be able to administer the various departments in this country. But no one among us asks, but how is it that there are so many Canadians who want to continue to work, to produce, to make the necessary efforts to allow this country to develop, and that we should be paralyzed because of that mystery that is money? That is not new, Mr. Chairman.

In 1939, for older people and for the information of younger people who need to be informed, the hon. member for Bonaventure-Îles-de-la-Madeleine (Mr. Béchard)—I should watch how I call his riding because he once reprimanded me on that but in any case, he is a friend of mine and he understands quite well that I always consider him as one of those members who made his contribution in this House to ensure a better administration of this country and when he teases me, it is because he loves me.

An hon. Member: Spare the rod and spoil the child.

Mr. Lambert (Bellechasse): Absolutely, spare the rod and spoil the child, but he is not punishing me because I do not consider that to be a punishment but rather an invitation to express myself more clearly.

Well, Mr. Chairman, in 1939, we were going through the same times as now, a period of unprecedented unemployment. It was terrible then and when people asked the federal and provincial governments for moneys to carry out public works in such or such a place, the answer given by governments was always the same—we do not have any money.

At that time, Mr. Chairman, a fantastic man by the name of Dr. Louis-Philippe Roy, who was the editor in chief of *L'Action Catholique* in Quebec City wrote an editorial that should be meditated on today because the problem has remained unsolved and is the same today. I am not accusing anyone but there are indeed over one million people unemployed out of 23 million in Canada. It is not normal to have so many able-bodied people doing nothing—something must be done. And at that time, Dr. Louis-Phillipe Roy asked the following question: Mystery to be solved? It is a mystery that we have to solve tonight with Bill C-45. How to get the money needed to maintain the administration. A mystery to be solved in 1939. A mystery to be solved in 1977. This is what he said: The years go by and the crisis still exists. This was called an economic crisis. Today we also have an economic crisis and it still goes on. He went on by saying:

It was supposed to last three years, five at the very most. It has been going on for 10 years—

Since 1929. The market crash of 1929 of which I am a victim, like all those of my generation. I remember it.

And no sign of real prosperity is looming on the horizon. September 1939. Why is the crisis lasting this long? Why do we have this unemployment in 1939? Why do we have this unemployment in 1977? Why this famine in a period of abundance?

Mr. Chairman, I think that the time has come seriously to ask ourselves one question. Who governs the country? Mr. Chairman, is it not time to have courageous men? The party has no importance for me, courage is the most important thing. Courageous men, leaders who are able to face up to the

financial dictatorship of private banks. I know that some people, some reporters will say: Bah! The hon. member for Bellechasse is attacking the banks! I am not attacking the men who manage the banks, but the system, the privilege they have been given to control the money supply of our country for their own benefit, their own advantage, without thought of the common good.

I know, Mr. Chairman, that the right hon. Prime Minister (Mr. Trudeau), before becoming prime minister, said something very similar to what I am now saying, and that it is not because of ignorance that he refuses to act. It is because he is not sufficiently supported by all of Parliament. We should unite, whoever the prime minister may be and whatever his party; he is the head of state in canada. We should have the courage to tell him frankly that we want financial reform in our country so that the masters of finance, the masters of the dollar bill may be submitted to the same legislation as the weakest and the most humble people in our country, because we cannot tolerate a legislation of exceptions. Mr. Chairman, since I have promised the hon. member for Rivière-du-Loup-Témiscouata (Mr. Gendron) not to speak too long, and even though I could go on logically for two hours, I shall stop here to allow him to express his opinions.

I hope very much that in his statement he will support the comments I just made in order that those who control the dollar sign will know what is going on. This has nothing to do with the Bank of Canada, so let us forget it for now. I wish it were the Bank of Canada but it is not. I would like him to support my remarks in order that the Canadian government, the cabinet and the President of the Treasury Board (Mr. Andras)—who is now listening with angelic attention—might understand the sincerity and the fairness of my comments which some have already made inside and outside the House.

Mr. Chairman, I am prepared with all my colleagues to approve all monies required in Bill C-45, but I hope that between now and the next session they will seriously consider the possibility of making better use of the Bank of Canada, the bank of all Canadians. That is a name we should be proud of because that bank should have total control over the money supply in this country. Other institutions should be subject to its instructions. That is what the hon. member for Bellechasse is proposing tonight along with all his colleagues and I hope that in the coming weeks we will spend part of our time trying to clear that mystery: where does our money come from? Mr. Chairman, I conclude here, thanking you and all my colleagues for having listened so carefully.

[*English*]

Mr. Andras: Mr. Chairman, as we approach the hour of the arrangement to deal with the bill before us, there are one or two comments I want to make. I want to begin by giving the usual assurances as to the form of the bill, that is, that the proportions requested in this bill are intended to provide for all necessary requirements of the public service up to June 30, 1977. In no instance is the total amount of an estimate being realized, the form is the usual one for interim supply bills, and passage of the bill will not prejudice the rights and privileges of members to criticize any item of the estimates when it comes up for debate.

• (2140)

We did get notice from one party, well in advance, that they wanted to concentrate on the Post Office Department and on the Department of Energy, Mines and Resources. If we repeat this arrangement in the future it will, I am sure, prove to be a most useful one and enable us to ensure that the minister and, where necessary, the officials, are available for a concentrated discussion of these issues. I regret we were not able to arrange for the minister to reply to the concerns felt by the New Democratic Party. I think it is understood that the Minister of National Defence is away at NATO, but later, perhaps, notice can be given in advance and it will be possible to get the minister here.

In general the questions asked have been well dealt with. I should like to react to one comment which was made in the course of the eloquent plea from the hon. member for Cape Breton-East Richmond. He made one comment which puzzled me—I shall check it in *Hansard* tomorrow. It was the suggestion that the Department of Regional Economic Expansion is somehow biased against the Atlantic provinces, more particularly against Cape Breton—Cape Breton Island. I think he said too large a proportion of the funds had gone to the central provinces of Quebec and Ontario. Mr. Speaker, the facts do not bear this out.

The misunderstanding might have stemmed from an article which appeared in the Halifax *Chronicle-Herald* which unfortunately dealt in a selective way with only one or two of the aspects of the work of DREE. I am sure the hon. member would prefer to have the facts rather than the distortion of facts as they appeared in the *Chronicle-Herald*. The facts are that RDIA spending in the fiscal years between 1970 and 1976 amounted, in Nova Scotia, to $38.65 per capita; in the Atlantic provinces generally it amounted to $36.89 per capita; in Quebec, to $24.39; and in Ontario, to $4.93.

The Chairman: Order. Might I bring it to the minister's attention that if I abide by the order which was previously adopted unanimously by the House on March 21, I would be obliged at this time to proceed with the putting of every question necessary to dispose of the different stages of this bill. However, there seems to be an agreement that I should not see the clock in order to allow the minister to complete his remarks and perhaps to allow one or two other members to intervene in the debate, and then I would put the question as we got close to ten o'clock. Is that agreed?

[*Translation*]

Mr. Corbin: Mr. Chairman, I rise on a point of order.

The Chairman: The hon. member for Madawaska-Victoria.

Mr. Corbin: Mr. Chairman, I rise on a point of order concerning what the minister just said—

The Chairman: Order, please. I am trying to get unanimous consent and I should like to deal with one question at a time.

[*English*]

Mr. Knowles (Winnipeg North Centre): We are happy to agree with the suggestion. It cannot be an order, but I hope that those who do take part in the next 15 minutes will make their contributions brief so that three or four might have an opportunity of saying a word.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Chairman, I agree with the proposal you just made and, as I said in my speech, I wish to let my colleague from Rivière-du-Loup-Témiscouata (Mr. Gendron) express his views on that matter. I wish to make it clear. I do not want to prevent him from participating in the debate.

The Chairman: I point out to the hon. member that it is not the Chair that takes most of the time.

Mr. Corbin: Mr. Chairman, I might—

The Chairman: I agree to give the hon. member for Madawaska-Victoria a chance to rise on a point of order but he takes the time available for other members. The hon. member for Madawaska-Victoria.

Mr. Corbin: Mr. Chairman, my point of order concerns the fact that the President of the Treasury Board (Mr. Andras) said he might have very well understood the hon. member for Cape Breton-East Richmond (Mr. Hogan) this afternoon; I agreed with what the hon. member had stressed. He might have said what the minister reports, but, in fact, he said that in the Atlantic area the gap is even wider between large centres and rural areas. He insisted on this fact.

[*English*]

Mr. Andras: I take that last comment very seriously. However, so that we can deal with this matter in proper perspective I propose to place the true picture on the record. Total DREE spending for the period from 1969 to 1976 came up as an annual per capita expenditure in Nova Scotia of $50, in Prince Edward Island, $173, in New Brunswick, $80, in Newfoundland, $94.50, in Quebec of $17, and in Ontario of $2.50. I question very much whether these figures would lead to the conclusion that, on a per capita basis, the money is going to the central provinces of Quebec and Ontario.

Let me give the committee some figures in relation to DREE commitments under the general development agreements and the Prince Edward Island comprehensive development plan, phase two, by province from 1974 to date. Nova Scotia is getting $194 per capita—this does not include Devco; the Atlantic provinces will receive $362; Quebec, $40, and Ontario $6.50. Again this demonstrates there is no bias in favour of Quebec, Ontario or the central provinces. Dealing with Nova Scotia, precisely in terms of the understandable comments made by the hon. member about his own area, let me point out that Devco expenditures, which are 100 per cent federal dollars, amount to $377 per capita, or, divided among the Nova Scotia population as a whole, some $81. I thought the committee would like to have these figures on record as opposed to information which appeared in a spurious article in a newspaper which had not taken the trouble to do its research properly.

There are distinctions here, too. For instance, there is the fact that in the area of cost-sharing the general development agreement system allows great flexibility, which unquestionably favours the Atlantic region. All of our agreements with Quebec except one are shared on the basis of 60-40, that is, 60 per cent federal, 40 per cent provincial. The other agreement, the one I excluded, is a 50-50 package. All our Ontario agreements are cost-shared on a 50-50 basis. In Nova Scotia the agricultural, mineral development, and industrial development agreements are cost-shared on an 80-20 basis. Cost-sharing arrangements in the strait area, and in connection with the Halifax-Dartmouth agreements vary with different projects and programs but average between 70 and 80 per cent federal. Of course, as I said, Devco funding is 100 per cent federal. I just wanted to get that on the record, Mr. Chairman, so that we may move forward to a position of factual understanding rather than distortion. The hon. member's comment that this does not in any way solve the problem is very definitely true. But at least if we move to a position of understanding what is actually happening, rather than taking another approach to it, we are in a better position to respond to the policy.

● (2150)

Mr. Darling: Mr. Chairman, it is a pleasure finally to be able to say a few words this particular evening with respect to the Post Office estimates. I am delighted to see my colleague and neighbour from Nipissing, the Postmaster General, here. I listened with interest to his two speeches on the great Canadian Post Office. I know the Postmaster General and I have had many visits back and forth regarding the time some of the mail takes.

When I see in the Toronto *Star,* that great Liberal daily, a letter headed "Canadian Mail Worst In The World", I am just wondering what the Postmaster General says to that. The next one underneath that reads "Postal Service is 'Disgusting' ". Another says "We Deserve Hearing on Postal Coding", and a fourth is headed "Post Office Wastes Public's Efforts". That certainly surprised me because the Postmaster General probably is not aware of this, and neither are any of his officials. This particular case outlines that one of our citizens noticed one of the mailmen in Toronto picking up mail at one of the local mail boxes. There are two of them. One is for local mail and one for is for out of town fast mail, and he dumps them both in the same bag and throws them in his truck. I guess that would provide more work when they get back to the central office.

We know that things can be improved with the Post Office Department and with a lot of post offices. As far as the rural post offices and the post offices in the small towns and villages are concerned, I feel they are especially dedicated people and

they are the ones who get the mail out. If it comes in there on a certain day, it is delivered on a certain day, and vice-versa. It is when it gets into some of the monstrosities in Toronto, that super wonderful Mississauga baseball field, when it does eventually get going, that the trouble really starts.

I have mentioned newspaper mailing service before to the previous postmaster general. I want to get an up-date on the service at the present time. That is the service with respect to our very important weekly newspapers and how they are being routed. Write this down, J.J. It is very, very important. I called four or five of the newspapers in my own riding today. Pay particular attention to this quote, Mr. Postmaster General, because it comes from a very eminent weekly newspaper, the *Herald Gazette*, which reads:

> We would have to give a great deal of credit to the Bracebridge postmaster for his assistance in making certain we were able to route copies of the paper that go to distant points so that they will travel directly to those places, avoiding Toronto, and he has been very helpful in that and the result is that they are getting prompter delivery.

First class mail going to Toronto, especially in the last month, has been delayed unconscionably. Mr. Bob Boyer can quote any number of instances. A letter containing an order that was mailed on March 13 was delivered in Toronto on March 22 and the business that received it telephoned to say how it had been delayed and they were experiencing similar delays every day in their incoming mail.

He goes on to say:

> Because of the terrible tie-up in mail in Toronto, the new Postmaster General should be on the job trying to improve the situation instead of going around the country making partisan speeches trying to blame everybody else but his own party for national disunity.

I raised my eyebrows and thought that that would be absolutely impossible. However, I picked up the Parry Sound *North Star*, a very eminent paper, which read: "Postmaster General says Tories are not helping national unity".

Some hon. Members: Hear, hear!

Mr. Darling: As far as national unity is concerned, here are some figures: our Prime Minister, when he was the minister of justice in 1966, said 2 per cent of the Quebec population were separatists. When he became Prime Minister in 1968, 10 per cent were separatists, and in 1976, 41 per cent were separatists.

Some hon. Members: Oh, oh!

Mr. Darling: To go on to another newspaper, the Gravenhurst *News*, the editor, Lou Specht, said:

> I could take an hour to tell you about that. It is too terrible. It has gotten to the point now where I no longer have the time to write our subscribers personally trying to explain that we are doing everything that we can. People in Toronto, for instance, who perhaps don't get their copy of their paper at all or else they get it two or three weeks late and things of that nature. So I finally did a form letter that I thought would apply to almost every situation, and run it off on the copying machine and just fill in the person's name and send that off to them.

The great *North Star* that my friend, the Postmaster General knows about, says:

> We don't seem to have had as much problem with distribution or with subscribers as we had, partly because we are making more effort ourselves. We put postal code on everything. It is certainly very good in our area.

The Almaguin *News*, another newspaper, said that they were having serious problems. I also contacted another paper, the Huntsville *Forester*. The editor, Peter Rice said:

> We get flack every week. Usually a trace is put on at the post office and the problem corrects itself. People receive newspapers which are 10 to 14 days old. This is in the Toronto area. This month Toronto is the worst area. Just before Christmas they were having problems with the western papers and Weston in particular in the Toronto area. Poor delivery in the States but it is probably due to the American system.

I am sure the Postmaster General would want to echo that.

The Chairman: Order, please. It being after 9.45 o'clock p.m. it is my duty, pursuant to the order made on Monday, March 21, 1977, to put forthwith every question necessary to dispose of the committee of the whole stage of the bill.

Clauses 2 to 6 inclusive agreed to.

The Chairman: Shall Schedule A carry?

Some hon. Members: Carried.

Schedule A agreed to.

The Chairman: Shall Schedule B carry?

Some hon. Members: Carried.

Schedule B agreed to.

The Chairman: Shall Schedule C carry?

Some hon. Members: Carried.

Schedule C agreed to.

The Chairman: Shall Schedule D carry?

Some hon. Members: Carried.

Schedule D agreed to.

The Chairman: Shall Schedule E carry?

Some hon. Members: Carried.

Schedule E agreed to.

The Chairman: Shall Schedule F carry?

Some hon. Members: Carried.

Schedule F agreed to.

Clause 1 agreed to.

The Chairman: Shall the preamble carry?

Some hon. Members: On division.

Preamble agreed to.

The Chairman: Shall the title carry?

Some hon. Members: On division.

Title agreed to.

Bill reported.

Mr. Deputy Speaker: When shall the bill be read the third time? By leave, now?

Some hon. Members: Now.

Mr. Andras moved that the bill be read the third time and do pass.

● (2200)

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the said motion?

Mr. Crosbie: Mr. Speaker, may I ask a question at this point?

Mr. Deputy Speaker: Pursuant to the order that has been adopted, all of the questions are to be put at this time. The hon. member has only the privilege of voting for or against the question.

Motion agreed to and bill read the third time and passed.

Mr. Deputy Speaker: If the hon. member for St. John's West (Mr. Crosbie) has a point of order or a question related to the business of the House, not to the bill just passed, he can raise at this time before we proceed with the adjournment debate.

Mr. Crosbie: Mr. Speaker, there is an emergency situation in my riding so I rise on a point of order and would ask Mr. Speaker to consider the matter that I would have raised had I not been ruled out of order. There is a strike in the post office in St. John's, Newfoundland, and there are $2 million worth of unemployment insurance cheques caught up in that strike.

Mr. Deputy Speaker: Order, please. This is not really a point of order which is related to the business of the House. The hon. member will have an opportunity tomorrow, if he desires, to raise the matter at the earliest opportunity after eleven o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

ANTI-INFLATION BOARD—SUGGESTED INSTRUCTIONS TO HOSTESS FOODS ON REFUNDING EXCESS PROFITS

Mr. Benno Friesen (Surrey-White Rock): Mr. Speaker, on March 17, as reported at page 4064 of *Hansard*, I asked the following question of the Minister of Finance (Mr. Macdonald):

[The Chairman.]

Recently the Anti-Inflation Board ruled that Hostess Foods had made considerable excess profits on the marketing of their potato chips, all in eastern Canada, and to refund this excess profit to the consumer the company plans to issue 20 cent coupons, price reductions and free goods in certain sizes of packages, but all in British Columbia where they have never been in the market. Will the minister give an undertaking that he will instruct Hostess Foods or the Anti-Inflation Board officials to instruct Hostess Foods to restrict the distribution of this cut rate product to the market where they made the excess profit?

Since I asked that question of the Minister of Finance, I have found out that the situation is even worse than I thought. It has now been confirmed that local processors could easily be driven out of business because of this impending action by Hostess Foods. It appears that the firm has elected to break into new western markets, and it is reported that they have bought four vans and hired driver-salesmen to peddle Hostess products around Vancouver and offer the items I have already mentioned. None of this apparently is being passed on to that section of the public that was originally overcharged.

In addition to that, apparently the ruling of the Anti-Inflation Board was made recently and it is now reported that this excess profit was somewhere in the neighbourhood of $1.3 million. That is not chicken feed, Mr. Speaker. All of this profit was made in eastern Canada—Ontario, Quebec, and possibly the maritimes. It has since come to my attention that General Foods may be in violation of section 31(1)(3) of the Combines Investigation Act because they are allegedly planning to engage in the practice of selling a product at a price which is unreasonably low, which will have the effect of substantially eliminating competitors, or which is designed to have that effect.

In addition to that, I find that as early as January, two or three months ago, the management of General Foods was in Las Vegas and there met with the management of some of the local processors and are alleged to have threatened to move in and put them out of business.

There are several issues here. First of all, there is the problem with the Combines Investigation Act and the fact that Hostess Foods could well be in violation of that act. I charge the minister to investigate that and to do it quickly and thoroughly.

Second, it would appear that the company is trying to break into a market by having its excess profits act as a subsidy in breaking into that new market. It seems to me that that is entirely in contravention of the spirit of AIB. Surely the Anti-Inflation Board regulations and legislation were not designed to help a company move into a new market and find ways of getting around the regulations, thereby defeating the local companies. Under the restraint program and the AIB regulations, the market place is a fragile enough institution and we do not need a subsidy of this kind to break companies that are supposed to be well established, or at least have done their own work to establish their market.

In addition to that, one of the local co-operatives is still liable for 1,400 tons of potatoes contracted to local firms. With that kind of contract still having to be fulfilled and an eastern company coming to the market place, what will happen to the local processors?

It is also reported that the company plans to build a factory, some kind of processing plant, in Lethbridge, 800 miles away. Presumably it will do so with the funds it will have to refund as a result of the AIB decision. What will that do to the local farmers who are depending on a market they have established through much blood, sweat and tears over the years? Now we have the unconscionable decision on the part of what is a multinational corporation coming in from the U.S., forming a Canadian company in Canada, and then helping to break the Canadian market. It is incumbent on the Minister of Finance to provide an answer for these people to preserve the competitive society that has made our country what it is today and not allow the regulations of the AIB to frustrate the local market and destroy the competition upon which our system is based.

I call upon the minister to correct that situation and ensure that the officials of his department will investigate Hostess Foods, either through the Combines Investigation Act or through the regulations of the AIB. I might add that AIB officials have already conceded the fact that they have made this ruling on Hostess Foods, and I hope the Minister of Finance will press the officials of AIB to make sure that federal laws are not being violated. I hope he will bring Hostess Foods to task and will preserve the market place in an undisturbed fashion in British Columbia, the way it should be protected by a government.

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, in answer to the question put by the hon. member for Surrey-White Rock (Mr. Friesen) which was addressed to the Minister of Finance (Mr. Macdonald) on March 17, we think that the question contains a number of assumptions. On behalf of the minister responsible for the Anti-Inflation Board I should like to clarify the situation as it relates to the obligations of Hostess Foods under the Anti-Inflation Act.

The hon. member stated in his question that the AIB had ruled that Hostess Foods had made excess profits. Under the Anti-Inflation Act regulations, the firm files quarterly reports, and the last report signalled a possibility of excess revenue. According to the guidelines, excess revenue is not identified until the close of the firm's fiscal year. Thus Hostess Foods did not have excess revenue, nor did the Anti-Inflation Board rule that the company had excess revenue. However, the company of its own accord is currently taking action to eliminate the possibility of excess revenue by forms of price reduction both in the east and, more extensively, in the west. Since the firm has not yet had excess revenue, it can take any action in any region it chooses.

● (2210)

Under the rules of the anti-inflation program relating to prices and profits, when a firm is identified as having excess revenue that is beyond the level permitted under the program, it must file what is known as a compliance plan to show how it will divest itself of the excess revenue within the following six months. It is this plan which must be approved by the Anti-Inflation Board, if the need arises.

Nonetheless, I am sure the hon. member from British Columbia will be pleased to report to his constituents that they are able to buy reasonably priced potato chips.

[*Translation*]

The minister had this to say in answer to a question put by the hon. member for Surrey-White Rock (Mr. Friesen), and I quote from page 4064 of *Hansard* for March 17, 1977:

> I have to point out to the hon. member that in a law passed by this parliament the Anti-Inflation Board has been given the responsibility of making this kind of judgment and, indeed, making appropriate arrangements with the particular firm found in an excess revenue position as to how this is to be returned to the public. In that sense, his suggestion that I might direct the board to do this is counselling an illegality.

[*English*]

EXTERNAL AFFAIRS—PROPOSED LOAN TO CHILE BY CANADIAN BANKS—GOVERNMENT POSITION

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, on November 18, 1976, I asked the Secretary of State for External Affairs (Mr. Jamieson) the following question:

> —is the Canadian government prepared to convey to the banks Canada's position on the Chilean junta's disrespect for human and civil rights in that unfortunate country and ask them to respect both the moral position of the Canadian government and the technical and economic unacceptability of the loan?

The government well knows the atrocities and abuse of human dignity perpetrated by the vicious Pinochet regime in Chile. It knows full well because Canada voted condemnation of the junta's tactics at the United Nations based on reports by United Nations agencies.

Indeed in its first three years of rule, according to estimates of the United Nations Commission on Human Rights, the military dictatorship has killed 30,000 people and imprisoned another 100,000, many of whom were horribly tortured. Hundreds of thousands were expelled from the country, or have themselves sought exile. The junta has suspended congress, outlawed the activities of all political parties, closed down the central workers' federations, many unions and community organizations, censored education, and stifled public freedom of expression, including the press.

Condemnations of the régime have been issued by such international organizations as the United Nations, Amnesty International, the International Labour Organization, and the World Council of Churches.

Pinochet is adamant. He insists that he will never return the country to democratic rule. He is quoted as having said, "I am going to die and the person who succeeds me will also die, but there will be no elections."

Here at home national organizations have expressed their opposition to Canadian participation in helping to bail out the facist régime in power in Chile. For example, the Canadian Labour Congress passed a resolution at its annual convention in May, 1976, which stated that "any corporate investment in Chile at this time oppresses the Chilean people and disgusts their Canadian friends."

Policy statements have been formally adopted by the Anglican and United churches of Canada urging a halt to all investments and loans to Chile until fundamental human rights are restored. Similar positions were expressed by the Canadian Catholic Conference of Bishops and by the Lutheran church in Canada. Not content with issuing statements, the churches have taken their protests to annual meetings of corporations involved, but were disregarded despite well documented information of human rights violations in Chile.

In spite of this, Mr. Speaker, three Canadian banks—the Royal Bank and the Bank of Nova Scotia are each putting up $8.2 million, and the Toronto-Dominion Bank is putting up $4.2 million—formed part of a United States led consortium to lend $125 million so that the Chilean junta could roll over its debts to European creditors who have been critical of it and unwilling to extend further financing due to human rights violations.

These same banks at home cannot find the money to lend to low-income borrowers because the banks say they are poor risks, but they can find it to lend to the poorest risk in the western hemisphere, the Chilean junta.

In the last days of the Allende government, unemployment stood at a record low of 3 per cent. It has now rocketed to 20 per cent, by official estimates. Outsiders say one out of every four members of the Chilean work force is unemployed; 70 per cent of the workers earn less than $50 per month; a quarter of the population, 2.5 million people, had no income at all by mid-1976 and had to depend on handouts from churches and other humanitarian organizations.

The military has dismantled state involvement in social development and public services. Prices have been allowed to rise astronomically, with inflation running at 340 per cent in 1975 and 174 per cent in 1976, by official figures. The share of national income going to wages and salaries dropped from 63 per cent to 38 per cent in only three years.

The minister's response to me that day was most revealing. He said:

—I would say the banks are already aware of the Canadian government's position with regard to Chile. In so far as exerting any influence, however, this is a private banking transaction and I see no reason why we as a government should interfere in any way.

That argument does not wash, Mr. Speaker. Did the government think it was a private banking transaction when the banks agreed to observe the Arab boycott of companies doing business with Israel? No, the government did not. The government very quickly issued a policy position denouncing the practice. Yet with respect to Chile, where human dignity is involved, they cast a blind eye. I dare say if these were the days of fascist Germany the minister would be saying the same thing. Have we learned nothing from Hitler? Obviously the banks are prepared to do business with Satan himself as long as there is a buck to be made.

I call on the government to put its muscle where its mouth is with respect to moral responsibility for Canadian investment abroad. I ask it to declare unequivocally that it disapproves of any Canadian investment in Chile, that its agencies will finance none, and that it discourages any Canadian investment in Chile until human and civil liberties are restored. Anything less is breaking faith with the thousands of murdered Chileans whose only crime was to exercise the rights of their constitution to belong to a political party and trade union of their choice.

[*Translation*]

Mr. Fernand E. Leblanc (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, when he put his question on November 18, 1976, the hon. member for Nickel Belt (Mr. Rodriguez) also had a supplementary for the Minister of Finance (Mr. Macdonald), asking whether the latter intended to bring forward a legislation to control the export of capital from Canada. The answer was that:

—such legislation in effect would impose exchange control and would not be in the best interest of the Canadian economy.

And the Minister of Finance went on to say:

—I have no such proposal to put forward.

The question was put to the Secretary of State for External Affairs (Mr. Jamieson) and dealt with loans to Chile by Canadian banks.

[*English*]

It is not the policy of the government to interfere in transactions by Canadian firms or individuals abroad except in compliance with U.N. Security Council decisions. In the instance of the Canadian banks' loan to Chile, I am informed this was a rescheduling of existing debts in which banks from both Canada and the United States participated. The purpose of the loan was to facilitate the eventual repayment of Chilean debts. This was a private loan and there was no basis for Canadian government involvement.

As for our position on human rights violations, the government has made its concern very plain in a variety of international forums and we plan the continue to speak out on these matters.

● (2220)

[*Translation*]

The minister added, and I quote:

—the banks are already aware of the Canadian government's position with regard to Chile. In so far as exerting an influence, however, this is a private banking transaction and I see no reason why we as a government should interfere in any way.

[*English*]

TRANSPORT—COMMISSION OF INQUIRY INTO PROBLEMS IN NEWFOUNDLAND—TERMS OF REFERENCE AND DATE OF COMMENCEMENT

Mr. John C. Crosbie (St. John's West): Mr. Speaker, when I asked the Minister of Transport (Mr. Lang) what action he was taking in connection with a royal commission to investigate modes of transportation into, from, and across Newfoundland, he replied that I could expect an answer on the appointment perhaps within one week. This royal commission was suggested on December 1, 1976, by Mr. Bandeen of the CNR.

This suggestion was accepted by the Newfoundland government and the railway union, so long as, first, CN maintained the present level of services and employment while the investigation was under way, and second, so long as federal obligations with respect to transportation matters generally, such as further assistance for repairs and extensions of the trans-Canada highway, DREE roads and the like were continued.

The minister said he was going to appoint this commission. Mr. Bandeen said that it should not take it longer than six months to do its work. The minister said it should report this year's, 1977. Well, 112 days later the royal commission is still not appointed. Why the delay, Mr. Speaker? The minister does not delay when he goes travelling; he goes pretty quickly. Why did he delay 112 days in appointing the royal commission which is urgently needed.

I know that Dr. Arthur Sullivan of Memorial University, St. John's, is supposed to be the chairman. This has been widely known for between four and six weeks. I know that Mr. Esau Thomas of Placentia, the railway union leader, is to be one of the members. I know those hon. gentlemen are looking for a third member to represent the user or business community. Surely we do not have to wait 112 days to find members of a royal commission on such an important matter as this. Surely other Newfoundlanders must be willing to serve, although perhaps an appointment to a Liberal royal commission now is not too desirable.

Since this suggestion was made by Dr. Bandeen and accepted, the Minister of Transport has abandoned the user-pay concept. He has beaten a hasty retreat from the user-pay; of course he was headed off in that direction by his colleagues who informed him that he would be grounded unless he abandoned the user-pay concept.

There are important transportation problems in Newfoundland which must be solved. Just last summer the minister snatched the buses from the control of the board of commissioners of public utilities of Newfoundland, and put them under the Canadian Transport Commission. We learned a few days ago why he did that when the Canadian Transport Commission brought down a decision allowing the CN buses to charge another 8 per cent increase in Newfoundland, in addition to the 30 per cent increase they had taken in June, in defiance of the public utilities commission of Newfoundland.

The Canadian Transport Commission, in my opinion, should have a sign over its door reading, "Abandon hope all ye who oppose rate increases and appear here." The hearing is only a formality. The Canadian Transport Commission has neither the time nor the interest to be concerned about bus transportation and the general transport situation in Newfoundland. That should be regulated at the local level. The hearing before the CTC was unsatisfactory and perfunctory. Adjournments were not allowed to interested parties. The rates have increased 8 per cent, and we hear promises that there will be further applications for more increases.

We have many problems. The trans-Canada highway on which most of our freight now moves into and out of Newfoundland is deteriorating before our very eyes. The minister of highways of Newfoundland says that he hopes the government of Canada is going to provide financial assistance to improve and upgrade that highway. I hope he is not being over-optimistic. I see no sign of his hopes being fulfilled, although there may be some chance if an election is to take place in the next six months or one year. That problem is very serious.

What is to happen with regard to the losses of the CN in Newfoundland? I say the main problem is that the Government of Canada is not accepting its financial obligations. I do not blame the CN. It is losing $23 million a year. If that railway service must operate at a loss, the Government of Canada is under the constitutional and legal obligation to meet that loss. If the CN drydock, for which the government has an obligation, operates at a loss, I say that the government is under an obligation to overcome that situation. The Government of Canada should help it meet its losses and expand its facilities. I hope to go into greater detail on this topic in another debate. That is another transportation associated problem in Newfoundland.

This royal commission will have to look at the shipping service in Newfoundland. I just received notification that the Clarke Transportation Service, which operates a shipping service from Montreal to St. John's and Corner Brook, and is subsidized by the Government of Canada, recently increased its rates for pool car shipments by 10 per cent, its highest increase for any Canadian service, from Montreal to Newfoundland. Has the Canadian government agreed to this increase? If the Canadian government subsidizes the service, it must surely have the right to say what increases are going to occur.

There are many, many problems of transportation service in Newfoundland that require action, not further study. However, if there is to be further study, every day counts before the chaos in the transportation system in Newfoundland causes complete collapse.

I received a letter from a railway employee a few days ago. There are some 3,500 people who still work for CN in Newfoundland. These people are very concerned. They see the service deteriorating before their eyes. This gentleman told me that in Clarenville alone there are five diesel locomotive engines lying idle, and that train service to Bonavista is down to one a week. The railway will not accept freight unless it is in pool car loads. Any freight that will not fill a pool car is sent by its truck service. CN has its own truck service. It competes with its own rail service by using its own trucks. The service is losing money. It is mostly subsidized.

I call on the minister to meet his obligations when he is in Newfoundland next week, appoint this royal commission, get on with this job, get this report, and take some action to help Newfoundland in its transportation needs.

Mr. Marcel Roy (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. member directed a question to the minister on March 22. I quote the minister's reply at that time. He said:

Mr. Speaker, we have been discussing these questions with the government of Newfoundland and others. We are now nearly at the stage of having the matter in final form and I would expect an announcement within perhaps one week.

Discussions have been ongoing between Transport Canada and the government of Newfoundland concerning a commission of inquiry to investigate all aspects of transportation for Newfoundland, and have resulted in agreement that such a commission is appropriate.

It is intended that a commission would be guided in its endeavours by terms of reference sufficiently broad in scope that transportation related questions can be examined with a perspective capable of recognizing social and economic objectives of the two governments. A commission would be asked to articulate clearly the real wishes and needs of Newfoundland, based on contributions received from all interested parties through the public hearing process. It will carefully weigh all factors in arriving at a clear statement of priorities and plans for improving the transportation system.

In conclusion, Mr. Speaker I would like to say the minister hopes to be in a position within the next week to make a detailed announcement on the commission.

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at eleven o'clock a.m.

Motion agreed to and the House adjourned at 10:31 p.m.

HOUSE OF COMMONS

Friday, March 25, 1977

The House met at 11 a.m.

ROUTINE PROCEEDINGS

[*English*]

POST OFFICE

REQUEST FOR ACTION TO SETTLE STRIKE AT ST. JOHN'S AND MOUNT PEARL, NEWFOUNDLAND—MOTION UNDER S.O. 43

Mr. John C. Crosbie (St. John's West): Mr. Speaker, I rise to move a motion on a matter of urgent and pressing necessity under the provisions of Standing Order 43 for which I ask the unanimous consent of the House. My motion is in connection with a serious situation at St. John's and Mount Pearl post offices in Newfoundland where members of the Canadian Union of Postal Workers went on strike last Monday afternoon at 3.20 p.m. and are continuing their strike despite the fact that a collective agreement is in force and the law prohibits such a strike during the term of an agreement. There are now some 12,000 unemployment insurance cheques totalling $2 million caught in the mail. Old age pensions, veterans cheques and social assistance cheques are scheduled to be delivered Monday but will be delayed if this strike continues. I therefore move, seconded by the hon. member for Parry Sound-Muskoka (Mr. Darling):

That this House urge the Postmaster General to use every possible means to bring this illegal work stoppage to a halt immediately by way of obtaining a court injunction or otherwise and urge the postal clerks involved to return to work so that the severe hardship caused members of the general public, including those dependent upon unemployment insurance cheques, old age security, veterans cheques and other social assistance cheques through the mails, will cease.

Mr. Speaker: Pursuant to Standing Order 43 the presentation for debate of such a motion can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

MANPOWER

ADDITIONAL FUNDS FOR VOCATIONAL TRAINING PROGRAMS IN NOVA SCOTIA—MOTION UNDER S.O. 43

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I rise under the provisions of Standing Order 43 on a matter of urgent and pressing necessity affecting instructors and students in adult vocational training programs in Nova Scotia. In view of the recently announced cutbacks in instructors and training by the Nova Scotia Labour Minister which, because of the severe unemployment program, particularly on Cape Breton Island, will create even greater hardship, and in light of the conflicting and contradictory statements on the amounts allocated for training by provincial officials, federal manpower officials and, indeed, by the Minister of Manpower and Immigration (Mr. Cullen) here in this Chamber, I move, seconded by the hon. member for Halifax (Mr. Stanfield):

That more money be allocated for training in the province of Nova Scotia, or alternatively, the Minister of Manpower and Immigration investigate the situation and clarify the matter to determine who is passing the buck.

● (1110)

Mr. Speaker: Presentation of such a motion for debate pursuant to Standing Order 43 can be done only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: No.

* * *

[*Translation*]

AIRPORTS

QUEBEC—REQUEST FOR NAVIGATIONAL INSTRUMENTS FOR GASPÉ AND ÎLES-DE-LA-MADELEINE—MOTION UNDER S.O. 43

Mr. Eudore Allard (Rimouski): Mr. Speaker, pursuant to Standing Order 43, I seek the unanimous consent of the House to move a motion on a matter of urgent and pressing necessity.

In view of the fact that there are no all weather air navigation facilities at the Gaspé and Magdalen Islands airports, that airplanes are the only means of travelling in and out of the Magdalen Islands during the winter months, and that it is high time the Department of Transport's report following the studies initiated in 1968 bring about concrete results, I move, seconded by the hon. member for Champlain (Mr. Matte):

That the House urge the Department of Transport to act with all expediency and provide for fiscal year 1977-78 the necessary credits for carrying out long overdue improvements at the Gaspé and Magdalen Islands, thereby providing the public with more adequate and safer air services.

Mr. Speaker: Order, please. The House has heard the hon. member's motion. Pursuant to Standing Order 43, such a motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Tribute to Mr. Diefenbaker

ENVIRONMENTAL AFFAIRS

REQUEST FOR AGREEMENT WITH PROVINCES ON POLLUTION STANDARDS—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, before I put my motion, it seems to me I did not hear anyone say "No" following the motion presented by my colleague from Rimouski.

Pursuant to Standing Order 43, I ask for the unanimous consent of the House to move a motion of urgent and pressing necessity.

In view of the importance of sound action against pollution and also the necessity of adequately protecting our environment, and since numerous companies do not look overly preoccupied by these problems, I therefore move, seconded by the hon. member for Rimouski (Mr. Allard):

That the government get together with the provinces in establishing minimum standards to protect the environment and fight pollution.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Pursuant to Standing Order 43, such a motion can only be presented with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*English*]

HOUSE OF COMMONS

TRIBUTE TO MEMBER FOR PRINCE ALBERT ON ANNIVERSARY OF THIRTY-SEVENTH YEAR OF ELECTION TO PARLIAMENT

Mr. Speaker: Order, please. Before proceeding with the oral question period I know all hon. members would want to join with me in paying tribute to a significant event, it being the anniversary today of the 37th year of the election to parliament of the right hon. member for Prince Albert (Mr. Diefenbaker).

Some hon. Members: Hear, hear!

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I deeply thank you for those words and my colleagues for the reception. To me it is something beyond belief that anyone should, in this day and generation, have been in this chamber for that length of time. I should add that having regard to the newly-elected prime minister of India, Mr. Desai, who is 81, gives hope for the future.

If I may be permitted I should like to express my deep appreciation to you, Sir, the Prime Minister (Mr. Trudeau), the Leader of the Opposition (Mr. Clark) and leaders of the other parties and members in all parts of the House for the sympathy extended at the passing of my beloved Olive. Those messages have given me a greater knowledge and greater appreciation of this House. I hope I have not transgressed the rules, but must say how deeply touching it was to have those messages. They meant so much to me.

Some hon. Members: Hear, hear!

ORAL QUESTION PERIOD

[*English*]

THE CANADIAN ECONOMY

UNEMPLOYMENT—GOVERNMENT'S VIEW OF EMPLOYMENT OPPORTUNITIES FOR UNIVERSITY GRADUATES

Mr. James Gillies (Don Valley): Mr. Speaker, my question for the Acting Prime Minister has to do with the shocking underutilization of this country's resources as a result of unemployment. I ask whether the statement of the Prime Minister in Toronto, yesterday, that university graduates who feel their opportunities in this country are not outstanding should leave Canada is government policy?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, I—

Mr. Baker (Grenville-Carleton): I was shocked too, Allan.

Mr. MacEachen: I was not shocked at all—I am replying to the comment made by the hon. member for Grenville-Carleton. I am sure the hon. member for Don Valley understands the context in which the statement was made by the Prime Minister. It was made before a group of students, in an atmosphere of cordial provocation.

Mr. Gillies: Mr. Speaker, I take it from the Acting Prime Minister's answer that it is government policy to have those students leave the country if they do not feel there is any future for them in this country.

My supplementary question is specific. Does the minister feel that the forthcoming budget and forthcoming policies which may be brought down with respect to the elimination of unemployment are such that there is really not much hope that in the foreseeable future there will be sufficient growth in the Canadian economy to absorb the current graduates of Canadian universities?

Mr. MacEachen: Mr. Speaker, that is not the view of the government at all. I am sure, when the budget address is given by the Minister of Finance next Thursday, the hon. member will realize that very serious new attempts will have been made—

An hon. Member: New?

Mr. MacEachen: —that very serious further and new attempts have been made to accelerate the growth of the economy and to help to reduce unemployment levels, in the context of the government's striving to restrain the growth of inflation.

Mr. Gillies: A final supplementary question, Mr. Speaker. Is one reason for the federal government's allocating smaller resources for the support of higher education, or post-secondary education, the government's belief that it is impossible for the economy or the labour force to absorb as high a proportion of people with higher education as we are producing at present?

Mr. MacEachen: No, Mr. Speaker, that is not the view of the government. It is obvious, as a result of recent arrangements, that the government is providing more resources than ever to the field of post-secondary education. I am sure the hon. member would not want to attribute more to the comments of the Prime Minister than are justified, because in that context I am sure what the Prime Minister had in mind was a challenge to the students, to go out and contribute to the Canadian economy. Probably, the most stark way to present the challenge was to suggest that the alternative might be to leave the country. I do not think any would regard that as a viable alternative at the present time.

GOVERNMENT ADVICE TO UNEMPLOYED TO LEAVE COUNTRY TO FIND EMPLOYMENT

Mr. John C. Crosbie (St. John's West): Mr. Speaker, my question is also directed to the Acting Prime Minister. In view of the Prime Minister's statement that if university students are dissatisfied with job opportunities in Canada they should go to another country, and that if it is just a job they want the Prime Minister's heart would not bleed for them—that is if he has a heart—can the minister advise whether it is the policy of the government now, to advise the 932,000 unemployed Canadians that if they do not like it here without jobs they should also find another country where they may obtain jobs. To what country would the Acting Prime Minister advise them to go, in their search for work?

Mr. Baker (Grenville-Carleton): To a country which will give them refugee status.

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, I am sure the hon. member is seriously interested in unemployment and does not regard that as a serious question. It was really an argument raised, as I said, upon an occasion of cordial provocation in Toronto.

● (1120)

POSSIBILITY OF DENYING UNIVERSITY GRADUATES ENTRY TO CANADA

Mr. John C. Crosbie (St. John's West): In view of the attitude of the Prime Minister toward unemployed university graduates and his advice to them about where they can go to look for work, can the Acting Prime Minister advise the House whether the Department of Manpower and Immigration are being issued instructions by the government to change immigration levels and to advise educated university graduates from abroad they are no longer admissible into Canada if our graduates cannot find jobs. Obviously, the government does not want university graduates coming to Canada. Has any instruction like that been issued?

Hon. Allan J. MacEachen (Acting Prime Minister): No, Mr. Speaker.

* * *

MANPOWER

INQUIRY WHETHER GOVERNMENT HAS NEW POLICY OF EXPORTING UNEMPLOYED UNIVERSITY GRADUATES

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, my question is to the Minister of Manpower and Immigration. Recognizing that thinking is a decennial practice among Liberals and in view of the Prime Minister's thinking out loud yesterday when he said to the students of the University of Toronto that if they are dissatisfied with job opportunities in Canada, they should go to another country, does the minister agree with the thinking of the Prime Minister or is this a new manpower policy being undertaken by the government, that of exporting unemployed Canadian youth?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, it is a sad commentary when the opposition picks up a statement like that when the Prime Minister, in an exchange with students, offers to them the many challenges that are available throughout this country and throughout the world. The hon. member himself saw fit when he could not get a job in his country to come to this land of opportunity. Does he feel someone is doing a disservice to these students by recommending that they try something else and that if they do not like it they can come back to see what a great country this really is?

ADDITIONAL MEASURES TO PROVIDE EMPLOYMENT FOR YOUNG CANADIANS

Mr. John Rodriguez (Nickel Belt): In relation to the minister's last comment, I was a victim of imperialism where I was. The Prime Minister must have been potty when he said yesterday in Toronto "We are not going to put millions into subsidization of university graduates because they have a bleak view of their future." It is a well known fact that many young people stay in the school system because jobs are unavailable or because they must build up credentials which are used to ration the limited number of jobs. Is the minister going to put millions into creating opportunities for employment for Canadian youth apart from Young Canada Works?

An hon. Member: You even made the baby cry.

Some hon. Members: Hear, hear!

Mr. MacEachen: Out of the mouths of babes.

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, we are in fact putting pots of money into youth training projects. We are also participating in the financing of

post-secondary education. I would think it an insult to the students of this country to suggest that they want to be constantly spoonfed. They want to be helped, but they do not want to be spoonfed as the hon. member is suggesting.

Mr. Rodriguez: In response to the comment before the minister started to speak, out of the mouths of babes and infants will come words of wisdom. In view of a recent report by the Canadian Council on Social Development that Canada will be faced with a politically and economically explosive situation if nothing is done to ease the severe unemployment among young people, and in view of the report by Statistics Canada that the unemployment rate among women age 15 to 25 is 14.2 per cent and among men age 15 to 25 it is 14.5 per cent, will the minister tell the House what new programs other than Canada Works he is prepared to initiate immediately to deal with this very serious problem?

Mr. Cullen: Mr. Speaker, any time we have an ongoing program and it is working, we always find a question coming from the hon. member indicating "in view of the", "notwithstanding this" and so on, what additional things are being done? We have come up with all these new and imaginative projects and a lot of them are in fact working. The hon. member seems to think that by shouting he wins his argument, but he really loses it. He feels he has to keep jumping up and down like a yo-yo over there. The government does have an obligation to do what it can within the limits of the funds that are available to create and set modes and attitudes about the hiring of the young and of the women in this country but by and large, the major number of jobs in the country has to be created by private enterprise, and they are the people who should be encouraged.

* * *

[*Translation*]

COMMUNICATIONS

REASON BILL ON COMMUNICATIONS INTRODUCED PRIOR TO PROVINCIAL CONFERENCE

Mr. René Matte (Champlain): Mr. Speaker, my question is directed to the Minister of Communications.

Can the minister tell us what impelled her to introduce her bill on communications before the conference with her provincial counterpart?

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, several reasons compelled me to do so, one of which is the need to consolidate and update the statutory powers of the government in the field of communications. One of the reasons for introducing it before the conference was that I wanted to give the provincial ministers who will attend that conference a chance to discuss the text of the bill, the main themes of which they already know.

ATTITUDE OF MINISTER TOWARDS ABSENCE OF QUEBEC MINISTER FROM CONFERENCE

Mr. René Matte (Champlain): Mr. Speaker, as the minister already knew that her Quebec counterpart had refused to attend the meeting, can she tell us what attitude she intends to adopt to mitigate that absence which could lead to serious consequences under the circumstances?

Hon. Jeanne Sauvé (Minister of Communications): Mr. Speaker, I cannot mitigate the absence of Mr. O'Neil in any other way than by attempting, on my own, and setting aside the extreme position adopted by Mr. O'Neil, to interpret what the people of the province of Quebec might think of the bill. Mr. O'Neil is wrong in refusing to attend the meeting because this bill allows the governor in council to delegate powers in the field of telecommunications. He would be well advised, if he wants to fill the mandate entrusted to him by the people of Quebec, to attend the federal-provincial meetings which give us the opportunity to discuss the means through which a powerful, coherent and national telecommunications system can be set up while attempting to meet the interests and aspirations of the provinces.

* * *

[*English*]

PUBLIC SERVICE

APPLICATION TO SPLIT AIR CONTROLLERS' UNION—GOVERNMENT POSITION—POSSIBILITY OF INTERVENTION BY TRANSPORT DEPARTMENT

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is addressed to the President of the Treasury Board—the Minister of Transport might be interested in it as well, but the President of the Treasury Board has a large responsibility for the collective bargaining process in the public service. Can the minister tell us whether any representations have been made to him with respect to an application by a part of a union seeking separate accreditation to represent one of the public service unions and what attitude the government would take toward such an application?

Hon. Robert K. Andras (President of the Treasury Board): I believe that question would be more properly addressed to the Minister of Transport: I am aware of what the general situation is, but I think my colleague could be more specific.

Mr. Munro (Esquimalt-Saanich): Unless the Minister of Transport is prepared to answer, my supplementary question is this: In view of the threat that such an application presents to nationwide unions in general in the public or the private sector, does the Department of Transport intend to intervene one way or another, and, if so, in what way?

Hon. Otto E. Lang (Minister of Transport): The matter is, of course, before the board and it would be better if comments were made there. It is not our intention to take a positive position on the specific issue. We have taken positions in regard to a variety of the circumstances which lie behind the

difficulties experienced by this union and we may make some comments about that aspect, but basically we shall be awaiting a decision of the board.

Mr. Munro (Esquimalt-Saanich): In view of the experiment the department is conducting in this area and the undertaking he has given to the present accredited bargaining agent for this group of public servants, I should like to ask the hon. gentleman this question: Does the minister feel under no obligation whatever to these employees or to the Canadian public respecting this matter in order to preserve the integrity of a very important sector of the public service?

● (1130)

Mr. Lang: Mr. Speaker, I do not relate at all the one issue to the other. I do not see any conflict in our present position on that agreement or on other promises or undertakings.

POSSIBILITY OF MANY APPLICATIONS TO SPLIT UNIONS

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, may I put a supplementary question to the President of the Treasury Board arising out of the series of questions put by the hon. member for Esquimalt-Saanich relating to air traffic control matters. There are other employee agents and unions bargaining in the public service of Canada. Are there other questions in other unions to which the President of the Treasury Board must address himself from time to time having to do with requesting a split in jurisdiction of such unions, so that the government might find itself dealing with perhaps two separate and distinct organizations involving the same governmental discipline, such as the post office, on the one hand, or other public service unions?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, I have some difficulty answering that question. If the hon. member would give specific examples of such a trend then I think I could deal with it in that way. I cannot comment from knowledge of any general or specific trend in that direction.

Mr. Baker (Grenville-Carleton): That answers the question.

* * *

[*Translation*]

CRIMINAL CODE

CONSULTATION WITH HUNTING AND FISHING CLUBS ON CONTROL OF FIREARMS

Mr. Gilles Marceau (Lapointe): Mr. Speaker, I should like to put a question to the Solicitor General.

I would like to ask him whether the government will take into account the representations received from hunting and fishing clubs as well as shooting clubs when drafting the future legislation on the control of firearms?

Hon. Francis Fox (Solicitor General): Mr. Speaker, the legislation on the control of firearms comes under my colleague the Minister of Justice, but in his absence, since I have been closely involved in any legislative action in that respect, I would like to assure the hon. member that in our proceedings we have carefully examined every report which we received and all representations made by hunting and fishing clubs as well as shooting clubs. We hope to introduce a bill which will meet the basic objectives of the government while respecting the authentic rights of people who are members of hunting, fishing and shooting clubs.

* * *

[*English*]

TRANSPORT

PROVISION OF BOXCARS FOR SHIPMENT OF POTATOES—GOVERNMENT ACTION

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Transport and has to do with the continuing concern about the supply of insulated boxcars for the eastern potato growers. In light of the upcoming meeting between himself and the minister from Prince Edward Island, has the minister seen the report prepared by the P.E.I. potato marketing board which was presented to the provincial government, which indicates the predicted crisis in the availability of rail cars if immediate action is not taken on the provision of rolling stock within the next period? At the same time, would the minister answer whether his own studies, which he mentioned some time ago, have been completed and whether he is prepared to give some answer to the provincial minister when he meets with him shortly?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, I may be able to report some progress. We have been keeping in touch with the situation. My colleague the Minister of Agriculture has been paying particular attention to the question of adequate supplies, and I may be able to discuss further the question of what equipment is available and additional efforts which can be made to ensure that there will be equipment.

Mr. MacDonald (Egmont): A supplementary question, Mr. Speaker. Can the minister indicate whether or not his own studies have been completed and whether there will be any kind of specific answer given when the provincial minister is here, inasmuch as it is reported today that there is a very serious decline in rail car manufacture in Canada generally? Apart from the order of 2,000 grain cars which the minister placed earlier, partially to ease that situation and also to provide further rolling stock for the grain producers of western Canada who have now something like 8,000 grain cars available provided by the federal government, as yet not one single car has either been built or purchased by the federal government for the potato growers of Prince Edward Island and New Brunswick. Can the minister indicate whether some answer

will be given the provincial minister so that we can alleviate what appears to be an upcoming crisis situation?

Mr. Lang: Mr. Speaker, the hopper cars were purchased because of the very special situation obtaining in relation to grain. The railways have a frozen rate for the carriage of grain and therefore need additional cash infusions in the system. In general terms the railways are expected to supply adequate equipment, and to do so by charging appropriate rates. Steps have been taken by the railways to identify the kind of equipment which is available and that will be one of the questions which will be discussed, that is to say, the use of some existing equipment which is available but has not hitherto been used in that particular service. The problem with taking any positive position on manufacturing new equipment is that we must first determine the best manner of carrying potatoes in the future.

SUGGESTION BRITISH COLUMBIA COMPANY BE GIVEN OPPORTUNITY TO MANUFACTURE RAILWAY CARS

Mr. G. H. Whittaker (Okanagan Boundary): A supplementary question, Mr. Speaker. In view of the very recent representations made by the province of new British Columbia to the Minister of Transport, is the Minister of Transport considering giving them some contracts to make this kind of car to transport produce in Canada, since they have been denied the right to have any of the contract for the hopper cars?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, obviously I am not considering simply the question of where the business should go. The point I was making to the hon. member for Egmont was that we have not reached any conclusion on what type of equipment to order. Rail West in British Columbia were given a full opportunity to bid on the order of 2,000 hopper cars, and as I told the House earlier it was only because their price was very much higher than that of other suppliers that no contract was offered to them.

PROPOSED USE OF UNITED STATES' EXPERTISE TO DECIDE TYPE OF RAILWAY CAR FOR SHIPPING PRODUCE

Mr. G. H. Whittaker (Okanagan Boundary): A final supplementary question, Mr. Speaker. In view of the fact that the American railways have no problem supplying cars for Canadian produce, and in view of the statement that the minister made that we do not seem to know what rolling stock to use in Canada, I would ask the Minister of Transport why he does not use the expertise already known in North America for moving this type of produce?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the hon. member may not be aware of the fact that an intermodal study is being conducted into the movement of Prince Edward Island potatoes. To suggest that the railways should move from one type of equipment to another before that question is finally settled is missing the point entirely in regard to what is involved in the movement of potatoes.

[Mr. MacDonald (Egmont).]

EXTERNAL AFFAIRS

PROGRESS IN NEGOTIATING NUCLEAR SAFEGUARDS AGREEMENTS WITH JAPAN AND EUROPEAN COUNTRIES

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Secretary of State for External Affairs. In view of the hundreds of millions of dollars worth of sales of Canadian uranium and thousands of miners' jobs which are dependent on nuclear safeguards agreements being reached with the governments of purchasing countries, can the minister say what progress has been made in the negotiations with the European Economic Community countries and with Japan concerning safeguards for uranium fuel?

Hon. Donald C. Jamieson (Secretary of State for External Affairs): Mr. Speaker, the degree of progress varies from one country to another. Without going into a very lengthy explanation, I think Canada and Japan are quite close to a final agreement. In terms of the European community, the Euratom organization of the community is still talking with the Canadian negotiators. We are also holding bilateral talks with the European countries concerned, and here once again substantial progress is being made. But, of course, our policy is not to reintroduce exports until such time as our safeguards standards have been met fully.

* * *

GRAIN

POSSIBILITY DISCUSSIONS ON INTERNATIONAL WHEAT AGREEMENT MIGHT INCLUDE OTHER GRAINS—DATE OF COMPLETION

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is directed to the minister in charge of the Canadian Wheat Board. The minister has been talking a lot about a new international wheat agreement and has spoken with officials in the United States and Australia. Is the minister giving any consideration to extending these talks to include grains other than wheat and, if so, can he tell the House which grains he might consider?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, that topic may certainly include other grains. At the moment we are talking principally about wheat. We are, of course, at the preliminary stage, and we will see what the wishes of particular participants are as we proceed.

Mr. Nystrom: A supplementary question, Mr. Speaker. Would the minister tell us a bit about his timetable for achieving an international wheat agreement or hopefully an international grains agreement, and at the same time would he tell us whether he is willing to take the initiative in convening a meeting or conference of all grain producing and grain consuming nations of the world so as to expedite an agreement of this sort?

● (1140)

Mr. Lang: I have taken the initiative to bring the discussions into being and thereafter we will jointly proceed as agreed upon by those who are now participating in the talks. I do not have a specific timetable which I can lay out before hon. members because of the need to get agreement and concurrence on the part of the people.

* * *

POST OFFICE

REASON FOR REFUSAL OF OFFICES TO ACCEPT FIFTY DOLLAR BILLS

Hon. Robert L. Stanfield (Halifax): Mr. Speaker, I have a question for the Postmaster General. Does he consider it appropriate that when one goes into a post office in Halifax to buy, say, an $80 money order and then tenders a $50 Canadian bill as partial payment, acceptance of that $50 bill is refused unless the customer is prepared to sign his name and give his address? In other words, does the Post Office regard a $50 bill as legal tender or does it not?

Hon. J.-J. Blais (Postmaster General): Mr. Speaker, I can assure the hon. gentleman that it is not the practice to refuse any form of Canadian legal tender, but I will be pleased to receive particulars of this incident from the hon. member, look into it and offer him an explanation that is due.

Mr. Stanfield: While the minister is looking into the question, would he inquire as to why the employee in question offered the explanation that he was instructed by his superiors to do this?

* * *

THE CANADIAN ECONOMY

SUGGESTED ADJOURNMENT OF LIBERAL CONFERENCE IN VIEW OF ATTITUDE TOWARD UNEMPLOYED UNIVERSITY GRADUATES

Mr. R. Gordon L. Fairweather (Fundy-Royal): With your indulgence, Mr. Speaker, I would like to return to an earlier line of questioning and ask the President of the Privy Council the following question. In 1972 the Prime Minister's advice to the unemployed in Quebec was that the Quebec unemployed could find new jobs in Ontario. Now, the Prime Minister has moved to the international field as an answer to the problems that face this country. If it is to be the policy initiative of the Liberal thinkers conference that we use international travel agents to solve these serious problems, perhaps the President of the Privy Council might consider adjourning this thinkers conference.

Hon. Allan J. MacEachen (President of the Privy Council): No, Mr. Speaker, I intend to join the thinkers later today.

Some hon. Members: Oh, oh!

Mr. Fairweather: When the President of the Privy Council goes to the thinkers conference, would he remind that group that the last suggestion for solving unemployment by taking one-way tickets was Walter Gordon's who made it in Cape Breton Island, as I remember, so it should be a fruitful afternoon and evening?

* * *

SPORTS

AVAILABILITY OF FUNDS FOR CONSTRUCTING STADIA FOR PROFESSIONAL SPORTS—GOVERNMENT POSITION

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the Minister responsible for Fitness and Amateur Sport. Can the minister say whether some Canadian football league teams have approached her asking for funds towards upgrading or constructing sports stadia, and, if so, what was her response? Second, can she tell the House whether it is within the authority of her department to grant funds for the upgrading of stadia used by professional teams of one kind or another?

Hon. Iona Campagnolo (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, the answer to the first part of the question is no, and the answer to the second part is also no.

Mr. Rodriguez: That's a no-no.

Mr. Yewchuk: Can the minister give the House the assurance that she would not grant such funds, and secondly, does she agree that professional sport is deleterious to the health of Canadians? If so, what action does she plan to take in that regard?

Mrs. Campagnolo: Mr. Speaker, I do not regard professional sport as being deleterious to the health of Canadians. It serves as an example to many of us sitting in the spectators position. However, I cannot say to what consideration will be given in the future following our present Loto Canada commitments. At this time I cannot say unequivocally that no consideration would be given to this. It may be, but not in the foreseeable future.

* * *

INDIAN AFFAIRS

DATE OF SETTLEMENT OF TURTIN PENN LEASE

Mr. J. R. Ellis (Hastings): Mr. Speaker, I have had a question for a day or so for the Minister of Indian Affairs and Northern Development, and again he seems to have disappeared today. So I should like to direct my question to the President of the Treasury Board with regard to the request of the Department of Indian Affairs to the Treasury Board to further contribute to the settlement of the Turtin Penn lease in the Shannonville area near the Tyendenaga Mohawk reserve

which has been there for some time. Can the minister indicate when we might have a settlement of this particular request?

Hon. Robert K. Andras (President of the Treasury Board): Mr. Speaker, I will have to inquire to see where that matter stands.

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UNEMPLOYMENT INSURANCE

REQUEST FOR CLARIFICATION OF STATEMENT CONCERNING FRAUD IN MARITIMES

Mr. Leonard C. Jones (Moncton): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration and it is with respect to a letter which was addressed to all hon. members dated March 23, 1977. I would like an explanation with respect to part of the letter which reads:

> . . . in areas of continuing high unemployment such as the Atlantic provinces, efforts have been directed to the detection of fraud, misrepresentation and unreported earnings.

I know of no case in the maritimes of any person on unemployment insurance being found in Florida.

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I thank the hon. member for bringing this to my attention yesterday. I did read the letter over and I wished I had not written it because it gives an unfortunate inference. What we are endeavouring to indicate is that there are two areas of service to the community, one wanting the placing of individuals and the other a control mechanism. There was a wastage of personnel sometimes trying to find jobs where jobs do not exist. So I was indicating the two services in the department. But it was an unfortunate inference, and I apologize for it.

* * *

MANPOWER

MEASURES TO ALLEVIATE UNEMPLOYMENT IN MARITIMES

Mr. Leonard C. Jones (Moncton): I would like to ask the same minister another question. He used the phrase "continuing high unemployment". What is he going to do now to stop this continuing high unemployment?

Mr. Rodriguez: Nothing.

Hon. Bud Cullen (Minister of Manpower and Immigration): I am dealing with that in large measure in my estimates. Unfortunately, the hon. member for Nickel Belt does not show up at meetings so that we can have an appropriate exchange there.

[Mr. Ellis.]

INCOME TAX

PROPOSED INVESTIGATION OF FUND RAISING BY INTERNATIONAL FUND FOR ANIMAL WELFARE

Mr. William Rompkey (Grand Falls-White Bay-Labrador): Mr. Speaker, my question is for the Minister of National Revenue and it arises out of an article in the Toronto *Star* yesterday. In view of the fact that the International Fund for Animal Welfare last year was a non-profit organization and yet had a surplus of almost half a million dollars and in view of the fact that responsible persons, such as Mr. Tom Hughes, executive vice president of the Ontario Humane Society, have called for an inquiry to investigate all aspects of fund raising by the funds executive director, Brian Davies, will the minister cause such an inquiry to be initiated to see how this man obtained the money that he uses to smear the names of honest, God-fearing Newfoundlanders?

Some hon. Members: Hear, hear!

[*Translation*]

Hon. Monique Bégin (Minister of National Revenue): Mr. Speaker, unfortunately I can only provide a very partial answer to this question, considering the strict confidentiality rules which we must respect.

Any organization requesting a tax relief for charity purposes must meet such purposes. When we have grounds to suspect the contrary, from newspaper articles which describe lobbying activities considered political or otherwise, or when the annual reports we request do not satisfy us, we make an inquiry into that specific matter. In this case concerning the International Fund for Animal Welfare, we came to the conclusion that they could not get relief because there were no such charity purposes. After discussions, the organization asked to be decertified as from last December 31.

I can make no further comment. In the future, after the recent passage of Bill C-22 by Parliament, any organization enjoying a tax relief will be required to make a public report.

* * *

● (1150)

[*English*]

POST OFFICE

REQUEST FOR ACTION TO SETTLE STRIKE AT ST. JOHN'S, NEWFOUNDLAND

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I would like to direct a question to the Postmaster General. As the minister is aware, there has been a serious postal strike at the St. John's post office for the past five days. Will the minister use every possible means to bring this illegal work stoppage to a halt immediately by means of obtaining a court injunction or otherwise, and will he urge the postal clerks involved to return to work so that the severe hardship caused members of the general public, including those dependent on receiving unemployment insurance cheques, old age security

and veterans cheques and other social assistance cheques through the mails, will cease?

Hon. J.-J. Blais (Postmaster General): Mr. Speaker, with the hon. member for Parry Sound-Muskoka and the hon. member for St. John's West, I am very much concerned about this work stoppage. I have been informed that the cheques are presently in the mail. We are using all the means available to us—although I must indicate they are limited under the present legislation—to get this illegal work stoppage to cease. I trust that by the weekend the matter will be resolved.

* * *

TRANSPORT

SUBSIDIZATION OF QUEBEC FERRY SERVICE AS JUSTIFICATION FOR SHARING LOSSES ON B.C. FERRY SERVICE

Mr. Ron Huntington (Capilano): Mr. Speaker, I have a question for the Minister of Transport. Given the fact that the CNR, a Crown corporation receiving subsidies from the federal government, is committed to a $90 million capital expenditure for a ferry service between Baie Comeau, Matane and Quebec City, a service which will require a continuing annual operating subsidy, will the minister accept the fact that this is a federal subsidy for an intra-provincial ferry service which is justification for a formula which will allow a federal sharing of the operating losses of the B.C. ferry system?

Hon. Otto E. Lang (Minister of Transport): No, Mr. Speaker. I think the hon. member has the facts wrong in relation to the financial arrangements involved. I would be glad to obtain complete details and let the hon. member have them.

Mr. Huntington: In light of the fact that the essential revenue aspects of this St. Lawrence crossing were to be put in place by the CPR at a $10 million cost and at no cost to the treasury, can the minister give the rationale behind this heavy involvement on the part of CNR, particularly in light of his concern about frugality in placing railroad hopper car orders?

Mr. Lang: As the facts, when the hon. member has them, will show, this is not a matter of subsidy but a commercial intervention on the part of CN.

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[*Translation*]

AGRICULTURE

DATE OF ANNOUNCEMENT OF MILK POLICY

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, my question is directed to the Minister of Agriculture.

Considering that the dairy industry is essential to a good nutrition of mankind and that primary producers should have a fair return for their work and be able to live decently, is the Minister of Agriculture in a position to tell the House whether the dairy policy coming into force on April 1, 1977 will be announced in the very near future and whether milk producers should expect a better year than in 1976-77?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I said I hoped that we would be able to announce this several days or weeks before the first of April. In the middle of January the Canadian Dairy Commission made some submissions to the provincial milk marketing boards, which make up the advisory group to the Canadian Dairy Commission. They have not come to a solid, 100 per cent conclusion on all the suggestions and offers we made to them. I will be going ahead with a recommendation to my colleagues in cabinet, I hope, the first of the week. I hope we can still meet the deadline of April 1 even without the full co-operation and endorsement of the provincial milk marketing boards. I still believe we will have a very good dairy policy for the dairy year 1977-78.

[*Translation*]

INQUIRY WHETHER QUOTAS DISTRIBUTED BY MARKETING BOARDS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I have a supplementary.

First of all, I thank the minister for his excellent answer, and I would like to know if he could possibly tell the House whether a specific study has been made on the quota policy throughout Canada, whether changes have been made in this area and whether the quotas will be distributed at the producer level through marketing boards, as in the past, once the future discussions on this subject are completed?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I am sure the hon. member knows that the national quota for industrial milk is decided by the Canadian Dairy Commission after consultation with provincial marketing boards and the dairy farmers of Canada. I have very little to say to individual farmers about the quotas. They are administered by milk marketing boards within the provinces.

In his earlier question the hon. member asked if the quota will be made public. It will be made public at the time of announcement, and I hope information sheets will be made available to hon. members at that time.

MEASURES TO PROTECT CANADIAN PRODUCERS AGAINST EFFECTS OF IMPORTED PRODUCTS

Mr. Robert Wise (Elgin): Mr. Speaker, my question is directed to the Minister of Agriculture, and it relates to tariff inequities. In view of the declaration of the Canadian Horticultural Council that producers of horticultural crops in Canada continue to suffer economically because of the inflow of competing products at prices below the cost of production, and in view of similar views being expressed by the Canadian Fruit and Vegetable Processors' Association, what action will

the government take to assist and protect our Canadian horticultural producers and our fruit and vegetable producers?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I would like to remind the hon. member that at the recent annual meeting of the Canadian Horticultural Council in Ottawa a unanimous motion of commendation of the government and of the Minister of Agriculture was moved. This was because of all the things we were doing for those producers. I am sure the hon. member knows that we have done those things for them, and I am sure he also knows that the Tariff Board report is to be tabled or made public, I am told, on April 1 or shortly thereafter.

Mr. Wise: Mr. Speaker, I am aware of the fact that the Canadian Horticultural Council passed one resolution congratulating the government. I am also aware that there were 49 other resolutions which did not support government action.

Mr. Stanfield: That is one out of 50.

ALLEGED LACK OF INSTRUCTION TO GATT NEGOTIATORS ON AGRICULTURAL PRODUCTS

Mr. Robert Wise (Elgin): In view of the comment of a provincial minister of agriculture that he was shocked to learn of the lack of instruction our GATT negotiators were receiving from Ottawa, and in view of the fact that one negotiator told the provincial minister, and I quote, "We are here to play the piano, but somebody has to compose the music", when does the government expect to have its music ready, and is the government at least going to change the basis of Canadian tariffs from the present fixed cost basis to a per cent ad valorem?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, all I can say is that practically every producer of horticultural crops I have had anything to do with has played a very pleasant tune because those producers are able to pay their bills as a result of the program we have initiated for them. I am shocked that the Ontario minister of agriculture would say that publicly because that is not what he said to me privately.

POTATOES—WAREHOUSE AND SHIPPING FACILITIES IN SAINT JOHN, N.B.—GOVERNMENT ACTION TO IMPROVE

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, my question is also for the Minister of Agriculture, and it relates to earlier questions asked by the hon. member for Egmont. Following the minister's inspection of the warehousing and loading facilities at the Port of Saint John last weekend, has he had an opportunity to determine how best to respond to the present inadequacies, hopefully in time for the next shipping season this coming fall?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I did visit those facilities with representatives of the potato growing industry from New Brunswick and with the organization which represents all potato growers in the maritimes. We visited the wharves in the Saint John harbour area. Actually, it was a week ago this morning. We were making that visit about this time last week. I was appalled to see the facilities which were being used. They were not exaggerating about how bad they were. An inter-departmental committee will be putting together a report. The Department of Transport and the Department of Agriculture are working together on this. We hope we will have something for the next crop season which will be much more practical than what we have at the present time.

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● (1200)

VETERANS AFFAIRS

POSSIBILITY OF LEGISLATION TO EXTEND PRISONER OF WAR COMPENSATION TO VETERANS OF WORLD WAR I AND ESCAPERS AND EVADERS OF WORLD WAR II

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Veterans Affairs. In view of the very real sympathy that the minister expressed in committee the other day for the 200 or so living veterans of World War I who were prisoners of war and also the interest he expressed in the Canadian veterans who were evaders or escapers in World War II, can he tell the House whether the chances are good that there will be legislation during this session to extend the prisoner of war compensation to these two groups of Canadian veterans?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): In answer to the hon. member's question, Mr. Speaker, as I informed him before, this is under study by my department but as to making any commitment for this session, I prefer not to at this time.

STUDY OF PENSIONS FOR WIDOWS OF VETERANS WHOSE DISABILITY PENSION LESS THAN FORTY-EIGHT PER CENT

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Can the minister say whether he and his department are also giving serious study to the problem which arises from the fact that there is no pension for a veteran's widow where the veteran's disability pension was less than 48 per cent?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Yes, Mr. Speaker, this is also under study by the department at the present time.

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IMMIGRATION

POSSIBILITY OF DENYING ENTRY TO UNIVERSITY GRADUATES IN VIEW OF ATTITUDE TOWARD CANADIAN UNIVERSITY GRADUATES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a question for the Minister of Manpower and

Immigration arising out of the question originally asked by the hon. member for Don Valley. First, I should like to ask whether his department is doing anything to prevent immigration into Canada of university students from any part of the world or in the alternative if it is not, does he agree that such a policy as was enunciated yesterday by the Prime Minister, which is not only defeatist but disgraceful, should not apply in this country at a time when we are so anxious to have the best trained technological people that can be produced in this land?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, first of all, I always consider it an honour to have a question from the right hon. gentleman. This is the first one he has put to me in either portfolio, so it is great that in his 37th year here he has finally come around to me. In dealing with foreign students, we have a policy whereby they would secure their visa abroad and would be expected to take care of themselves when they get here. I think we have a pretty commendable record in Canada for opportunities, as some other countries have for Canadian students who are given opportunities to train abroad.

In so far as the exchange that the Prime Minister had yesterday with students, I think what he was doing was probably what many people have done to young people, in effect saying that the fact that they have a degree is not an automatic guarantee of a job. On the aspect of what the government is doing about it, he lined up the options for the students and one of them happened to grab the headlines.

Mr. Diefenbaker: A supplementary question. In view of the statement of the Prime Minister, is the minister giving consideration to having a subdepartment of immigration on emigration from Canada?

ROUTINE PROCEEDINGS

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT

MEASURE TO AMEND NAME OF CONSTITUENCY OF "TÉMISCAMINGUE" TO "RÉAL CAOUETTE"

Mr. Max Saltsman (Waterloo-Cambridge) moved for leave to introduce Bill C-409, respecting the Electoral Boundaries Readjustment Act (Réal Caouette).

Some hon. Members: Explain.

Mr. Saltsman: Mr. Speaker, the purpose of this bill to change the name of the riding of "Témiscamingue" to that of "Réal Caouette" is to honour the memory of a great federalist member of this House of Commons. There are names throughout Canada honouring distinguished politicians, members of this House and of the provincial House of Quebec. In view of the high regard in which this House held the late hon. member for Témiscamingue, I think that riding should be renamed in his honour.

Some hon. Members: Hear, hear!

Motion agreed to, bill read the first time and ordered to be printed.

* * *

COMBINES INVESTIGATION ACT AND BANK ACT

AMENDMENT RESPECTING DEFINITIONS IN LEGISLATION

On the order:

March 16, 1977—Second reading and reference to the Standing Committee on Finance, Trade and Economic Affairs of Bill C-42, an act to amend the Combines Investigation Act and to amend the Bank Act and other acts in relation thereto or in consequence thereof.

Hon. Allan J. MacEachen (President of the Privy Council) moved:

That the subject matter of Bill C-42, an act to amend the Combines Investigation Act, and to amend the Bank Act and other acts in relation thereto or in consequence thereof, be referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Speaker: Order, please. The House has heard the motion put forward by the President of the Privy Council. Does the minister have leave to introduce the motion at this time?

Mr. Baker (Grenville-Carleton): Mr. Speaker, there have been discussions with respect to the matter, and the motion is quite in order. There has been some understanding that the work of the committee that will follow from the budget will not be interfered with. I understand arrangements have been made with other members and the minister in whose name the bill stands so that this matter can go forward with consent. We agree to the motion.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, we also agree to the proposal made by the President of the Privy Council, but there is just one point about which I should like to be sure. Maybe it is automatic, but the minister did not include in his motion any reference to the removal of item No. 42 from the order paper. I do not think we should have it in both places. I am suggesting the motion should include the discharge of the item from the order paper and the reference of the subject matter to the standing committee, or an understanding that the order will be discharged.

Mr. MacEachen: Mr. Speaker, it was my understanding that the table would take the necessary steps following the adoption of this motion.

Mr. Speaker: That was also the understanding of the table officers. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Mr. Speaker: Is the House agreed to the putting of the motion at this time?

Some hon. Members: Agreed.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Mr. Huntington: Mr. Speaker, I wonder if I might put a question to the minister responsible for this bill. In the discussions that led to this motion there was some comment to the effect that the steering committee to which the bill is being referred would draw up an invitation list for briefs. As this is an extremely important bill affecting the industrial organizations and structure of Canada, I would not want that steering committee to understand they would be too limited in invitations to the Canadian community to participate in the committee stage of the subject matter of the bill. I realize there has to be a balance, but if it became too restrictive I think we would be doing a great disservice to the Canadian industrial community.

Mr. Speaker: The procedure is a little extraordinary, but if it is simply to allay a concern of the hon. member perhaps the minister might answer.

Mr. Abbott: Mr. Speaker, I welcome a chance to allay that particular apprehension. In the discussions I indicated we would provide a list of persons and organizations who in the past years have expressed interest, but I think the committee would probably want to issue a more general invitation.

Mr. Speaker: Is the House ready for the question?

Some hon. Members: Agreed.

Motion (Mr. MacEachen) agreed to and order discharged.

* * *

● (1210)

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

[*Translation*]

Mr. Maurice A. Dionne (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the following questions will be answered today: 99, 114, 738, 740, 741, 743, 746, 1,393, 1,567, 1,569, 1,653 to 1,681 inclusive, 1,793, 1,891, 1,897, 1,975 and 2,151.

I ask, Mr. Speaker, that the remaining questions be allowed to stand.

[Mr. Speaker:]

[*Text*]

RCMP INVESTIGATION—MR. GORDON GUNN

Question No. 99—**Mr. Cossitt:**

1. Have any charges been laid against former UIC employee Mr. Gordon Gunn of Ottawa and, if so (a) what are they (b) on what dates were such charges laid (c) how many times did Mr. Gunn appear in court and what was the result in each case (d) what is the exact date that (i) UIC (ii) RCMP began investigating this matter and on what date was the investigation completed?

2. What is a full description and detail of all infractions committed by Mr. Gunn?

3. (a) What are the names of all others associated with him in such activities (b) have any charges been laid against any of them and, if so, what are the names and addresses of any such persons charged along with a list of charges made in each case?

4. How much money did Mr. Gunn personally defraud or assist others in defrauding from UIC?

5. On what date was the answer to this question prepared?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of the Solicitor General and the Unemployment Insurance Commission as follows: 1. Yes (a) One charge of fraud, Section 338(1) C.C. (b) May 14, 1976. (c) May 14, 1976, adjournment; May 21, 1976, adjournment; May 28, 1976, adjournment; June 4, 1976, adjournment; June 11, 1976, plea of not guilty; Oct. 7, 1976, Preliminary Hearing commenced. (d) (i) The investigation commenced on April 10, 1976 and was finalized on June 11, 1976. (ii) The R.C.M.P. began their investigation on February 19, 1976 and the substance of the specific charge was completed on May 3, 1976. Other aspects of the investigation are continuing.

2. Answered in No. 1 above.

3. (a) It would be prejudicial to the ongoing criminal investigation if this question was answered at this time. (b) No.

4. The information alleges an amount in excess of $200.

5. The government takes responsibility for the answers it provides to questions and for the process involved in replying to such questions. It is not appropriate therefore to provide information about internal administrative arrangements.

PRIME MINISTER USE OF PUBLIC FUNDS FOR PERSONAL PURPOSES

Question No. 114—**Mr. Cossitt:**

1. Does the Prime Minister use public funds for personal purposes of any kind, including holidays for himself and his family, purchasing of food, etc., considered by the Department of National Revenue as taxable benefits received from his employer and, if so, has he been required to pay income tax?

2. If he does not pay income tax, for what reasons are such benefits not considered taxable and what is the legal authority to justify such a situation?

Right Hon. P. E. Trudeau (Prime Minister): 1 and 2. Public funds are not used for personal holidays (see subsection 6 (1) of the Income Tax Act and Section 5.1 of the Official Residences Act).

EXPENDITURES TO MUNICIPAL UNITS ON CAPE BRETON ISLAND BY DEVCO

Question No. 738—**Mr. Muir:**

1. What monies have been made available to municipal units on Cape Breton Island by the Cape Breton Development Corporation for assistance in any aspect of their operations and, in each case (a) what was the municipal unit (b) what assistance was provided and for what reason?

Municipal Unit	Grant	Loan	Reasons for Assistance
County of Cape Breton	$248,743	$252,515	Regional sewer and water program
County of Inverness	75,948		Water project
County of Inverness	39,920		Paving Margaree Airport
County of Inverness	83,400		For use by the Counties on projects related to development
County of Victoria	160,000		For use by the Counties on projects related to development
County of Richmond	200,000		For use by the Counties on projects related to development
City of Sydney	7,295		Donation of land and materials
City of Sydney	35,984		Regional sewer and water program
Town of Glace Bay	162,587	83,522	Regional sewer and water program
Town of Dominion	26,730		For beach improvement
Town of Dominion	19,340	19,340	Regional sewer and water program
Town of New Waterford	75,326	67,700	Regional sewer and water program
Town of New Waterford	1,000		For fire department
Town of New Waterford	25,000		For railway clean-up
Town of Sydney Mines	2,500		Towards cost of repairing Pitt Street
Town of Sydney Mines	21,205	21,205	Regional sewer and water program
Town of North Sydney	16,755		Regional sewer and water program
Town of Louisbourg	21,755	21,755	Regional sewer and water program
Town of Louisbourg	26,490		Towards renovation of Town Hall and clean-up
Metro Planning Commission	32,129		Contribution towards municipal area share of the budget
Sydney Harbour ports Regional Development Board	30,000		Share in the cost of the promotion and development of the port

2. An uncounted number of discussions of this matter have taken place over several years with all the municipalities of Cape Breton County. The position of the corporation is that major financing from senior governments could not realistically be expected for isolated projects. There would have to be a comprehensive regional plan. To this end, the corporation has helped to finance the metropolitan planning commission, representing the municipalities. When that did not produce a plan, the corporation provided a full time member of its staff to act as Manager in the development of a plan for the provincial department of municipal affairs. This work has been proceeding for over twelve months and is now almost complete. When it is, the corporation will work with other agencies to secure implementation of an agreed plan.

2. What action has been taken by the Cape Breton Development Corporation in co-operation with the (a) City of Sydney (b) Town of North Sydney to assist in the construction of a new water system and, if a decision has not been rendered to date, have meetings been held and, if so, what and how many and when is a final decision to be reached as to such assistance?

Mr. Ed. Lumley (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Cape Breton Development Corporation is as follows: 1.

STATISTICS CANADA—NUMBER OF INDIVIDUALS EMPLOYED ON CAPE BRETON ISLAND

Question No. 740—**Mr. Muir:**

1. How many individuals are employed or under contract on Cape Breton Island, Nova Scotia, by Statistics Canada and how many are involved in field work?

2. What are the names of those who are involved in (a) field work (b) contract work and, in each case, what is the (i) salary of those who are employees (ii) amount received by those under contract in fees and expenses for the fiscal year 1975-76 and the estimated cost for 1976-77?

Mr. Hugh Poulin (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as Statistics Canada is concerned: 1. As of November 1, 1976, 15 individuals hired under the authority of the Statistics Act were employed on Cape Breton Island as part-time interviewers on the various field surveys conducted by Statistics Canada.

2. The 15 part-time employees working on Cape Breton Island for Statistics Canada as at November 1, 1976 were all involved on field work, and their fees and travel expenses for 1976-77, estimated, and for 1975-76, where applicable, are as follows:

	1975-76 (Actual) $'s			1976-77 (Estimated) $'s		
Name	Fees	Travel Expenses	Total	Fees	Travel Expenses	Total
G. Burlock	2,144	988	3,132	2,664	962	3,626
B. Davis				2,945	411	3,356
M. Fox	626	473	1,099	1,414	837	2,251
L. George	1,278	504	1,782	488	209	697

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Name	1975-76 (Actual) $'s Fees	Travel Expenses	Total	1976-77 (Estimated) $'s Fees	Travel Expenses	Total
J. LaRusic	1,552	247	1,799	2,021	238	2,259
G. Leadbeater	1,717	958	2,675	2,232	1,041	3,273
S. MacArthur				2,097	654	2,751
B. MacKenzie	2,178	1,681	3,859	2,065	1,609	3,674
A. Marple	1,245	1,177	2,422	765	514	1,279
J. Moore				598	197	795
E. Murchison	4,486	1,590	6,076	5,951	3,187	9,138
E. O'Neill				232	53	285
W. O'Shaughnessy	2,448	1,098	3,546	3,472	1,710	5,182
E. Skinner				939	642	1,581
V. Weatherby	2,146	1,356	3,502	2,108	1,761	3,869

PROJECTS UNDERTAKEN BY DEVCO SINCE ITS INCEPTION

Question No. 741—**Mr. Muir:**

1. Since its inception, has the Cape Breton Development Corporation undertaken on its own any projects and, if so (a) what is a description of each (b) what (i) was the objective of each (ii) was the cost of each (iii) were the results?

2. What has been the long-term employment produced from each project as of this date?

Mr. Ed. Lumley (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Cape Breton Development Corporation is as follows: 1. See following schedule.

2. For most projects the objective is to increase the market for other Cape Breton production rather than the direct employment. For the direct employment alone in the order of projects, refer to the following schedule.

1. Project Name	(a) Description	(b)(i) Objective	(ii) Capital Cost	(iii) Results	2. Employment
Point Edward Marine & Ind. Park.	Ind. Site and Harbour Facilities	To improve facilities and services to industrial operations in a centrally located area	$358,000	Direct employment maintained and new industries obtained.	72
Island Crafts	Wholesale distribution of Cape Breton hand-made crafts	To stimulate production of handcrafts made locally and supplement the income of the producers.	$58,000	Project steadily progressing Cape Breton handcrafts are now accepted locally and nationally.	4
Cape Breton Steam Railway	Historic Steam Railway Operation—two steam locomotives and rolling stock plus other railway related attractions	To provide tourists with a trip down memory lane to the days of the old steam railway operations	$1,270,000	A strong tourist attraction but needs to be set on more economic basis	12 seasonal
Inverness Beach Development	Tourist accommodations consisting of housekeeping cottages, campsite, huts, and beach facilities	To provide low cost family accommodations and recreational activities for tourists.	$1,200,000	Response in the first year very good number of housekeeping cottages being increased	1 regularly and 6 seasonal
Chowder Houses	Four fast food outlets featuring Cape Breton Seafood menu	To provide visitors with quick meals specializing in Cape Breton seafood the quality and service of which being controlled by the Corporation.	$220,000	Products offered being accepted favourably; three outlets now sold or leased to private operators, and fourth will be.	26 seasonal
Mabou Sheep Farm	Farm centrally located to demonstrate improved techniques and upgrading of stock quality	To help sheep farmers to strengthen their flocks	$94,972	Cape Breton Sheep industry has greatly expanded; farm now being leased	1
Ewe Lamb Retention Program	Purchase of breeding ewe lambs to be boarded on existing sheep farms for a period not less than six years.	To increase the sheep population on the Island, strengthen existing flocks, and increase marketable lamb.	$56,000	Program has been very successful with the sheep Population more than doubling and participation in the lamb market increasing.	0

1. Project Name	(a) Description	(b)(i) Objective	(ii) Capital Cost	(iii) Results	2. Employment
Louisbourg—Restaurant Bakery Reproductions	Restaurant featuring 18th century french cuisine, a bakery featuring (and exhibiting the preparation of) 18th century bread and a gift shop specializing in 18th century artifacts. All located within Fortress Louisbourg.	To provide Fortress visitors with food and souvenirs of the 18th century.	$160,000	Results for the first year were above expectations, and a profitable operation anticipated.	18 seasonal
Dundee Golf Course	First class golf course in a magnificant location overlooking the Bras d'Or Lakes.	To provide a facility that will increase and prolong the stay of tourists	$690,000	1977 will be the first year of operation	not determined
Princess Mine Tour and Restaurant	Tour of 100 year old mine and a dining area steeped in the history of Princess Mine.	To provide tourists with an insight into coal mining	$425,000	Both mine tours and restaurant received excellent support in initial year	4 regular and 12 seasonal
French Mine	Re-opening the 18th century workings at Port Morien, which was the earliest coal mining operation in North America.	To provide tourists with a view of the first coal mined in North America.	$227,000	Much appreciated but numbers not as great as hoped.	5 seasonal
Whale Cove Summery Village	Complex of 20 housekeeping cottages and beach facility.	To supply low cost family accommodation for tourists	$270,000	Initial year of operation exceeded all forecasts an expansion is now underway	1 regular and 4 seasonal
C.B. Lamb Ltd.	Importation of sheep from United Kingdom	To strengthen present sheep flocks on the Island and increase the production of marketable C.B. Lamb.	$700,000	Two importations have been carried out, the imported sheep have adapted well with a successful lambing season completed.	4
Marine Farming	Growing of oysters, raising of trout and other marine species to be marketed on a commercial scale.	To establish a marine farming industry capable of expansion by fishermen.	$1,895,000	An imported disease caused a major setback in 1976, but with perseverance it is anticipated that this experiment can become the base of an important commercial industry.	
Darr Cape Breton Ltd.	Apartment, office building, and 122 unit motel complex.	To supply up-to-date office space and dwellings for prospective businesses, also motel accommodations for tourists.	$5,000,000	Office and apartment building rented to capacity and complex beginning to generate enough cash to now cover interest and principal payments.	62
Highland Heights Inn	Motel and dining room	To attract tourists to an hitherto undeveloped area.	$310,000	Facility rented and obtaining increasing use to point that expansion is now required.	15 seasonal

CAPE BRETON ISLAND—INDUSTRIAL DEVELOPMENT PROJECTS ASSISTED BY DEVCO

Question No. 743—**Mr. Muir:**

What industrial development projects has DEVCO assisted in, on Cape Breton Island, with grants or loans in the fiscal year (a) 1975-76 (b) 1976-77 to date and, in each case, what has been the amount and how many jobs have been created?

Mr. Ed. Lumley (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Cape Breton Development Corporation is as follows:

Project Loans	(a) 1975-76	(b) 1976-77	Full time job equivalent created directly or maintained
H. J. Francis Ltd.	$15,000		5
Strathlorn Veg. Stand	6,000		3
D. Goldman and Sons Ltd.	15,000		3
National Sea Products Ltd.	301,400		35
Claude Moore	3,000		1
Serendipity Souvenirs		1,200	4
Meat Cove Pottery Farm	2,000	700	4

Project	(a) 1975-76	(b) 1976-77	Full time job equivalent created directly or maintained
Loans			
Avard MacLean		2,200	2
Suxtaglume Ltd.		13,000	5
Ron Hornsby	1,000	3,500	1
Tartan Bakery Ltd.	16,000		16
Margaree Window and Door Frame Ltd.	40,000		10
Cabotcraft Industries Ltd.	460,000	258,000	34
Island Resources Ltd.	30,000		3
Bed and Breakfast	20,300	1,400	9
Lobster Kettle	5,000		2
Inverness Cruise Boat	7,000		2
Reeves Modular Homes		20,600	45
United Maritime Fisheries Co-op		60,000	25
Cheticamp Pastries Ltd.		25,000	22
Ronnie's Lobster Pound		20,000	4
C. B. Eels Ltd.		14,400	5
Leo MacNeil		1,000	1
Donald MacKay		5,000	1
Atlantic Strataquarium		16,000	2
Ken Boyd		4,800	1
Malcolm Parsons		3,750	1
Grants			
North Shore Farmers Assoc.	13,900		3
Margaree Window and Door Frame	15,000		See above
Richmond Fisheries Ltd.	252,300	242,300	250
C.B. Tourist Assoc.	26,000		8
N.S. Forest Industries (Interest Subsidy)	412,500	276,200	1,600
Cheticamp Historical Centre		129,800	5

NUMBER OF PROJECTS IN WHICH DEVCO HAS BEEN INVOLVED

Question No. 746—**Mr. Muir:**

1. What is the total number of projects to date, that the Cape Breton Development Corporation has been involved in with private individuals or concerns since its inception?

2. Of the total number of projects, on how many occasions did DEVCO involve itself to such individuals or firms with loans or grants?

3. Of the individuals or firms to whom DEVCO made grants or loans, how many (a) are still in operation (b) have closed?

4. (a) What are the names of the firms no longer in operation (b) how much did they receive in grants or loans (c) what was the maximum number of employees made available by the operation of the firm (d) how many employees were on staff at the time of the closure?

5. Of the firms that have closed, how much of the monies in grants and loans has been recovered in each case?

Mr. Ed. Lumley (Parliamentary Secretary to Minister of Regional Economic Expansion): The reply for the Cape Breton Development Corporation is as follows: 1. About 1,600 inquiries have been dealt with and of these just over 800 have reached the assessment stage.

2. 216, of which 197 are loans and 19 grants.

3. (a) 202, (b) 14.

4. (a)	4. (b) Total Amount Received Grant	Loan	Start-up	4. (c) How many Employees on Staff	5. How much in Loans Recovered
Breton Versatrek	$60,000	$1,802,586	1968	20	$53,076
Richmond Plastics	70,000	—	1968	35	—
Andercraft Forest Products	—	311,957	1969	40 in woodlands 30 in mill	—
Hustler Products Corp	65,000	657,992	1969	34	323,000
W. T. Lynch and Sons		270,000	1969	70	—
Rhand Electronics	37,837	714,472	1969	40	312,472
W. A. Kennedy	28,000	55,000	1970	14	305
Sydney Vending		29,500	1972	16**	624
Barry Watson		9,800	1975	1	—
Kaiser Strontium Ltd		3,500,000	1970		3,500,000
Kaiser Celestite Ltd		1,500,000	1970	100	1,500,000
Richard Cox		8,500	1972	1	8,500
Sydney Steel Erectors		25,000	1974 3	25,000	
J. W. O'Connor	40,000	158,997	1973	25	*71,322

Re: (d) we do not have records of the number at the date of closing.
* To date, final recovery is expected to be close to total loan.
** Employment maintained under present owner, Major Vending Co.

GRANT—WEST ROYALTY HYDRAULICS LTD., PEI

Question No. 1,393—**Mr. Halliday:**

Has any department provided a grant or loan, or other form of financial assistance, to West Royalty Hydraulics Ltd., or a company with a similar name in Prince Edward Island and which is owned or controlled by Mr. Bill Valavaara and, if so, what was the amount and nature of such assistance?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): In so far as the Department of Regional Economic Expansion is concerned: Yes. West Royalty Hydraulics Ltd., of West Royalty, Prince Edward Island accepted an offer of a development incentive grant under RDIA of $54,324 on May 28, 1976 to establish a new facility in West Royalty, Prince Edward Island.

In so far as the Department of Manpower and Immigration is concerned, two contracts have been signed with West Royalty Hydraulics Ltd. under the Canada Manpower Industrial Training Program. Assistance is in the form of reimbursement of a share of the costs incurred for employee training. The details of the contracts are as follows: Contract No. 1: Date of Contract: November 15, 1976; Occupation Trained: Hydraulics Technician (1); Maximum Cost to Canada: $2,280; Course Duration: 20 weeks. Contract No. 2: Date of Contract: February 14, 1977; Occupation Trained: Machinist Apprentice (1); Maximum Cost to Canada: $1,560; Course Duration: 20 weeks.

[Mr. Lumley.]

POSTAL COSTS

Question No. 1,567—**Mr. Herbert:**

For each five year period since 1960, what percentage of all postal costs is labour, including fringe benefits?

Hon. J.-J. Blais (Postmaster General): Period: 1960-61 to 1964-65, 57.1 percent; 1965-66 to 1969-70, 71.1 percent; 1970-71 to 1974-75, 69.4 percent.

PUBLIC WORKS—HUMIDITY CONDITIONS IN GOVERNMENT BUILDINGS

Question No. 1,569—**Mr. Herbert:**

1. Does the Department of Public Works keep any record of humidity conditions in buildings used by the government?

2. What monies have been spent in the past five years to improve humidity conditions in existing buildings?

Mr. Alexandre Cyr (Parliamentary Secretary to Minister of Public Works): 1. No, not as a matter of routine.

2. Projects for the exclusive purpose of improving humidity conditions in existing buildings are seldom undertaken. Normally, the requirement for humidity control contributes to the scope of a project undertaken to air-condition existing office space. However, the Department of Public Works accounting system does not provide for the extraction of that portion of the total project cost which could be exclusively attributed to the improvement of humidity control.

The following reply is also in response to questions Nos. 1,654, 1,655, 1,656, 1,657, 1,658, 1,659, 1,660, 1,661, 1,662, 1,663, 1,664, 1,665, 1,666, 1,667, 1,668, 1,669, 1,670, 1,671, 1,672, 1,673, 1,674, 1,675, 1,676, 1,677, 1,678, 1,679, 1,680 and 1,681.

PRIVATE RAILWAY CARS

Question No. 1,653—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the President of the Privy Council, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Hon. Otto E. Lang (Minister of Transport): According to Beauchesne citation 171(d), questions must not repeat in substance or with slight variations questions already answered, a situation which applies to these inquiries (see response to question No. 11 page 459 of *Hansard* for October 26, 1976).

Question No. 1,654—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Industry, Trade and Commerce, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,655—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Finance, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,656—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Labour, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,657—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Justice, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,658—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Secretary of State for External Affairs, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,659—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the President of the Treasury Board, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,660—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of National Defence, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,661—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Transport, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,662—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Supply and Services, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,663—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Energy, Mines and Resources, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,664—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Agriculture, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,665—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Indian Affairs and Northern Development, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,666—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Veterans Affairs, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,667—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of National Health and Welfare, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,668—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Communications, since she has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,669—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Public Works, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,670—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Fisheries and the Environment, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,671—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Regional Economic Expansion, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,672—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Manpower and Immigration, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,673—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of Consumer and Corporate Affairs, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,674—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of National Revenue, since she has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,675—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Postmaster General, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

[Mr. Dick.]

Question No. 1,676—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Solicitor General, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,677—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Secretary of State, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,678—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of State (Small Businesses), since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,679—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of State for Urban Affairs, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,680—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of State (Fitness and Amateur Sport), since she has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

Question No. 1,681—**Mr. Dick:**

1. In (a) 1974 (b) 1975 (c) 1976 (d) 1977 to date, did the Minister of State for Science and Technology, since he has been a Member of the Cabinet, use a private railway car and, if so, on what dates or during what period of time?

2. In each case (a) for what purpose was the car used and what was the nature of the Minister's business (b) in what municipalities were stops made?

EASTCAN EXPLORATION LIMITED—EXPLORATION OFF COAST OF LABRADOR

Question No. 1,793—**Mr. Crosbie:**

1. Did the Minister of Energy, Mines and Resources state on February 1, 1977 that Eastcan Exploration Limited of Calgary is not prepared to go ahead with an exploration programme off the coast of Labrador during the summer of 1977 unless a dispute over regulations proposed by Newfoundland is settled and, if so, on what date was a meeting held between the Minister and Eastcan Exploration Limited when these matters were discussed?

2. Was the Minister authorized by Eastcan Exploration Limited or any officer or director thereof to make public statements in connection with any conversations the Minister held with the company concerning its position on exploration off Labrador during 1977 and, if so, on what date and by whom was the Minister authorized to make such a statement?

3. Has Eastcan Exploration Limited or any of the members thereof indicated to the Minister or the Department that it supports and is satisfied with the Arctic and Offshore Regulations proposed by the government and, if so, what is his name?

4. Did the Minister state that he intends to intervene in an attempt to settle a dispute alleged between Newfoundland and Eastcan Exploration Limited and, if so (a) how does he intend to intervene (b) what methods of persuasion or pressure does the Minister intend to use if the Province of Newfoundland rejects his intervention?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): The Minister of Energy, Mines and Resources reports as follows: 1. In December Eastcan indicated to the Minister of Energy, Mines and Resources that it would be unable to continue drilling operations on its federal permits offshore from Labrador unless it received assurances from the Newfoundland Government that its interests offshore from Labrador would not be nullified or expropriated in the event that the province was successful in acquiring jurisdiction over the offshore areas involved as a result of the forthcoming agreed joint Reference to the Supreme Court of Canada. On Janaury 31 of this year the company advised the Minister of Energy, Mines and Resources that it was now in receipt of draft regulations prepared by the Newfoundland Government and, while the company could not discuss their content, it was of the view it could not proceed with this year's drilling program on the basis of those regulations.

2. A Minister of the Federal Crown requires no authorization from the private sector to make public satements.

3. The group of companies of which Total Eastcan Exploration Ltd. is a partner in respect of federal oil and gas rights offshore from Newfoundland and Labrador has indicated in discussions with federal authorities that it would be prepared to continue drilling operations on these rights if the Newfoundland Government provided the assurances referred to in the response to Question 1. This would indicate that the group considers that the provisions of the proposed federal regulations that have been made public are not such as to inhibit the companies involved from undertaking the heavy investments necessary to conduct oil and gas drilling operations offshore from Labrador.

4. Yes. (a) The Minister of Energy, Mines and Resources has spoken with Premier Moores and also sent him a telex to endeavour to initiate discussions leading to a resolution of the problem. (b) Not applicable, pending results of discussions referred to in (a).

BIDS FOR THE EXTENSION TO FROBISHER BAY GENERAL HOSPITAL

Question No. 1,891—**Mr. Herbert:**

1. What were the names of the contractors that submitted bids for the extension to the Frobisher Bay General Hospital and what were the amounts in each case?

2. What was the departmental estimate of the cost of the work?

3. Is it intended to recall tenders?

4. Will there be changes to the scope of the construction?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. Name of Contractor: Ron Engineering Construction (Eastern Limited). Bid, $4,780,000. Tower Company (1961). Bid, $5,188,866.

2. The Department of Public Works' cost estimate for the work was $4,000,000.

3. Yes.

4. Yes. A complete redesign is planned in order to effect a general cost reduction in all areas.

GOVERNMENT POSITION ON UNIFIED FAMILY COURT PROJECT IN NEWFOUNDLAND AND PAST AGREEMENTS

Question No. 1,897—**Mr. Crosbie:**

1. Has the Government of Newfoundland informed the government that it wishes to establish a unified family court having jurisdiction over all matrimonial and family proceedings, including divorce, legal separation, alimony and maintenance of children and matrimonial property and, if so, does the government support such a request and will it enter into an agreement with Newfoundland for the establishment of such a court as a pilot project?

2. Is the government prepared to cost-share in the establishment and operation of such a court and, if so, what part of the costs is the government prepared to pay?

3. Has the government entered into an agreement with any other province dealing with such a court and, if so (a) which province and on what date (b) what are the main conditions of any such agreement?

Hon. Ron Basford (Minister of Justice): 1. The Minister of Justice met with the Attorney General for Newfoundland, in St. John's Newfoundland, March 4, 1977. Following their meeting the ministers issued a joint announcement that they had agreed to the establishing of an experimental Unified Family court project for the St. John's area. The ministers noted in their announcement that the establishment of the experimental Unified Family Court project is contingent upon agreement between the federal and provincial governments on certain specific details.

2. While specific details as to the distribution of costs have yet to be decided upon, it was agreed that the costs of the experiment are to be shared by both governments. Vote number 10 of the Department of Justice set out in the estimates for the fiscal period ending March 31, 1978 provides for contributions for pilot projects relating to family courts throughout Canada in the total amount of $350,000.

3. At present the government has entered into negotiations for Unified Family Courts in the provinces of Ontario, Manitoba and Saskatchewan. While agreement in principle has been reached in Manitoba and Ontario, no formal agreement for joint funding of a Unified Family Court pilot project has yet been entered into by the Minister of Justice and the Attorney General of a province. Some funds have been expended, however, to pay for the joint funding of the evaluation of the unified family court pilot project commenced by British Columbia in 1974.

OLD AGE SECURITY—SPOUSE'S ALLOWANCE

Question No. 1,975—**Mr. Knowles (Winnipeg North Centre):**

1. In the month of (a) July (b) August (c) September (d) October (e) November (f) December 1976, how many persons were in receipt of the Spouse's Allowance provided under the Old Age Security Act and how many were (i) male (ii) female?

2. In the same months, how many persons who had been receiving the Spouse's Allowance had it discontinued because of the death of the older spouse and how many were (a) male (b) female?

Order Paper Questions

Hon. Marc Lalonde (Minister of National Health and Welfare): 1.

Month	Number of Spouse's Allowance Recipients
(a) July, 1976	62,508
(b) August, 1976	63,695
(c) September, 1976	66,002
(d) October, 1976	67,590
(e) November, 1976	69,169
(f) December, 1976	70,029

2.

Month	Number of Spouse's Allowance recipients who had their benefit discontinued due to death of the pensioner spouse
(a) July, 1976	194
(b) August, 1976	185
(c) September, 1976	193
(d) October, 1976	215
(e) November, 1976	205
(f) December, 1976	202

NOTE: Statistics differentiating the sex of benefit recipients are not maintained.

VETERANS AFFAIRS—NUMBER OF VETERANS WORKING IN DEPARTMENT

Question No. 2,151—**Mr. Herbert:**

Is any record kept of the number of veterans presently working for the Department of Veterans Affairs and, if so, what is the percentage in each section?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): No.

[*English*]

Mr. Herbert: Mr. Speaker, I rise on a point of order. I wish to draw to the attention of the parliamentary secretary, as I have privately drawn to the attention of the parliamentary secretary responsible for the answering of these questions, a series of 26 questions, Nos. 1,424 to 1,429 inclusive, which were placed on the order paper on December 21 and ask of the various departments the names of the deputy ministers of the last nine years and the date of their appointments.

I find it inconceivable that departments do not keep employment records concerning deputy ministers. Those questions were placed on the order paper following the statement made in this House by the President of the Treasury Board establishing the royal commission on financial management and accountability. Included in the terms of reference of that royal commission was evaluation of the administrative performance of deputy ministers and heads of Crown agencies. It would be extremely helpful if we could know who the deputy ministers are, how long they have been in their jobs, their experience and the date of appointment to their positions.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I note my colleague's presentation and I will pursue the matter and report to him.

GOVERNMENT ORDERS

[*English*]

STATUTE LAW (METRIC CONVERSION) AMENDMENT ACT, 1976

AMENDMENTS TO WHEAT BOARD ACT TO FACILITATE CONVERSION TO METRIC SYSTEM

The House proceeded to the consideration of Bill C-23, to facilitate conversion to the metric system of measurement, as reported (with amendments) from the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Speaker: Order, please. At this stage of the metric conversion bill there are for consideration at the report stage eight motions, seven of which stand in the name of the hon. member for Moose Jaw (Mr. Neil). Of those, six—in the opinion of the Chair—have basically the same intent and, therefore, subject to any suggestions to the contrary, could be grouped together both for discussion and vote. I refer to motions 1, 2, 4, 5, 7 and 8 standing in the name of the hon. member for Moose Jaw. Unless it is otherwise suggested, they could be grouped together for discussion. I might be persuaded, if there is some necessity to split them for the purpose of voting, so to do. If that seems necessary, or if that necessity develops during the course of discussion, then certainly representations could be entertained about splitting them if the House is of such disposition.

Motion No. 3, in the name of the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) should be debated and voted on separately. Motion No. 6, in the name of the hon. member for Moose Jaw, has a different intent and ought to be discussed and voted on separately. Unless during the course of discussion some indication to the contrary develops, perhaps the House is prepard to proceed with the discussion and disposition of the motions as I have proposed. If so, I would now call for consideration the six motions previously referred to standing in the name of the hon. member for Moose Jaw.

Mr. Doug Neil (Moose Jaw) moved:

Motion No. 1.

That Bill C-23, an act to facilitate conversion to the metric system of measurement, be amended in clause 2 by striking out line 11 at page 1 and substituting the following therefor:

"in those definitions, the words "acres and hectares"."

Motion No. 2.

That Bill C-23, an act to facilitate conversion to the metric system of measurement, be amended in clause 2 by striking out line 22 at page 1 and substituting the following therefor:

"sions, the words "bushel and tonne"."

Motion No. 4.

That Bill C-23, an act to facilitate conversion to the metric system of measurement, be amended in clause 6 by striking out line 26 at page 4 and substituting the following therefor:

"provisions, the words "acreage and hectare"."

Motion No. 5.

That Bill C-23, an act to facilitate conversion to the metric system of measurement, be amended in clause 6 by striking out line 35 at page 4 and substituting the following therefor:

"sions, the words "bushel and tonne"."

Motion No. 7.

That Bill C-23, an act to facilitate conversion to the metric system of measurement, be amended in clause 8 by striking out line 8 at page 6 and substituting the following therefor:

"sions, the words "bushel and tonne"."

Motion No. 8.

That Bill C-23, an act to facilitate conversion to the metric system of measurement, be amended in clause 10 by striking out line 32 at page 8 and substituting the following therefor:

" "bushel and tonne" and "acre and hectare", respectively."

He said: Mr. Speaker, I am pleased to have this opportunity to speak on the motions I have placed before the House. There is deep concern among western farmers about conversion to the metric system. Frankly, I sympathize with the minister because I think he has been mesmerized, and possibly misled, by the Metric Commission which led him to believe that western producers and farmers unanimously favoured the metric system. Even a member from western Canada, the hon. member for Assiniboia (Mr. Goodale) was of the same conviction. On second reading, he said in this House on January 26, as reported on page 2422 of *Hansard*:

I want to deal with a few of the aspects of metric conversion affecting grain which may not be fully appreciated but upon the basis of which I believe this measure is not only supportable but is also in the best long-run interests of all segments of the grains industry, including producers in the prairie region. First, it should be noted that this change has a broad and virtually unanimous base of support in the farm community.

● (1220)

That is just not so. Western farmers are almost unanimously opposed to the metric system. How did the minister come to that conclusion? The Metric Commission, a group of bureaucrats, set up what they called a subcommittee, the Canadian bulk grain handling committee. Who was on that committee? It is interesting to read the organizations represented on that commission. We start off with a representative from the Canadian Grain Commission, the Canadian Feed Manufacturers' Association, the Canada Grains Council, the Pioneer Grain Company Limited, the Alberta Wheat Pool, the United Grain Growers, the Canadian Wheat Board, the Ontario Grain and Feed Dealers Association, the Alberta Wheat Pool, again, the Canadian Grain Commission, again, the Saskatchewan Wheat Pool, the Anglo-Canadian Grain Company, the Department of Agriculture for the province of Saskatchewan and a co-ordinator from the Metric Commission.

Almost without exception each and every one of the organizations represented on that commission has a vested interest. Those people represent organizations which are in the grain handling industry. If you examine the list you will see there is not one producer represented on the committee, a committee presumably set up to advise the Metric Commission, which in turn will advise the minister. The minister was not at the committee hearings, but possibly he read the reports of the standing committee. If so, he will recall that the committee had representatives appear from various organizations. I will list them. They are the Canadian Wheat Board, the Farm Grain Services Union, Unifarm, the Manitoba Farm Bureau, SARM, the Saskatchewan Urban Municipalities Association, and the NFU.

It is interesting to note that the representatives who appeared on behalf of the National Farmers Union did not come from western Canada, despite the fact there were some in this part of the country at the time. They sent the vice-president, who comes from Prince Edward Island, and a representative from the province of Ontario.

This bill has to do with producers in the Canadian Wheat Board area which, as hon. members know, is western Canada. It takes in Manitoba, Saskatchewan, Alberta, and part of the Peace River. The representatives of all the organizations which appeared, with the exception of the Saskatchewan Association of Rural Municipalities and the Saskatchewan Association of Urban Municipalities, led the committee to believe that they represented the majority of the farmers in the west and that those whom they represented were in favour of metrication.

The representative of SARM was a farmer. He represents the Association of Rural Municipalities. There is no one who is closer to the farmer than the representatives of the rural municipalities. He stated that, as far as he could determine, farmers were not in favour of metrication. The representative from the Urban Municipalities Association lives in the small city of Estevan, with a population of about 5,000.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Nine thousand.

Mr. Neil: The hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton) says it is 9,000. That city has dealings all the time with the farm population. It is dependent upon the farm economy. The representative said he had talked to many farmers and as far as he could determine no farmer was in favour of metrication.

The representatives of all the other farm organizations who appeared at the committee hearings said that their people were in favour. However, on being questioned by members of the committee they admitted they had not made any attempt to determine the feelings of their memberships. All they could tell us in committee was that they had not received a motion from any of their locals, districts or individual members opposing metrication. Because they had not received any representations or motions they assumed that their memberships were unanimously in favour of the bill. Under questioning they also indicated that they had taken no active steps after the bill was debated on second reading to determine the feelings of their memberships.

Prior to, during and after the committee hearings some of us contacted the minister. We sent copies of resolutions indicating the feelings of the farm organizations and individuals. I am

sure that many other letters were sent to him directly. I go to my constituency almost every weekend. I have occasion to travel in the constituency and talk to farmers. I have yet to find one farmer who is in favour of the metric bill.

Mr. Nystrom: You are wrong—Ralph Goodale is.

Mr. Neil: Ralph is not a farmer. As a matter of fact, I was in the constituency of the hon. member for Assiniboia. A few minutes ago I quoted from his speech as reported in *Hansard* where he said that as far as he could see the farmers in his area were unanimously in favour of metric conversion. I spoke to a group of about 150 people in the hon. member's constituency. I commented on the metric system, what we were trying to do and how we were trying to bring in amendments to have a dual system. There was not one person in that crowd who was not opposed to the metric system. I think some members opposite should go back to their constituencies and talk to the farmers they represent.

In addition to talking to farmers and farm organizations, I have received a large number of letters. I do not have the time to quote them all. One letter I received was from the Moose Jaw agricultural society. They sent me a copy of a resolution passed at a meeting held on February 11, 1977. Their resolution, which appears on the letterhead of the association, reads as follows:

> The association does not concur with the total conversion of the metric system on bushels to tonnes and acres to hectares and that it be a dual system.

● (1230)

A few days ago I received a letter from one of the local pool committees. It is dated March 9.

An hon. Member: You are lucky to have received it so soon.

Mr. Neil: That is correct, the mail system being the way it is. This letter reads:

> At a meeting of the Boharm wheat pool committee held March 7, 1977, a motion was unanimously passed that we are not in favour of acres being converted to hectares at the farm level.

It is interesting to note, also, that at a recent meeting of the Federal Co-operatives in Regina the delegates opposed conversion, according to a report which appeared in the *Co-operative Consumer* of March 15. The news report reads in part:

> A majority of the delegates to the Federated Co-operatives annual meeting want the federal government to reconsider the metrication of land measurement and they strongly oppose any further conversion to metric in the lumber industry.

This is an organization in which there is a great deal of farm representation. While the standing committee was considering this bill, the Canadian Federation of Agriculture was holding its annual meeting in Ottawa. It is my understanding, after talking to some of the people who were there and reading newspaper reports, that a motion was put forward at the meeting opposing the metric system. I understand there was considerable debate on the subject, at the end of which it was decided to table the motion. So there can be no doubt that the majority of farmers are opposed to the metric system. I think it is safe to say that between 95 per cent and 100 per cent of the farmers in western Canada are opposed to metrification. But I would add this: farmers understand that the world is gradually converting to the metric system and that eventually we shall end up using a complete metric system in this country. However, they also know that such a decision has not yet been taken in the United States, and they feel that because of our close trade relationship with the United States any action we take should be in step with that taken by the Americans.

My amendments simply call upon the government, under the wheat stabilization legislation, under the program for cash advances for crops, under the two-price system for wheat, and so on, to use a dual system, a system which shows bushels, acres, tonnes and hectares. The farmer would then be able to choose the system he preferred. It would not be compulsory. It is likely that the majority of the older farmers in the west, who have been accustomed to using bushels and acres all their lives, will continue to do so. But the younger people who have studied the metric system in school and who are still close enough to their school days to be able to work out complicated calculations will likely use the metric system, and eventually we will end up with a situation in which all the farmers of western Canada will be using the metric system. All we are asking in these amendments is that the government give farmers in western Canada the opportunity of using either system.

I realize that the grain trade has told the minister that if the bill fails to go through, all the money spent on this scheme will have been lost. I suggest that this is a pack of nonsense. The grain trade has been selling grain on the international market, using the metric system, for many years. It does not require any law of this parliament for the grain companies, after they have accepted delivery of grain from the farmers, to use the metric system from that point through the elevator and on to export positions. How can the grain trade say to the minister that they cannot do without this legislation? It is nonsense. They can go ahead and use whatever system they wish.

The government is supposed to respect the wishes of the majority of the people. The majority of the people in western Canada who are farmers and producers are happy with acres and bushels. But, as I say, they realize we have to progress and they say, "We shall progress; but take it in stages. Give us the opportunity to convert over the years by letting us have a dual system." This is all that we on this side of the House are asking for, and that is the purpose of our amendments. I would ask the minister and members on the other side seriously to consider the representations which have been made on this subject both directly and through hon. members speaking from the opposition benches. Let these hon. gentlemen accept the fact that this is what the majority wants.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, it is probably appropriate for me to rise at this point since a good deal of the change involved in the bill before us affects the grain industry in western Canada. I might begin by saying, in response to the hon. member for Moose Jaw (Mr. Neil), that we have indeed given very serious consideration to the atti-

tudes of farmers and producers throughout the Wheat Board region. We did, indeed, make quite clear that we would be asking the various institutions and organizations affected by these amendments to continue using the familiar measurement in terms of bushels and acres wherever feasible, which is practically everywhere so far as the farmers are concerned, as well as the measurement of hectares and tonnes in the metric system.

● (1240)

We did give serious consideration, as well, to the amendments which the hon. member has put on the order paper, because since we are proposing this practice it might have seemed that we could accept his amendments as well. However, there is a good and valid reason why there should be one basic, over-all legal practice for technical purposes, and that those measurements should be known and be certain so that we do not have a hodge-podge of some people using entirely "acres" and some using entirely "hectares" in our system. Therefore, we do not agree to the amendments proposed by the hon. member for Moose Jaw.

In view of the commitment to attempt to use this second measurement, I hope we will meet the feelings of the farmers. We recognize that they are concerned about the change-over from familiar measurements to others which are not familiar. However, it should be clear that in no case have we purported hereby to affect land measurement or similar questions. When the hon. member refers to those issues he is talking about matters largely within provincial jurisdiction, areas in which the provinces will also be proceeding. What we are proposing to do is to deal with the way in which the Wheat Board, the grain commission and like institutions will operate and to have a legal basis for the use of hectares, tonnes and kilograms in view of the move by Canada to the metric system.

I take it that the hon. member did not oppose the basic proposition that Canada move to the metric system. Indeed, I see he nods his head in the affirmative. I find it somewhat strange that we have had raised in this debate the question of the attitude of farmers to this over-all issue. In a way, Mr. Speaker, it is obvious that changing measurements is difficult in terms of the transition period. Nevertheless, I believe most members of the House agree that this is a transitional period that we must go through and which we must try to make as free of pain as possible. This is why I have indicated that I will be asking the Canadian Wheat Board, if we take other steps in relation to other institutions, to maintain the familiar measurement alongside the hectare and kilogram measurements so that farmers will have it before them. Going straightforwardly into the metric system and eliminating the other measurements would have been too harsh and difficult for the broad section of the public to accept, the public in this case being the farmers particularly throughout the prairie region. With this assurance we really meet the need which the hon. member cites for having those farmers who will not want to learn the new system continue with their old calculations, using the system with which they are familiar.

It is a little ironic, I think, that we are having this debate regarding the concern of "going metric" in Canada. I think when we found it desirable to move in that direction we came to a rather non-partisan conclusion. I believe that whatever the political party, the government would have come to the same conclusion at that particular time and proceeded roughly along the lines of our own program.

What we have done with the Metric Commission is to seek the co-operation of the various people involved in dealing with goods and products moving into the metric system. In this particular case the various organizations to which the hon. member referred co-operated very well—and they do represent a great spectrum of opinion. I am astonished that the hon. member did not recognize that with the Saskatchewan Wheat Pool and other wheat pools represented at a gathering there is representation of the views of farmers even if the actual individuals who speak are not farmers themselves. The pools throughout the prairies and the United Grain Growers are among the most useful and representative groups of grain farmers in the prairie provinces. They reached the conclusion that they could, and should, go to the metric system on February 1, 1977, a date which we now, regrettably, have passed. They have suffered some inconvenience with the passing of that date, and therefore I hope we can end their period of uncertainty as quickly as possible by allowing this bill to move to the Senate and become law. In this way we will allow the change-over to the new system to occur. Everyone is geared up for that in terms of materials and the like, and therefore we should now go forward rapidly. As I say, any party in government would likely have reached the same decision.

The hon. member said that farmers in a gathering he witnessed expressed their unhappiness with metric conversion, or at least with the steps we were taking. I think it is incumbent upon us, as politicians, of whatever party to continue in these circumstances the difficult job of explaining the reason Canada is going metric, a move which I understand is embraced by all sides and which assuredly we are trying to make as painless as possible. I do not think we should leave at large the feeling that somehow we could have avoided this change.

Indeed, Mr. Speaker, the United States is also going metric. It is doing so in a different way, without as much coherent action, as it were; but more and more industry by industry is going metric. Therefore, it is merely a matter of time before the conversion is complete. In this particular case there is no reason for us to wait for the United States. The dealings we have with the United States on these particular matters, at least so far as grain is concerned, are largely already in metric measurement on an international basis where volumes are large.

Therefore, Mr. Speaker, I hope the farmers will see the availability of these two measures as something which will allow them, without fear of the metric system, to become familiar with these new terms over a period of time. I think it is a good thing that it is the grain industry, particularly the

western Canadian grain industry, which has been able to come to this kind of agreement to go metric and to pick a date and agree to work toward it. I think we should now co-operate by allowing this matter to come to a vote.

The hon. member for Moose Jaw referred to a variety of motions. I think he even said that in one public debate he had on land measurement, after a long discussion a motion was tabled. He seemed to take that as some sort of approval, though it seemed to me to be a sign of increased understanding of the complexity of the issue involved. I hope that with the assurance that we will continue to use familiar measurements as well as the new ones, the hon. member will agree that we really ought to have the one technical legal standard in our law, and therefore that we should pass the bill as it is. But, in any case, I hope he will agree that we move rapidly to a decision so that the period of uncertainty about when the changeover will occur will come to an end.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I wish to speak very briefly on this matter. Perhaps I might open by asking a few questions of the minister which he could respond to at some other time. First of all, I welcome what he said about retaining some of the aspects of the old system; I know the farmers will appreciate that. Perhaps he could elaborate on what he means by retaining parts of the old system so the farmers will not be confused. Does this mean that the farmers would still have five or ten bushel quotas, for example, instead of moving on to the metric measurement? What sectors of the grain trade will still use the old system of measurement? Perhaps the minister would respond to that general question now before I make a few remarks, if I have your permission, Mr. Speaker.

Mr. Lang: Mr. Speaker, the plan is that the Wheat Board will call quotas in metric terms, such as kilograms per hectare, but there will be an accompanying translation in terms of bushels per acre so that the farmers will have both measurements. However, for operational purposes kilograms per hectare will be the term used by elevator managers.

Mr. Neil: For how many years?

Mr. Lang: As far as I am concerned, that should go on for as long as it is seen to be needed by the farmers. If it comes to the time when the farmers agree that it is no longer necessary, then it should be terminated.

● (1250)

The Acting Speaker (Mr. Turner): The hon. member for Yorkton-Melville (Mr. Nystrom).

Mr. Nystrom: Mr. Speaker, the minister recognizes that farmers were quite concerned about conversion to the metric system. I am not sure why the minister will not accept some of these amendments. It may be a technical debate at this point, and not an important one. The arguments made by the minister in charge of the Wheat Board (Mr. Lang) are going in the right direction, and I appreciate that. The hon. member for Moose Jaw (Mr. Neil) pretty well summarized the point of view I am hearing from farmers in my riding. That is pretty well an accurate reflection; it is the universal view. I do not think it is a political question; it is a genuine concern of ordinary farmers who are out there.

An hon. Member: Absolutely.

Mr. Nystrom: Whenever something like this comes up in the future, a bill that affects ordinary people in such a genuine way in their everyday lives, we, as parliamentarians, should make sure that we are out there with the ordinary people letting them offer us their point of view. There is a genuine feeling by farmers that they were not consulted; they were not consulted thoroughly enough by some of the farm organizations; they were not consulted thoroughly enough by parliament; they were not consulted thoroughly enough by the government or by the minister involved. The minister may argue that point. Perhaps there is some merit in arguing it, but that is the feeling of the farmers to whom I have spoken. I have spoken to enough of them to reflect their general opinion.

It is not one political party versus another. The feeling in the farm communities is probably summarized best by SUMA and the Saskatchewan Association of Rural Municipalities when they appeared before the committee. Those two organizations are, like the wheat pools, and so on, very much in touch with and very much plugged into the reality of life on the prairies.

If there were more consultation with ordinary people, when we bring in something which affects them in a genuine way you would have less cynicism of ordinary people toward governments, toward parliament and toward politicians in general. Hopefully, we can learn from this. The next time the government brings in a bill that affects people in such a genuine, basic way, I hope we can make sure there is more consultation. The hon. member for Moose Jaw hit the nail on the head when he said that people are concerned about it. I have spoken to very few farmers who are not concerned about it.

As the hon. member for Moose Jaw also said, most farmers, particularly the younger ones, realize that the metric system, in principle, is the best system. It is the simplest system in principle. It will become, very shortly, an even more international system of measurement. The minister in charge of the Wheat Board is right when he says the United States is also moving in the same direction. The day will come when they will "go metric" as well. It is obvious that we in this country should be part of that international metric system, where we have a universal system around the world that is used by all cultures, societies and the like. I think farmers recognize that. Farmers want the chance to convert to the system slowly over the years where you use the dual system. That is only right. That is the only natural thing to do. Certainly, that is the type of representation I have been getting as I travel frequently throughout the rural parts of my riding.

Farmers do not see any direct financial benefit by converting to the metric system. They do not see the need of it now, because of the position the United States is taking. I support the principle and the direction of these amendments. I appreciate the instructions the minister in charge of the Wheat Board

has sent out to the Wheat Board. I think farmers will appreciate that. The farm community is pretty well unanimous on this point. Hopefully, we can agree to support the amendments that are before the House. If we do that farmers will benefit more than from what the minister said.

[*Translation*]

Mr. Eudore Allard (Rimouski): Mr. Speaker, at this stage of the debate on Bill C-23 to facilitate conversion to the metric system of measurement, I should like to make one comment on that change in the calculation system imposed on our country. I am not against that change since Canada is simply falling in line with most countries in the world. However, that change is a hindrance to many people who have to go along with it. One could think that the change is long overdue. It would indeed have cost less, because that new way of calculating, so necessary to the development of our science, economy and international trade, comes at a time when it is most expensive.

So far, our political system found it difficult to consider any change in that area. We were afraid to damage our national heritage, while China has been using that system for decades, and so have the U.S.S.R., Latin America and eastern Europe countries. We in Canada kept that system and in spite of the intervention of scientific circles advocating that change, we persisted in hanging on to what we want to get rid of today. It is only after numerous interventions and a more realistic view taken by the Department of Industry, Trade and Commerce and thousands of employees that the government has deemed it necessary to act. We can only agree with that but we find it is a little late. The consequence of that late gesture is costlier.

In that sense, the government carries a responsibility which should not be unloaded on farmers and workers who must purchase new parts to meet the new standard. Besides, technicians such as Nestlé (Canada) Ltd. Projects Division Director Dick Cannon felt thirty years ago that conversion to the metric system was an excellent idea. Already in 1945 some businessmen realized that there were some benefits to that conversion.

The delay of the government in switching to the metric system was in many respects prejudicial to the Canadian people. I understand the concern of the hon. member for Moose Jaw (Mr. Neil) when it comes to measurements and hectares. I think that his amendment is confusing and would somehow perpetuate the former policy—

The Acting Speaker (Mr. Turner): It being one o'clock, I do now leave the chair until two o'clock later this day.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Allard: Mr. Speaker, before recess at one o'clock, I was saying that the amendment moved by my hon. friend from Moose Jaw (Mr. Neil) would be confusing, that it would have the effect of perpetuating to a certain extent the practice of the old system. Therefore I think that the government of Canada should normally take over part of the cost. Of course, it is difficult to ask the government to grant subsidies to help the citizens obtain new tools with international markings.

I feel, however, that it would be legitimate for the government to provide benefits to specialists who must purchase new pieces of equipment. Why not allow the people who must incur these expenses to list them as deductible expenses for income tax purposes, provided they can file acceptable evidence that they were for replacement only? The government would thereby demonstrate not only its good will towards Canadian workers and farmers who must abide by these new standards which this government has set on its own, but would also facilitate the desirable change. Someone may argue that the government does not have to get involved, but it is nevertheless the government which has ordered this change, a necessary one indeed if we are to adhere to the world standards but for which the government has the moral obligation to assume the costs.

[*English*]

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, in nearly 20 years of being around the House I have never witnessed a more alarming and shocking thing than I have witnessed here today. The issue is very simple. It is no longer a matter of conversion to the metric system; it is a matter of how, in a democratic system, we represent our people. We are dealing today with a series of amendments to Bill C-23. I have nothing against the metric system, but I suggest a more humane method of putting it into effect in order to allow the people to adjust without too much hardship in terms of time or money; that is all.

• (1410)

Evidence was given to us in the committee by representatives of grain companies, the National Farmers Union, union spokesmen for elevator men in the west, consumers, and so on. We heard from those who have a vested interest, and by that I mean those who will lose or make money out of the idea. The government says it wants metric conversion as it is laid down in this bill, and the hon. member for Moose Jaw (Mr. Neil) said flatly this morning—and there has been no contradiction of his statement—that the great majority of the people affected by this legislation have expressed opposition to it. We in this House are saying that since the metric system is a better system than the imperial system, parliament arbitrarily should ram it down the throats of our people without even listening to their protests and arguments.

I do not use that expression very often. In all the years I have been here it has never been clearer to me than it is now that on the very fundamentals of how we serve our people we are alienating them from the institution of parliament. All we hear in the media today is that Quebec has a problem, or that western Canada has a problem, but we know that in every part of Canada and in every segment of our population people are showing signs of distress—"alienation" is the big word for it—

over how their institutions are looking after them. They feel they no longer have any say.

I have always supported the concept that sooner or later we should change to the metric system because it is more convenient and better arithmetically, but never have I advocated something which, even though better for us in the long run, would do harm to our people now without making that suggestion as humanely as possible.

The amendments moved by the hon. member for Moose Jaw simply provide a method of moving less quickly into the metric system. We are trying to rush conversion through without the consent of the people, and arousing their animosities because of the cost and inconvenience of adopting a new system. We are arousing their deeper instinct that they are being overrun by their own legislators. That latter fear is a deep great one in Canada. We are going against all the rules of democratic procedures, because the evidence is very clear that 95 per cent to 97 per cent of the rank and file of farm organizations are against what is happening here. But the minister states that we have to accept the word of the executives of grain companies. That is the issue.

I do not believe we have to call a referendum on this subject, although that is proposed in many letters which I have. I think that the common sense of hon. members in this chamber should be such that we should do what is most acceptable. It is very clear to every hon. member of this House, whether on the government side or on this side, that the people directly affected—in this case, mostly the farmers of western Canada but also the consumers of Canada—have expressed in the only way they know, by official resolutions passed by their organizations and letters to their members of parliament, that they are opposed. I do not think the members of this chamber should say "To heck with them. We are going to ram it through". That is the essence of the reason I am supporting the amendments moved by the hon. member for Moose Jaw which simply propose that we use both measurements.

The Canadian Wheat Board, always aware of the fact that it is held responsible for its behaviour by farmers, recognized this immediately and accepted the proposal. The minister has expressed in the House that the Canadian Wheat Board is going to use both systems on its forms. So here we have one so-called institution of this parliament saying that in spite of this legislation it is going to allow all wheat farmers to use both systems on their forms. When we pass this legislation, as the government wishes us to do, I question whether the Canadian Wheat Board will be acting within the law because the law will provide that only one system be used. However, because the Canadian Wheat Board is an independent board I suppose it will ignore the law because it has the support of the minister.

Under this legislation, only the metric system is to be used. The minister responsible for the Canadian Wheat Board argued today that this does not affect land measurement. Such errant nonsense as that statement rarely comes into this House. The federal Metric Commission went to the provinces and said that this is the law at the federal level and the provinces should harmonize their legislation with that law. The provinces were conned into believing that this was the law and that this parliament had passed it. But that was not the case. Before metric conversion is complete, 90 statutes of this parliament will have to be amended. The bill before us proposes amending nine of those 90, so I suggest the statement that the provincial governments have responsibility for land measurement begs the question. If the Metric Commission told the provincial governments that that was the law, and that the provinces would have to pass laws to harmonize with it, the federal government would have to accept responsibility for that.

Metric conversion, as it applies to land measurement, will have serious repercussions. When people in the cities of Saskatchewan have their lots measured, they will have to get them accurately surveyed in the metric system before they can be registered at the land titles office. That means money for lawyers and money for surveyors. As everyone knows, our roads system is based on the mile; our land measurements are based on the mile. The British democracy allows its people to keep the mile, but apparently in Canada we are not going to have that right because the public service bureaucracy has decided to confuse us.

The federal bureaucracy, working in harmony with the bureaucracies of the provinces, has decided that the metric system must be rammed down our throats immediately. The essence of the issue is bringing the metric system to North America and Australia which are the only remaining parts of the world which do not use the metric system. It can be done quickly, as it was done in Australia, or it can be done gradually as it is being done in Great Britain and in the United States.

I would like to bring to the attention of this House the comparison which exists between the democractic country of the United States and the once democractic country of Canada.

● (1420)

I have here a letter from the Committee on Science and Technology of the United States House of Representatives describing how metric conversion will work in that country. The hon. member for Vegreville (Mr. Mazankowski), to whom the letter is addressed, has referred to it already in this House so I will just read the relevant paragraph. The letter is signed by a member of the Congress, Don Fuqua, and the relevant paragraph reads as follows:

> The first and perhaps most important aspect of the American law is that no one will be asked to change to the metric system unless it is done voluntarily. The Act specifically provides that the United States Metric Board "shall have no compulsory powers."
>
> The matter of land measurements was specifically discussed in our committee hearings. Land measurement was frequently given as an example where there would be very little advantage to be gained from making the changeover and where the costs of doing so would be entirely out of proportion to any possible gains. It was also noted that in the State of Louisiana land measurements continue to be made in the old French measurements, a leftover from the days when France colonized that part of the continent. The same applies to Spanish land measurements in California. In neither of these cases has it been found

advantageous to switch to the English system in the past, and there are not now any plans to switch those measurements or any land measurements elsewhere in the United States to metric measurements.

If, in changing over to the metric system, the United States wants to do it slowly and on a voluntary basis, and if Australia wants to ram it through, then which example should Canada follow? I contend we should support the amendments before us as moderate, positive proposals put forward by the official opposition. In a democratic country where the people have made it clear where they stand, these things should be done in the way that would cause least hardship. These amendments simply call for a permissive or dual system. The minister in charge of the Canadian Wheat Board should speak for the farmers of the west and support our proposals instead of saying what he did this morning. The minister knows that he has not been correctly informed, either by his officials or by the people who gave evidence before the standing committee. I know the seriousness of the charge I now make, Mr. Speaker.

It is disgraceful that organizations such as the Saskatchewan Pool and the Manitoba Pool, which call themselves democratic, should be pressuring the government to pass a law at this time which is to their financial advantage and is not in the interests of their members. The membership has never been given a chance to express its views on this subject.

At meetings at the local committee level, the subdistrict level and district level, resolutions have been passed and sent to the head office. Having these in his possession the secretary of the Saskatchewan Wheat Pool had the colossal effrontery to write to the minister saying that in the years 1974, 1975 and 1976 no resolutions were passed by any of the 800 committees in Saskatchewan. This left the impression that all committees were in favour of the pool's stand when at that time he had in his possession official, signed resolutions from six separate areas in Saskatchewan, which represents a large proportion of the people in the province, to the contrary. We cannot do anything about this sort of thing here in parliament; it is up to members of the Saskatchewan Wheat Pool to deal with the people they elect, and it is up to the elected officials to deal with those they appoint and pay. I think it is a shame that in a so-called democratic system like Saskatchewan this type of thing is going on.

I have many letters here, Mr. Speaker, but one really hits me hard. It is on the stationery of the Manitoba Pool Elevators, signed by the general manager, and addressed to the Prime Minister (Mr. Trudeau). It urges the government to bring metric conversion into effect rapidly. One paragraph reads as follows:

If the conversion to metric tonnes does not take place quickly we fear it will be impossible to generate any enthusiasm for implementation at a later date because there will always be a danger that instructions will again be changed.

What does that mean, Mr. Speaker? They realize that once the farmers know they will be given a chance to decide this thing, they will not accept it. This type of attitude toward their own members is something that the Manitoba Pool organization and the Saskatchewan Pool organization will have to settle. It is not our task to interfere. We can point out, as we have done, that it is almost a question of privilege for this House when this type of information is sent to a minister and a Prime Minister. As a member from Saskatchewan I am quite willing to fight this issue throughout the province. I know how it will go because members of all organizations in Saskatchewan hate to be pushed around, by their own organization or by this parliament.

In these amendments we are specifically concerned with five bills that deal with the handling of grain in the west. I appeal to members of all political persuasions in this House to put democracy in the forefront of their decision-making. If civil servants are trying to push something through just because Australia has done it that way, they should be fired and told who is boss. If farm organizations and grain companies apply political pressure, they should be told that it is the rank and file who have the power and they will be listened to. I urge members to speak as parliamentarians. This is not a question of conscience; it is a question of moral judgment. Is it right to ignore the expressed wishes of the rank and file affected by this legislation? I am talking now about the western farmer who is the person concerned in the amendment before us.

I appeal also to my friends from Quebec. The land system in Quebec is not measured in acres, it is in arpents. When the time comes when they try to force farmers to change from arpents to hectares, there will be a battle. The whole trouble started in Ottawa when they tried to persuade Quebec to adopt metric conversion on a crash basis.

The question is simply whether we crash this thing through without any regard for the people affected, or whether we give them an alternative system to follow until they get used to the new system.

At the beginning of second reading debate I suggested that if the word "hectares" were removed from the bill we would pass it that afternoon and help persuade farmers that, if they accepted tonnes, we would protect them against change in land measurements. I thought the government had reacted favourably to that, and that is why we let the debate drop and the bill go to committee. But the minister came to committee and repudiated what I thought was an understanding. Apparently the civil servants felt that it would confuse Canadians to have two systems simultaneously. They have two systems in the United States; they have them in Great Britain. Are we stupid? Can we not get along with two systems?

• (1430)

The Acting Speaker (Mr. Turner): Order, please. I regret to interrupt the hon. member but I must inform him that his allotted time has expired. He may continue with the unanimous consent of the House. Does the hon. member have unanimous consent to continue?

Some hon. Members: Agreed.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, it is not my intention to abuse the privilege extended to me by hon. members. They know of my deep feelings on the subject. I believe the metric system is good, but I have in my possession documents which demonstrate the truth of what I

said about the views of farmers and consumers. Later I shall move an amendment which will ensure some protection for consumers.

I hope my words carry weight. I say, for heaven's sake let your vote be in the interest of running this country democratically. I say to hon. members, do not let the bureaucracy push parliament around. Do not let people with vested interests claim to be the spokesmen of the people, when they are not. Let us accept the hon. member's amendments, so that we may be in harmony with what the British and American peoples have done. And, Mr. Speaker, let us do this democratically. Let there be no force or compulsion in this matter. Some people apparently think force and compulsion are necessary.

Mr. Frank Hamilton (Swift Current-Maple Creek): Mr. Speaker, I cannot understand why the minister in charge of the Wheat Board, after giving assurance that we can use the dual system, that is, retain bushels and acres in the grain industry, still refuses to support the amendments before the House.

It has been argued that metric conversion has grass roots support in the agricultural industry of western Canada. With respect, it never did have such grass roots support. On February 1, 1976, more than a year ago, I sent out a questionnaire which asked one simple question: are you in favour of metric conversion? Sixty-five per cent of the replies said no. I therefore say that there has never been grass roots support in the western provinces for metric conversion.

Further, some grain companies have indicated to the government that they speak for the rank and file. I say this is just not so, and will quote two letters to back my statement. The first letter dated February 9, 1977, reads:

Dear Sir,

At a recent meeting of Saskatchewan Wheat Pool delegates the discussion of metric conversion involving the grain industry, particularly land measurement, arose.

Whereas we understand that there is a possibility that the acre could be changed to hectares, we are opposed. We feel that it would be impractical to change the acre, as land is surveyed in acres and does not coincide or convert equally into any metric form. We also feel that there would be no useful purpose in changing as grain could still be sold in tonnes or kilos per acre rather than per hectare.

Therefore, be it resolved that the land area measurement be kept as acres. A reply would be appreciated.

It is signed by the secretary of the District 3 delegates of the Saskatchewan Wheat Pool.

May I also quote the letter of the Robsart Wheat Pool Committee of Saskatchewan, dated February 9, 1977. It reads:

. . . The Robsart Wheat Pool Committee held a committee meeting in the elevator office on the evening of February 8, with our delegates . . .

A good discussion was had in regards to the metric system and the conversion consequences. It was generally agreed that the metric conversion is not going to be readily accepted by farmers and that the measurements by bushels and acres should be retained. The committee felt that it was absolutely absurd to resurvey the land for hectares. After all, that would not change the actual quarters or sections and it would certainly cost the country millions of dollars. That isn't necessary.

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

Resolution—Moved . . . seconded . . . that the metric system does not convert to tonnes or hectares in the agricultural sector for the many reasons as stated above. Carried.

The letter is signed by Howard Olson, secretary of the Robsart Wheat Pool Committee.

For all these and other reasons, I intend to support the amendment moved by the hon. member for Moose Jaw.

The Acting Speaker (Mr. Turner): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Turner): The question, first, is on motion No. 1. I understand that when the Chair puts the question on motion No. 1, it will at the same time be putting the question on motions Nos. 2, 4, 5, 7 and 8. Is that understood and agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Turner): Hon. members have heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

The Acting Speaker (Mr. Turner): All those in favour will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Turner): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Turner): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Turner): Order please. Pursuant to the order made Thursday, March 24, 1977, the recorded division on the proposed motions stands deferred until Monday next.

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain) moved motion No. 3:

That Bill C-23, an act to facilitate conversion to the metric system of measurement, be amended in clause 3 at page 2 by adding immediately after line 12 the following new subclause:

"(3) This section shall come into force on the first day of March 1980."

He said: Mr. Speaker, the motion just moved in my name was proposed in the standing committee by the hon. member for Halton-Wentworth (Mr. Kempling). I point out that motion No. 3 has little to do with the Wheat Board. If passed it would affect all consumers across Canada. It seeks to amend clause 3, which mentions the Packaging and Labelling Act,

and the Weights and Measures Act. Clearly this matter is of concern to all consumers in Canada.

At present it is legal and proper to print on a package or label both the imperial and the metric measure of the contents of the package. For example, almost every person in every household in Canada has been to a store to buy a half gallon carboard carton of milk. The language on two sides is French, and on two sides English. At the bottom of the carton you see the expression, "one half gallon", and beside it the figure of "2.27 litres". If people prefer their measurements in litres they know exactly how much they are getting, 2.27 litres. Similarly those used to the imperial measurement know they are getting a half gallon. But the legislation now before the House would make it illegal to measure milk by the half gallon. You will be able to use only the 2.27 litres measurement. Manufacturers will be able to round off the numbers, to make the measurement either 2 litres or 4 litres.

You will never again see units of imperial measurement on any package in Canada. That is what clause 3 will do. Some of us do not like that kind of doctrinaire, dictatorial approach. We think that people used to the half gallon measurement will be confused. Why should that volume be measured only as 2.27 litres? You can bet your bottom dollar that no manufacturer who has millions of dollars worth of these little cardboard cartons stacked up in his warehouse will burn them and put out a new carton for two litres. He will use the old cartons. When you get a new carton, it will be 2.27 litres.

● (1440)

I am simply putting forward in a very simple way what this clause does. A farmer buying feed for his chickens used to buy it in 50 pound containers. Now it will be in some other measure, 25 kilograms I think it is. The equivalent is not the same, so it will lead to confusion. For years turkey and chicken farmers have bought feed in 50 pound bags. Now they will see pasted over the side a great strip which states so many kilograms.

One farmer who was always a bit cautious picked up a bag. He had been picking up bags for years. He put it on the scale because it looked the same as the old size bag he had always bought. Instead of having a 50 pound figure on it, it indicated so many kilograms. He weighed the bag and what did he find? Did he find 56 pounds which should be in there because that is equal to the number of kilograms and he has learned to multiply by 2.2? He finds the same 50 pounds of chicken feed but he is charged for 55 or 56 pounds. This is what happens during the switchover.

No manufacturer of bags for chicken feed will change the size of the bag because some government comes along and says he must use only the metric system. He just pastes a little strip on the outside and puts on it the metric measurement. However, he does not change the quantity in the bag.

The merchant in the store tells the farmer that he has so many kilograms. If it turns out to be 25 kilograms or something like that and the farmer protests he is not getting the right amount, the only thing I can do when I receive a letter from him is to turn that over to the Department of Consumer Affairs and ask that it be checked out. They will have to hire an army of inspectors as big as the civil service in order to track down all these complaints across the country.

In essence, what the amendment says is that you wait a little while before you enforce this amendment. The date suggested is 1980. It states that clause 3 on page 2 be amended by adding thereto the following subsection:

(3) This section shall come into force on the first day of March 1980.

Why 1980? If you look through all this literature, that is about the date the Americans and their industry will be moving in that direction. You give the consumer, every store and every plant in Canada three years to get used to the new terms such as kilograms, grams and so on.

This is a moderate constructive amendment. It was asked for by the Consumers Association of Canada. I cannot say they asked all of their people where they stand on this so I do not know how the consumers do stand. However, the association which made this presentation to the committee said this is what they would like, that it would give some time to get used to it. It fits in with the philosophy I mentioned on second reading debate.

Please, as we bring this metric system in, make it as humane as possible. There are those whose eyesight is not good enough to read what is on a package, but they are used to a size. Even though their eyes are not good, they can recognize a half gallon container. However, if they have to read 2.27 litres, they may not be able to make that out. I simply say on behalf of those who have poor eyesight, be humane and let them have a familiar size package, which will be continued anyway. Do not force them to accept the newer size package too quickly.

Second, there are those who have difficulty in translating from one type of system to another. I know that for the smart guys of the world, when they see a package of 400 grams, it is easy for them. They know that 400 grams is four tenths of a kilogram and a kilogram is 2.2 pounds so four tenths of 2.2 pounds is .88 of a pound, something less than a pound. With this skill to translate, you know that when you see 400 grams, it is something less than a pound. However, there may be a few people in Canada who will have trouble with that conversion.

All this amendment asks is to please let the thing go as it is now with both on the package. I do not buy small things which are packaged in millilitres or smaller units than the gram, but I suggest this type of amendment would not hurt the conversion to the metric system one bit. Simply let the packaging continue as it is today with both measurements. We insist that French and English be on the package. Why not let the imperial system stay there along with the metric system for three years? That is the heart and gist of this amendment.

I do not know how many consumers there are in Canada. There are 23 million people and they are probably all consumers. I suppose about one quarter of them do the shopping. On behalf of the five million people who do the shopping, whether they are male or female, I ask the House to accept this amendment which in no way interferes with conversion to the

metric system. Let us have the two units on the package until the year 1980. Is that too much to ask on behalf of all the consumers? I do not think so.

I suspect, however, that the government whip has been laid on. These members have been told that if they accept this amendment, they will be in trouble with civil servants who do not like any deviation from the norm. I ask hon. members once again, stand up as individuals representing the people of your constituencies and express your will. I want to see the names in the recorded votes of *Hansard* so that people will know how they vote on this issue on behalf of the consumers of Canada.

I want to know whether the people who call themselves the members of the government, living in a free society, are prepared to go back in and say they do not give a hoot what you think, it is what we think that counts. I want to know because this whole issue has not developed as a debate on whether to convert to the metric system. It has developed into a clear cut example of the bureaucracy running governments at both the federal and provincial levels and members not being man enough or woman enough to stand up against it.

I would like to see this amendment accepted with good heart. All it asks is that we give the consumer three years to adjust as a measure of humanity toward our fellow man.

Mr. Doug Neil (Moose Jaw): Mr. Speaker, I would like to make a few brief remarks with respect to this amendment. In committee we had the privilege of hearing representations from the Consumers Association of Canada. Their presentation was very straightforward. Part of it was an audio-visual presentation. They brought with them packages of certain goods and pointed out the problems that will occur if this piece of legislation passes. Just as an example they showed three packages, one of four ounces, one of eight ounces and one of 16 ounces and they showed that until such time as there was a standardization of containers or packaging, these particular packages would read 114 millilitres, 227 millilitres and 455 millilitres, or 113 grams, 227 grams and 454 grams. They were pointing out to the committee that it would be very difficult for a consumer going into a store where there was labelling only under the metric system and where there were not any even numbers, to do the necessary calculations. As they said, when you have four ounce, eight ounce and 16 ounce packages it is only a matter of doubling the price to see which is the best bargain, but when dealing with millilitres or grams it is almost impossible to make the calculation unless you have a pencil and paper or a pocket calculator. I would suspect that if and when this bill becomes law in its present form the calculator industry is really going to boom. Indeed, it might be advisable to buy shares in some of the companies which produce calculators because every farmer and every consumer will have to carry a calculator around in his pocket to do the necessary calculations. Something of that sort will be needed in order to determine the relationship between prices of goods and quantity he is buying, or the quantity of chemicals he must put on his land.

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

• (1450)

It is interesting to note what the Consumers Association of Canada have been saying on this subject. I would like to read a couple of paragraphs from the Association's presentation. Let me make it clear that the Consumers Association is not opposed to metrication but it is opposed to this particular clause which will, overnight, require labelling under the metric system only. This is what the Association said in committee:

> CAC is entirely in favour of single metric labelling of grocery products but only when the industry has adopted a rationalized series of hard metric sizes . . . We feel very strongly that metric-only should occur when a product has moved into a standard metric size. It has been proven in other countries that the consumer relies on the old size and does not look at the new, if the change has been made, so there is no learning process. But we are against having the single metric-only for products which have not experienced conversion to metric.

Then they go on to say:

> It is the position of the Association that removal of dual labelling requirements from the Consumer Packaging and Labelling Act, as envisaged in clause three of this bill, with the result that any manufacturer will be able to label any size of grocery product in metric only, is premature and can only lead to confusion and consumer abuses in the marketplace.

Representatives of the Consumers Association were in attendance before the committee when the hon. member for Halton-Wentworth (Mr. Kempling) presented this amendment which has the effect of requiring dual labelling until 1980. They agreed with the amendment. They said it was the type of amendment they wanted, because by 1980 packages would have been standardized. It was interesting to observe what happened in that committee. Government members sat back while the witnesses were in attendance and when the amendment was discussed. What did they say? They said, when it came to the amendment which dealt with acres and hectares, that they could not accept it because the farm organizations had come before the committee, stating that they represented the farmers of Western Canada, and that those farmers wanted to go metric. On that basis they turned down our amendment. The suggestion was that we, in the opposition, did not understand what the people of Western Canada wanted.

What happened when the representatives of the Consumers Association came before the committee? In the same way, they said they represented consumers—I think they said they represented 100,000 consumers across Canada. That is a large number. But what was the reaction of hon. members on the government side? They said, in effect: We are not going to believe the representatives of the consumers of Canada and we shall not accept the amendment. So on one hand there is a situation in which government members believed members of associations, which said they represented farmers and on the other hand a situation where apparently they did not believe an association which represents a very large number of Canadian consumers.

An hon. Member: That is not what happened at all.

Mr. Neil: It seems to me that this amendment, which has the effect of delaying the institution of the metric system as far as the labelling of goods is concerned until 1980, is what the Consumers Association wants and that it is what the majority

of Canadians want. Otherwise, there is going to be confusion. In effect, it will be necessary for people to use a pencil and paper or a calculator, and if that situation develops there is something wrong with our legislation, something wrong with our government.

I have nothing more to say except to urge the minister to give consideration to this amendment and to the other amendments which have been presented, between now and the time they come up to be voted on on Monday. He will have the weekend in which to do so. He will have an opportunity to talk to some of his own members, in particular, perhaps, to members from Western Canada. He will be able to make a few telephone calls. Possibly he will telephone some of the farm organizations, the Consumers organization and other bodies to see what their attitude is. I am sure the minister wants to do an honest and sincere job for the people of Canada whether they are consumers or men and women engaged in the farm area and I hope that when it comes to the vote on Monday he will have persuaded members on the government side to vote in favour of this amendment.

Mr. Cecil Smith (Churchill): Mr. Speaker, it certainly gives me pleasure to speak on this motion for the simple reason that I represent an area of Canada where there is very little newspaper coverage, very little television coverage, very little radio coverage, and the people of this area have really not been kept up to date as to what is happening with metric conversion.

With regard to weather conditions, people seemed to manage quite well over the past hundred years or so, being able to determine the temperature or the weather by using the Fahrenheit system. But now that we have gone to the metric system and all the reports are given in that system no one knows what the weather is going to be like.

● (1500)

With regard to labelling produce in a certain type of container with both metric and conventional measurement, this will be confusing to people in the north. This is particularly so when the price of articles in expensive; people will not know whether they are being ripped off by the merchant. I think the people in the north are just not ready for this. Not enough education has been given these people on this measure, and it will only confuse them. Therefore when we vote on this motion on Monday I hope it will be carried. We must think of those who are not exposed to the media in the same way as those who live in the great corridor between Montreal and Windsor.

Therefore, Mr. Speaker, I have no hesitation whatever in supporting this motion to delay this move until 1980.

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, on rising to speak to this motion on metric conversion may I say at the outset that I do so more from confusion than anything else. Metric conversion is new to many people in Canada, and I am not ashamed or afraid to say that I will experience a totally new learning process myself. I am not alone in this; I believe a large percentage of the population are in the same position.

Clause 3 provides for metric labelling, and our party has moved a motion to provide that we go slow on this until 1980. In other words, we will then have some length of time to undergo the learning process which many of us will have to go through.

I am sure most members of the House know that we have a lot in common with the United States so far as imports and exports are concerned. However, it appears to me that the situation concerning metric labelling will be similar to that of bilingual labelling. We do not know exactly when the act is going to be proclaimed, or whether only certain sections at a time will be proclaimed. The United States has not yet seen fit to convert to the metric system but has adopted a go slow attitude. The Americans have moved much more slowly than we have in Canada.

Mr. Breau: Should we tell them what to do?

Mr. Whittaker: I hear an intervention from my hon. friend, who asks whether we should tell the United States what to do. He knows that we have a great amount of trade with the United States, and I am not sure whether the section of the bilingual labelling act having to do with the labelling of imports into Canada has yet been proclaimed. I know that companies in Canada, at great cost to many, have been badgered into putting bilingual labels on their products. If products are being imported into Canada with unilingual labels on them, this means the exporter has not been put to the same cost, so this provision is an unnatural tariff which gives a trade advantage to American companies.

Mr. Breau: One hundred per cent?

Mr. Whittaker: Would the hon. member like to listen for a moment? We are having a hard enough time in Canada today, what with unemployment, and with helping businesses in Canada get started. There are all kinds of trade barriers. There is no free trade or fair trade; instead we have unfair trade barriers between our two countries. This government does not hesitate and never has hesitated to put this type of barrier in the way of Canadian producers, businesses, and enterprises, giving trade advantages to competitors of Canadian companies abroad.

The same thing happens to our exporters. So far as the lumber industry in British Columbia is concerned, 62 per cent of our exports go to the United States. The lumber mills are not going to be able to put metric labels on their exports to the United States; they must label the product using the measurements used in the United States. Nevertheless, many companies in Canada will be required to put a dual label on their exports. One of the organizations I was very close to or was part of—indeed I still am—is the fruit industry of British Columbia. We sell a lot of our produce in the United States, and I think it is in the best interests of Canada that we continue to export our produce. The same is true of the lumber industry in British Columbia. This generates export dollars for Canada.

We import enough produce from the United States as it is now. The balance of trade in fruit and farm produce is almost equal; we maintain an equal balance over-all mainly because of our wheat exports. I did not think we will have to label every kernel of grain or boxcar of wheat, but owing to their size the containers in which produce is exported from Canada will have to be labelled.

Imports are still coming into Canada without a bilingual label. As I have said, businesses in Canada have been badgered, bullied, or whatever you want to call it, into putting bilingual labels on their products, in many instances at high cost. This puts them at a trade disadvantage compared with other imports which are not labelled bilingually. I can see metric labelling going down the same path. There will be all kinds of confusion as to how you label your product according to where it is going to or coming from. The whole thing will be confused. It will be a dog's breakfast. That is exactly what it will be.

● (1510)

We are offering an amendment to postpone this until 1980. No wonder the Consumers Association of Canada has taken a hard look at this. No wonder many of the manufacturers and business interests and producers in Canada have taken a hard look at this and have said they are against this sort of thing happening at a great cost to the people of Canada and at a disadvantage to them as far as trading is concerned.

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, I do not want to delay the proceedings on this very much. I would like to speak for about two minutes. The rapid march to the metric system appears to me to be out of step, unless it coincides with changes contemplated by our largest trading partner and our greatest supplier of imports, the United States of America. I suggest the hon. member's amendment will go a long way in assisting us in this regard. I want to speak just for a moment in support of it.

I am concerned about the great cooking recipes of all times. I am referring to the ones that came down to us from our grandmothers. There are very few among us who can translate them from ounces, cups, pinches and tablespoons to such enlightening things as litres, millilitres, and cubic centimetres. The result will not be as tasty. A cherry nut bread, a banana bread, or an apple pan dowdy will never be the same. One lady whom I have respected all my life said to me, "Why can't the government just leave us alone? They have changed our old traditions. They have watched our work ethic erode. Now they are imposing chaos for seniors in the market place."

I am not sure that it should happen, but if it must happen I strongly urge the House to do it in step with our American neighbours. I am very much concerned about the great seafood dishes from down east where I come from in Atlantic Canada. What will the metric system do to them? Who can translate those recipes into metric terms? I suggest that it is darn near impossible. I would like to see us move as slowly as we possibly can on this piece of legislation.

[Mr. Whittaker.]

I have been concerned, as I am sure all members have, with the customs and the traditions of our law-shaping forces. As time moves on and our legislation becomes more mature and our system becomes more mature, the basic law-shaping forces are much more removed from their former functions. We have witnessed the rise of bureaucracy and the fact that bureaucracy is the principal law-shaping force in our land. I have found that the Canadian people I have talked to do not want this system. I do not think they understand it. I do not think enough has been done of an explanatory nature, although a great deal of money has been spent in this field. I find people asking themselves, "How do we participate in this democracy now?" Members of parliament are in Ottawa for nine months of the year. How do the average Canadians let us know they do not like this, and what they would like instead of it?

We should address ourselves to this question of participation. This is a darn good example. The people do not want this legislation. However, we are here and seem prepared to pass it. We are, in effect, saying to the Canadian people, "This is good for you and you darn well better have it." I am afraid if we keep on in this direction much longer that the Canadian people are going to tell us what is good for us. Some members who vote for this and ram it down their throats are going to regret it very much.

The Acting Speaker (Mr. Turner): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Turner): The question is on motion No. 3 (Mr. Hamilton (Qu'Appelle-Moose Mountain)).

Is it the pleasure of the House to adopt the motion?

Some hon. Members: No.

The Acting Speaker (Mr. Turner): All those in favour of the motion will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Turner): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Turner): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Turner): Pursuant to the order made Thursday, March 24, 1977, the recorded division on the proposed motion stands deferred until Monday, March 28, 1977.

Mr. Doug Neil (Moose Jaw) moved motion No. 6:

That Bill C-23, an act to facilitate conversion to the metric system of measurement, be amended in clause 6 by striking out lines 36 to 44 at page 4 and lines 1 to 25 at page 5.

He said: Mr. Speaker, I would like to make a few brief comments in connection with this amendment. Basically it is part and parcel of the previous amendments on which we have spoken. It pertains to the Prairie Grain Advance Payments Act and has to do with the calculations made thereunder. Basically the remarks that I made on the motions that were grouped together apply to this particular amendment.

I would like to make a comment with respect to a remark made by the Minister of Transport (Mr. Lang). He seemed to indicate that I was suggesting that this particular bill would change the land title systems in the provinces of western Canada. I, at no time, ever made such a remark. I realize that the land title systems in our country are within the jurisdiction of the provincial governments. What I have said in the past, and will repeat again, is that because of this legislation which, in effect, requires the farmer to make use of hectares and tonnes, it will create a pressure and has created a pressure on the provincial governments to make changes in their land title systems. For example, in the province of Saskatchewan they made changes in April or May of last year. It is interesting to note that these changes were not made by the legislature of that province. The members of the legislative assembly in Saskatchewan did not have a chance to debate any bill. The people in the province of Saskatchewan did not have the opportunity of any input into the change.

An hon. Member: It is the new democracy.

Mr. Neil: My colleague to my right says, "It is the new democracy". It appears that is the way we are moving. The changes in the province of Saskatchewan were all made by order in council. Most people are familiar with an order in council. It is a series of regulations made either by the cabinet, or by a cabinet minister and approved by the other members of cabinet, promulgated, put in the *Gazette*, and it becomes law. That is an example of what happened in the province of Saskatchewan. The reason it happened was because the legislators in that province did not understand or did not know what was happening. There were some communications from the bureaucrats in Ottawa to the bureaucrats in Regina. The bureaucrats in Regina came to the conclusion that the change to the metric system was law, so they went ahead and they passed the regulations.

● (1520)

I am quite satisfied that if such a change in our land title system had been put before the legislature in any province, and the people in the province had the opportunity to learn what was going on, they would make their wishes known loud and clear because the people on the prairies have grown up under a system which uses acres. The west was surveyed about 100 years ago using statute miles. We have townships, we have ranges, we have sections, half sections, and quarter sections, all based on the mile. All the roads in the west that run north and south are one mile apart, and the ones that run east and west are two miles apart.

Every farmer knows what an acre of land is. He can walk out into a field and say, "That piece of land contains X number of acres". He can tell by looking at it. He knows, when he takes his combine or his seed drill out into the field which is measured in feet, and he goes down the side of that field or makes a round around the field, how many acres he has covered. But the government, in its wisdom, will change all that. It is saying to the farmer, "From now on you will record everything in hectares and use tonnes per acre. But it will not be any problem; it is just a matter of calculation." The farmer knows how complicated the calculation will be; he knows the problems with which he will be faced. That is why he has expressed his opinion loud and clear to members of parliament. That is why local community committees of some of the farm organizations have passed resolutions saying they do not wish to convert to the metric system.

I think the farm organizations now have the message, but unfortunately that message did not get through to the government, and I do not know why because it is a simple matter to go out west, walk down the street of any town, and ask a farmer what he thinks about the metric system. He will tell you. I suggest that you can walk down the streets in any towns on the prairies, and you can spend the day talking to farmers, and I doubt if you would find one individual who is in favour of the change to the metric system, because the change is unnecessary. We do not sell land on the international markets. It will not add $1 to the farmer's income. All it will do is to create problems for him; it is a nuisance. It can create more than problems; it can cost him money because if he makes a mistake in some of his calculations when he is working with herbicides, pesticides, or even seeds, it can damage his crop.

I am pleased that a vote on these amendments will not take place until Monday, and I hope that the minister who is piloting this bill through the House—as a matter of fact it is his first bill—will sit back over the weekend and give serious thought to it. Perhaps he will talk to some of his colleagues and make a few phone calls to some of the farm organizations. If he wants to call some individuals, I can give him some telephone numbers, not necessarily of people of my political faith but of farmers who know what is happening in a community. Then he would understand what the feeling is among the farmers in western Canada. I can only hope that he will undertake to do that, and that when he comes back on Monday he will give instructions to his colleagues to support not only the amendments with respect to the western farmer, but the amendment with respect to dual labelling.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, we have tried this afternoon as clearly and as emphatically as we can to impress government members with the importance of ignoring their own whip and their own civil servants and doing what is right. We are considering an amendment which, as the preceding speaker, the hon. member for Moose Jaw, has said, is part of a package. We are now dealing with western farmers. I think I can put this into a very simple phrase again.

I want to remind the committee that 200 years ago last year the Americans had a rebellion against their lawful ruler, the king and emperor of the United Kingdom. Last year in 1976 they celebrated the 200th anniversary of that rebellion against their king. The issue on which they fought at that time, if I remember it correctly, was: no taxation without representation. What we are witnessing here today is metrification without representation.

Some hon. Members: Hear, hear!

Mr. Hamilton (Qu'Appelle-Moose Mountain): If hon. members on the government side think really hard, as the thinkers' conference in Toronto is supposed to be doing today, they will realize it is not only the farmers in the west who will be in a state of alienation and rebellion, but also consumers from one end of the country to the other.

To make certain there is no misunderstanding about what the hon. member for Moose Jaw said, and what I tried to say earlier in the debate about the feeling of the farmers, this can all be verified. There was a meeting in Lethbridge, Alberta, two weeks ago called by the Canadian Wheat Board to discuss the pricing of wheat. The minister knows what I am talking about. Farmers are concerned that mistakes are being made in the pricing policy of the Wheat Board. Questions were asked about the metric system. At that meeting 1,100 to 1,200 farmers tried to get into the hall. There is interest out there. Only 800 were allowed in because the fire marshal said that that was all the hall could accommodate safely. When the chairman asked how many of those present were in favour of the metric system, out of the 800 farmers in that hall ten hands went up. When he asked how many were opposed, 790 farmers stood to their feet. If the farmers do not understand that type of arithmetic, the government should.

● (1530)

In the same province of Alberta at Indus, at a meeting of the Alberta pool, part of the agenda was that there was to be a film on the metric system. Delegates from every district of Alberta said, "Take that out of here", and they took it out, because when Alberta farmers say take something out, it is taken out.

Third, farm organizations and pools are generally associated with a great part of the area I represent. The towns of Indian Head, Sintaluta and Abernethy may not mean a thing to the generation which sits in this House now, but prairie farm organizations began in this area in the territorial days. This is the area which produced Motherwell and Jimmy Gardiner. Even I was asked to run. What do the people in this historic centre of farm revolt and fighting for farm freedom say? The telegram I have in my hand is dated February 10, and it says:

> We the following are members of Sask. Wheat Pool and are opposed to the metric system being brought into effect for grain and acres without farmers' agreement.

This telegram is signed by Don Woods, secretary of the wheat pool; Al Guest, Albert Gares, Gordon Barber, E. Smithson and Alf Goodwin. These people are all from Indian Head.

It is also signed by Dave Mercer from Lemberg, Jimmy Gardiner's old home town; G. R. Pollock, Sintaluta, the home of the United Grain Growers farm movement; Richard Barnsley of Abernethy, the home of Motherwell. In a postscript the telegram says the following:

> No mention was made at the pool's annual meeting regarding opposition or agreement to the metric system. I believe we have been misled in believing that it had already been made law.

I read those names because those names are known to every farmer in that big grain growing area in my constituency.

Fourth, I asked an old grain man from the southern part of my constituency along the American border to find out what the elevator men have to say. Are they all in favour of this? What did their representatives say in the committee? This is the gist of the message. This old grain man talked to the agents himself and found out that they were quite upset about executives in their organizations giving the word on what farmers should believe. The old grain man communicated the following:

> Metric meeting held among the pool agents and not with farmers . . .

It cannot be denied that Saskatchewan pool elevator men all along the line are against the metric system, and that someone has been misinforming the House.

A week ago I raised a question of privilege, and it was so close to privilege that the Saskatchewan Wheat Pool should have been brought before the Standing Committee on Privileges and Elections. I have here some official resolutions which were passed. I will give the dates, the names which appear on them and so forth, and the House should bear in mind the time frame about which I am talking. The Secretary of the Saskatchewan Wheat Pool wrote a letter to the minister which I have here, and which says that during all that period no resolutions were received from the 800 active wheat pool committees, from annual meetings held, or from other membership meetings held throughout the province.

I have here these resolutions on Saskatchewan Wheat Pool stationery. The first one reads:

> Re: Federal Government
>
> District—Carrot River 14-8
>
> The following resolution was passed at the committee meeting held on February 15, 1977 . . .

That was ten days before the secretary wrote his letter to the minister.

> . . . and reported by the secretary of the committee, Mr. Peter Sirey, Box 175, Carrot River, Saskatchewan, and received in head office on February 21, 1977:

That was also before the secretary wrote his letter to the minister, and this is what the resolution says:

> Be it resolved that the Carrot River committee is opposed to converting the acre to the hectare.

Carrot River is located in the northeast part of Saskatchewan. This resolution was submitted to the board of directors of the Saskatchewan Wheat Pool on February 24, the day before the letter was written.

The following is on the same Saskatchewan Wheat Pool stationery. It is from district 13-2 at Burr, in the northwest part of Saskatchewan. It states:

> The following resolution was passed at the committee meeting held on February 10, 1977, and reported by the secretary of the committee, Mr. Art Klassen, Burr, Saskatchewan . . . and received in head office on February 15, 1977:

That was ten days before the secretary wrote to the minister. The resolution states the following:

> That we keep the present system of weights and measurements.

That resolution was submitted to the board of directors on February 17, before the letter was written.

Here is one from a whole district. As hon. members probably know, Saskatchewan is divided into 14 districts under the Saskatchewan Wheat Pool Organization. Each district represents thousands of wheat pool members. This communication reads as follows:

> The following resolution was passed at the delegates district meeting held on February 4 and 5, 1977, and was reported by the secretary of the district, Mr. Hugh McDonough, . . . Cadillac, Sask., and received in head office on February 14, 1977:

That was eleven days before the letter was sent. The hon. member for Assiniboia (Mr. Goodale), who is not here, knows where the town of Cadillac is. The people there will not be voting for him the next time around. This resolution reads as follows:

> Whereas we understand that there is a possibility that the acre could be changed to hectares we are opposed. We feel that it would be impractical to change the acre as the land is surveyed in acres, and does not coincide or convert equally into any metric form; we also feel that there would be no useful purpose in changing the acre as grain could still be sold in tonnes or kilos per acre rather than per hectare;
>
> Therefore be it resolved that the land area measurement be left as acres.

That was submitted to the board of directors of the Saskatchewan Wheat Pool of February 16, 1977, before the secretary wrote the letter.

Here is another one from my district, District 7, Sub-district 4, Grenfell, and it reads as follows:

> The following resolution was passed at the committee meeting held on February 24, 1977, and was reported by the secretary of the committee Mr. Donald Crawford, Grenfell, Saskatchewan . . . and was received in head office on March 2, 1977:
>
> Whereas there is some difficulty converting miles to kilometres, acres to hectares, and bushels to tonnes, be it resolved that the present acreage system with square miles and bushels be retained. That the railroads change to metric system at the same time as the rest of the grain trade.

This was submitted to J. O. Wright of the board on March 3. I will go on and read the one from Avonlea, which is right in the heart of the riding of Assiniboia. It says:

> Whereas the metric conversion program is being planned and whereas this program is causing hardship to those of us unfamiliar to the program,
>
> Therefore be it resolved that the program be slowed down until a more effective educational program can be made available.

The hon. member for Assiniboia stood up and said that the secretary of this farm organization is for it, so we all have to accept it. He would not even take the word of the farmers in his own district.

We ask that this conversion be slowed down a little bit. That would make it a little more humane.

Here is one from Plenty in west central Saskatchewan. It is dated February 21 and the resolution reads as follows:

> Whereas we are now surveyed in acres and miles, be it resolved that we stay with acres instead of hectares and miles instead of kilometres.

I could go on, but I think I have made my point. In 1970 the government appointed a metric commission to look at the whole thing and to make recommendations to this parliament for legislation. What did the commission do? It went out across the country and told provincial governments and farm organizations that this was the law, that they should get in step, and that the federal government would bring in a bill to be debated here, and in three provinces it became law on February 1, 1977.

The hon. member for Moose Jaw told us that the Metric Commission got the Saskatchewan government to put through an order in council. The Saskatchewan government did not even tell its legislature. Some Saskatchewan cabinet ministers did not even know about it. That order in council changed the whole survey system of Saskatchewan. I have the order in council here, and it says that all surveys, and I quote:

> . . . shall be drawn with metric measurements and shall be subject to the approval and inspection, as to their accuracy and the manner in which they are established on the ground, of the Chief Surveyor . . .

● (1540)

When a person dies and his estate tries to sell the land and register the title under a new name, there will not only be legal expenses involved but survey expenses as well. The quarter sections in Saskatchewan are not measured accurately. They were measured with a buggy wheel that had a rope tied around it, and that is why our titles say "160 acres more or less." An order in council in Saskatchewan now decrees that measurements must be accurate. That will involve great cost.

I opened my remarks by saying that we are now in the age of metrification without representation. I know what those Saskatchewan farmers will do at the next election. There will be a new government in Saskatchewan. There is going to be a new government here, too.

Ontario accepted the metric system by permissive legislation. Alberta has also passed legislation but has not proclaimed it. I am simply asking members of this government to act like members of parliament instead of allowing themselves to be pushed around by bureaucrats. Stand up and support your people, I say. All we want is that the dual system be left until the farmers accept the new system willingly. We already sell grain under the metric system and there is no quarrel with that. But why make changes that are not necessary? There is no necessity to change the land measurement system, yet the government has told the provinces that it must be done. Then it comes here and blames the whole thing on the provinces.

I ask members of the government to think about what I have been saying, over this weekend. And I suggest that if they do

not think about it they will not be around many more months clouding the atmosphere with the kind of dictatorial nonsense that is contained in this bill.

The Acting Speaker (Mr. Turner): The question is on Motion No. 6 (Mr. Neil).

All those in favour of the motion will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Turner): All those opposed to the motion will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Turner): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Turner): Pursuant to order made Thursday, March 24, 1977 the recorded division on the proposed motion stands deferred until Monday next.

An hon. Member: Four o'clock.

The Acting Speaker (Mr. Turner): Is it agreed we call it four o'clock? The hon. member for Lafontaine-Rosemont (Mr. Lachance).

[*Translation*]

Mr. Claude-André Lachance (Lafontaine-Rosemont): Mr. Speaker, since the government, through the Minister of Transport (Mr. Lang), has announced its intention of undertaking a review of the financial structure of the St. Lawrence Seaway, motion No. 28 standing in my name is no longer relevant; therefore I would ask, in agreement with the seconder of the motion the hon. member for Saint-Jean (Mr. Smith), for the unanimous consent of the House to remove motion No. 28 from the order paper.

[*English*]

Mr. Baker (Grenville-Carleton): Mr. Speaker, the hon. member was kind enough to speak to me about that. On behalf of my party I should like to indicate our willingness. It is my understanding that there is no private members' business available for today and the parliamentary secretary has spoken to me about that. Having regard to the position of the hands on the clock I think it might be in order to call it five o'clock.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, we also agree to the request with regard to the hon. member's motion and I suspect all of us will agree to call it five o'clock. I wish there was some way we could have on the record the names of those faithful Liberals who stayed in parliament today instead of going off to that once-in-17-years thinkers' conference.

Mr. Baker (Grenville-Carleton): Mr. Speaker, I should like to remind hon. members of the matter that was alluded to by Mr. Speaker this morning, the 37th anniversary of the election of the right hon. member for Prince Albert (Mr. Diefenbaker) to this House. There is a reception in the Commonwealth Room to celebrate the occasion and I am sure the right hon. gentleman would be delighted to see all the members regardless of on what side of the House they sit.

Mr. Dionne (Northumberland-Miramichi): On the same point of order, Mr. Speaker, I appreciate the co-operation we have received this afternoon in disposing of the business of the House. I want to say to the hon. member for Winnipeg North Centre (Mr. Knowles) however, that I would rather be in the House with him than anywhere else.

The Acting Speaker (Mr. Turner): Is it agreed that the hon. member for Lafontaine-Rosemont (Mr. Lachance) has unanimous consent to withdraw Private Member's Notice of Motion No. 28?

Some hon. Members: Agreed.

Order discharged and motion withdrawn.

The Acting Speaker (Mr. Turner): Order, please. It being five o'clock this House stands adjourned until Monday next at 2 p.m., pursuant to Standing Order 2(1).

At 3.47 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, March 28, 1977

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*English*]

THE CANADIAN ECONOMY

REQUEST FOR STATEMENT ON ANY AGREEMENTS MADE AT BUSINESS-LABOUR MEETING TO RESTRAIN DEMANDS—MOTION UNDER S.O. 43

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I rise on a matter of urgent and pressing necessity arising from comments of the Minister of Labour (Mr. Munro) made outside this House that, and I quote:

> . . . there is a real desire growing and permeating through labour that it will exercise proper restraint in the post-control period . . . union leaders can persuade workers to exercise restraint.

Governor Bouey of the Bank of Canada said he would not lift controls before the end of 1978 because, and I quote:

> To the extent that groups in the economy are in fact looking to the ending of controls as the moment for a substantial upward push in their money incomes and prices . . .

Because there are open rumours that no agreement on restraint was made between business and labour at the meeting a week ago, which fact is reflected in recent editorials, and yet today's press quotes of the Minister of Labour would lead to the conclusion that labour is in fact committed to restraint, I move, seconded by the hon. member for Esquimalt-Saanich (Mr. Munro):

> That this House direct the Minister of Labour to make a statement forthwith in this House advising all hon. members and the public of Canada just exactly what was agreed to at the business-labour meeting and specifically whether the statements of the Minister of Labour that labour has a real desire to exercise proper restraint is an accurate reflection of any agreement made at the meeting or accurately reflects any commitment made directly to the government by the Canadian Labour Congress Leaders.

Mr. Speaker: The presentation for debate of such a motion pursuant to Standing Order 43 can only be done with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

[*Translation*]

INCOME TAX

SUGGESTION TRAVELLING EXPENSES OF WAGE EARNERS BE DEDUCTIBLE—MOTION UNDER S.O. 43

Mr. Eudore Allard (Rimouski): Mr. Speaker, under the provisions of Standing Order 43, I ask for the unanimous consent of the House to introduce a motion of pressing necessity.

Considering that, except for some allowances, the Income Tax Act does not entitle most wage earners to ask for a reduction of more than 3 per cent of employment income, up to a maximum of $150, while they have to pay from $300 to $600 yearly to travel to and from their place of employment; considering that there would be great opportunities to save a considerable amount of energy if most wage earners or workers generally were prompted to use public transport to go to work and that anyhow the various levels of government must pay subsidies worth several million dollars, I move, seconded by the hon. member for Abitibi (Mr. Laprise):

> That the House instruct the Minister of National Revenue (Miss Bégin) to bring in as soon as possible an amendment to section 8(I)(a) to the Income Tax Act to the effect that travelling expenses to and from the place of employment made by wage earners using public transportation be deductible from their income for income tax purposes upon the filing of receipts and records.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Under the provisions of Standing Order 43, this motion requires the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*English*]

FISHERIES

PROPOSED DELAY IN IMPOSITION OF DOUBLE LICENSING ON WEST COAST FISHERMEN—MOTION UNDER S.O. 43

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I rise under the provisions of Standing Order 43. The salmon fishing season off the west coast opens in about two weeks, and because the minister plans between now and then to impose a double licensing system to cover areas fished—inside and outside Vancouver Island—which would impose economic hardship on many fishermen, I move, seconded by the hon. member for Vancouver South (Mr. Fraser):

● (1410)

That this House direct the minister to suspend the double licensing system this year and to refrain from bringing it into force until such time as the views of all members of the west coast fishing industry have been given more careful consideration.

Mr. Speaker: Presentation of such motion pursuant to the Standing Order requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

* * *

[*Translation*]

FINANCE

PROPOSAL GOVERNMENT ESTABLISH BALANCE SHEET OF EXPENDITURES IN AND INCOME FROM EACH PROVINCE—MOTION UNDER S.O. 43

Mr. René Matte (Champlain): Mr. Speaker, pursuant to the terms of Standing Order 43, I request the unanimous consent of the House to present a motion dealing with an important and urgent matter.

As, to date, we have been denied in this House of Commons the financial statistics on federalism, and as the Quebec government published a major part of it on the day following my last request in this regard, may I be allowed, Mr. Speaker, to present again my motion of March 24 last.

In view of the inalienable right of all Canadian taxpayers to know exactly what is done with the money they pay in taxes of all sorts, in view of the responsibility all hon. members have to give an account to their electors of the use that is made of their contributions to the federal government, and in view of the fact that the government is duty-bound to be responsible for the expenditures incurred in each of the Canadian provinces, I move, seconded by the hon. member for Rimouski (Mr. Allard):

That this House order the Minister of Finance (Mr. Macdonald) to draw up a statement of receipts and expenditures, both direct and indirect, for each of the provinces.

Mr. Speaker: Order. The House has heard the motion of the hon. member. Pursuant to the terms of Standing Order 43, the motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

[Mr. Munro (Esquimalt-Saanich).]

ORAL QUESTION PERIOD

[*English*]

ELECTION EXPENSES

ALLEGED BREACH OF ACT BY LIBERAL PARTY IN CONNECTION WITH TORONTO CONVENTION—POSSIBILITY OF AMENDMENT

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, my question to the President of the Privy Council arises out of the continued breaching of the spirit, if not the letter, of the Election Expenses Act by the elite of the Liberal party in Toronto this weekend. I should like to know whether this public statute was used to pay personal convention expenses in view of the complaint by the Minister of Indian Affairs and Northern Development that not all of the Canadian people were represented at the convention for which Canadians footed the bill. Would the minister undertake to refer this matter to the Standing Committee on Privileges and Elections to review this use of the Election Expenses Act which quite frankly borders on the tainted?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, the use of the Election Expenses Act in these circumstances is quite in accordance with the law that was carefully studied by a standing committee of the House of Commons and later approved in the House of Commons after a number of amendments were introduced. This particular way of contributing to political parties is not different in substance from use that has been made by other political parties.

Mr. Baker (Grenville-Carleton): Oh, yes it is.

Mr. MacEachen: When the law was enacted it had been the intention that it would be possible to support legitimate political activities—

Mr. Knowles (Winnipeg North Centre): Legitimate?

Mr. MacEachen: —and certainly the meeting that was held in Toronto at the weekend was of great national interest and will have profound effect on the future of our country.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): Mr. Speaker, the Acting Prime Minister knows quite well that there is a considerable difference between paying personal expenses on the one hand and not paying personal expenses on the other but using the Election Expenses Act. In any event, I am sure the minister would not find himself in the position of taking the opportunity to breach the law. Would the minister tell the House whether he has or intends to consult with the Chief Electoral Officer to see whether the act could be amended to bring it into line with the intention of parliament at the time it was passed? It was certainly not the intention for which it was used last weekend.

Mr. MacEachen: Mr. Speaker, there is a disagreement between the hon. member and myself. It is my view that the use made of the Election Expenses Act was forecast and capable of being forecast when the law was passed. In replying

directly to the hon. member, however, may I say that it is likely we will be bringing forward amendments this session to the Elections Act and to the Election Expenses Act. There have been discussions, as the hon. member knows, among representatives of the parties and I believe there is a desire that, in certain ways, both the Elections Act and the Election Expenses Act should be amended. That will be attempted this session.

Mr. Hees: Allan, you never sounded less convincing.

Mr. Baker (Grenville-Carleton): A supplementary question, Mr. Speaker. I hope this matter will be looked at, because with respect, it borders on the tainted. In view of the complaints at what I would term a publicly financed party conference which the Minister of Indian Affairs and Northern Development said did not represent the native peoples of Canada, is the ministry considering any alternative which would allow the native people to discuss the future of the country and problems facing all Canadians. I ask this since they were ignored by this conference which was paid for by all Canadians and which, except for its views on the performance of this government, was unrepresentative of Canadians.

* * *

FEDERAL-PROVINCIAL RELATIONS

REQUEST FOR BALANCE-SHEET SHOWING FINANCIAL RELATIONSHIP OF QUEBEC AND FEDERAL GOVERNMENTS

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, my supplementary question, directed to the Acting Prime Minister, has to do with the way in which Liberal ministers at this publicly financed conference ignored, in their discussions, an urgent aspect of confederation. My question is this: While it is generally agreed that the arguments in favour of confederation cannot be based solely on a financial balance sheet, nevertheless, now that the government of Quebec has released a report claiming that Quebec has been fiscally handicapped by confederation and as, at the same time, figures to the contrary have appeared in *Maclean's* magazine, will the Acting Prime Minister say when the government will release concise data giving the federal side of the argument. I ask this because I understand that Mr. Tellier has been working on this for some weeks.

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, perhaps I may respond to the question. I think I must make the observation with regard to the analysis tabled last Friday by the Quebec ministers that it involved conclusions which are hardly supported by the study which was tabled at the same time. For example, it was clear that the general costs of overhead of the government of Canada which include, of course, the benefits received by the people of Quebec were not included in the balance sheet which the Quebec ministers drew up. With regard to the figures of fiscal transfers, the revenue figures of the government of Canada from various elements of taxation and also with regard to their expenditures, let me say that these are now in the public accounts of Canada and can be examined by the Quebec members and indeed by other interested persons.

A far more difficult question and the one requiring far more analysis is the extent to which one can take, for example, the distribution of interest, of dividends, of public expenditures and facilities, and the various other distribution effects of the government of Canada and break them down on a province by province basis. These are expenditures and costs which are not normally kept on this basis and require very considerable judgment. Some attention is being given to that question, but it is not a question, as I think will become increasingly clear from a close analysis of taxation, with respect to which one could rush in and make hasty conclusions without careful analysis.

Some hon. Members: Hear, hear!

Miss MacDonald: Mr. Speaker, the Minister of Finance has chosen to ignore my question, as ministers meeting at the weekend chose to ignore other questions. He chose to ignore the question I addressed to him about the study being done by Mr. Tellier, a study which Mr. Tellier, according to press reports of Saturday, said he would be prepared to release when the government sees fit to do so. May I ask the Minister of Finance this question: Since the Prime Minister has asked Canadians to go out and sell confederation, is the minister telling the House that the material being prepared in the federal-provincial relations office, which will be or should be available to Canadians, will only be made available when and as the government sees fit to do so, and that, in the meantime, the figures released by the government of Quebec and widely circulated are to be allowed to go unchallenged by the government of Canada?

Mr. Baker (Grenville-Carleton): Right on.

• (1420)

Mr. Macdonald (Rosedale): Mr. Speaker, as the hon. lady may have noticed in the course of this morning's press, they have already been substantially challenged by the press both in Ontario and Quebec.

* * *

THE CANADIAN ECONOMY

REQUEST FOR ACTION TO REDUCE DEBT OF STUDENTS RETURNING TO SCHOOL AFTER BEING UNEMPLOYED DURING SUMMER

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker—

An hon. Member: I hope the questions improve.

Mr. Broadbent: I hope the answers improve, too. I have a question for the well-informed Minister of Manpower and Immigration. In what the Acting Prime Minister quaintly described as a cordial provocation, the Prime Minister callously suggested last week to a group of university students that

they ought to leave the country if they cannot find jobs. Is the minister aware that, unlike the Prime Minister, most students today do not come from families who are millionaires. In fact, most students entering the job market this summer are not likely to find employment. Will the government assure these students that it will take steps to substantially reduce the new debts the students are going to incur in their studies next year as a result of not being able to find jobs this summer?

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I suggest to the leader of the NDP that he read the transcript of the exchange that took place at that particular time when the Prime Minister indicated several options that were available and that was the penultimate, if that was the route they felt they wanted to take.

Some hon. Members: Oh, oh!

Mr. Cullen: There are talents and abilities that are available both to Canada and the world that we are making available throughout Canada and throughout the north where we have had several requests. They commend the Prime Minister for indicating that the talent should not only be used in the urban centres in Canada but throughout the country to the betterment of Canada. To the extent that we are able through CIDA and other agencies of government, these talents are being made available throughout the world. I know that is foreign to the NDP and the Conservatives who want to spoonfeed our young people, but I do not think that is what they want.

Mr. Broadbent: Mr. Speaker, I hope the minister will answer the question I asked him. I repeat it. Is the government prepared to put up money for those students who are in need and require jobs in the coming months in order to finance the continuation of their education at university and other post-secondary institutions in the fall? Is the government prepared to take some action to help these people reduce their debts? When answering the first question, I would like the minister to consider the second one. The Prime Minister unbelievably suggested that his real concern is with those women in Newfoundland who have difficulty obtaining the minimum eight-week work period requirement under existing legislation in order to entitle them to unemployment insurance. That is what he told the students. Will the government put its action where its mouth is and withdraw the legislation now going through parliament which will deny the possibility of claims to precisely that group of women the Prime Minister was talking about?

Mr. Cullen: Here again we have the NDP satisfied with a status quo that does a disservice to people in that particular category. Frankly, I cannot condone that type of approach. In so far as the approach is concerned, the hon. member is perpetrating a small fiction, indicating that the federal government is not doing anything to help post-secondary students. I invite him to look at the estimates and note the millions of dollars which are being spent on post-secondary education alone, aside from the Manpower Training Program, the Canada Works Program and a whole series of programs which are in place and available to young people.

[Mr. Broadbent.]

Mr. Broadbent: I come back for the third time to repeat the first question.

Some hon. Members: Oh!

Mr. Broadbent: It pertains to the debts of all those who have to work their way through university; it pertains to the debts of the students, not the universities. Will the minister take steps to ensure that all Canadians who are working their way through university and who will not be able to find jobs this summer will receive direct financial assistance from the federal government for the payment of their fees or contributions toward the cost of accommodation and food during next year's course of study?

An hon. Member: No answer!

* * *

[*Translation*]

HOUSING

REASON FOR DELAY IN INSPECTING HOUSES UNDER RRAP PROGRAM

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to direct a question to the Minister of State for Urban Affairs.

Could the minister find out the reasons for the extensive delays in the inspection of private homes belonging to the people who have applied for grants under the RRAP program in the area under the control of the CMHC Val-d'Or district office and advise us of these reasons?

Hon. André Ouellet (Minister of State for Urban Affairs): I shall inquire and report my findings to the hon. member.

Mr. Laprise: A supplementary question, Mr. Speaker.

While inquiring about these delays, could the minister find out also why the people who apply for guaranteed loans to build or purchase new homes must face delays, when there are approved lenders with several hundred thousands and even millions of dollars?

Mr. Ouellet: Yes, Mr. Speaker.

* * *

[*English*]

ENERGY

OIL—POSSIBILITY CANADIAN PRICE WILL EXCEED UNITED STATES PRICE—GOVERNMENT POSITION

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, on March 23, the Minister of Energy, Mines and Resources, in answer to a question I put to him, stated that the government had been "very careful in approaching higher prices" consistent with a policy of keeping domestic oil prices at or below world level. He went on to say, as reported in *Hansard* at page 4253:

At the present time, my estimate is that there would be room for better than a two dollar increase in the price of a barrel of oil effective July 1 while still keeping Canadian oil prices below U.S. oil prices.

In fact, a two dollar price increase would put Canadian domestic prices 53 cents a barrel higher than the equivalent U.S. price. In our case, the reference average—

Mr. Speaker: Order. If the hon. member has a question, will he put it now?

Mr. Darling: Yes, Mr. Speaker. Is the minister prepared to retract his statement that he could increase oil prices by "better than two dollars" or is it the intention of the government to increase Canadian oil prices to a point at which they will exceed the U.S. equivalent?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): I am not prepared to retract my statement nor does my statement in any way mean that we are prepared to increase our price ahead of the United States average price.

Mr. Darling: Is the government aware of the negative impact this action would have on our already disastrous competitive position?

Mr. Gillespie: I should like to answer that question by saying to the hon. member that I do not think he is familiar with the relative prices of United States oil delivered in Chicago and Canadian oil delivered in Toronto. If he would look at those figures as at July 1 of this year and look at the built-in price escalation of the U.S. system, recognizing as well the difference in the exchange value of the Canadian dollar, he would find that as of July 1 this year the United States price will be more than two dollars more than the Canadian price and that in the months ahead it is likely that this margin will increase.

Mr. Darling: Will the minister give us an absolute assurance that Canadian oil prices will remain below their U.S. equivalent for the forseeable future?

Mr. Gillespie: That is one of the questions I want to discuss with the provincial ministers next week.

TAR SANDS—GOVERNMENT POSITION ON ALBERTA CONDITIONS FOR SUPPORTING DEVELOPMENT

Mr. John C. Crosbie (St. John's West): Mr. Speaker, a question for the Minister of Energy, Mines and Resources. The *Globe and Mail* of March 19 reported an interview with the minister of energy of Alberta in which the minister stated the conditions under which Alberta would support further tar sands development. There were three conditions—the partial upgrading of heavy oil in Alberta, the elimination as soon as possible of the differential between Canadian and world oil prices and the complete deductibility of provincial royalties from federal income tax. Would the minister advise the House what the response of the government of Canada is to these conditions of Alberta, whether they are acceptable to the government of Canada to ensure further tar sands development, or if any are not acceptable, which of these three conditions are not acceptable?

● (1430)

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, I do not think it would be appropriate for me at this time to put myself in a position where I was conducting a negotiation in public between the federal government and the province of Alberta, on the one hand, and approaching the kinds of negotiations and discussions that I will be having with provincial ministers on April 6 in Ottawa.

Mr. Crosbie: A supplementary question, Mr. Speaker. Would the minister tell the House what stage federal-provincial discussions have reached on possible tar sands development? There is a federal-provincial committee of officials; have they reported, has the minister received any recommendation in this important area, and when might some progress be announced?

Mr. Gillespie: I can just report progress, Mr. Speaker. I think the discussions have been progressing well. I am not in a position at the present time to indicate that a specific result will come from them, but I am encouraged by the way the discussions are going.

* * *

INCOME TAX

DEDUCTIBILITY OF COST OF LEARNING SECOND LANGUAGE—GOVERNMENT POSITION

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, my question is for the Minister of Finance. As increased dialogue between French-speaking and English-speaking Canadians is necessary if mutual understanding is to be improved and this country held together, is the government considering allowing the cost to individuals of learning a second language to be written off as a tax deduction, as an incentive to help promote this very desirable process? If not, will the government do so?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I thank the hon. gentleman for giving me notice of his intention to ask the question. I can tell him that this has been one of the questions which has been submitted for consideration by the government in the context of the budget and has been considered.

* * *

FINANCE

DATE OF TABLING OF ECONOMIC REVIEWS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of Finance. Would the minister clarify or expand on his reply to me last week about the tabling of the economic reviews which the government makes

at about this time? Now that the dates of the budget debate have been set, will it be possible during the course of the budget debate to table these economic reviews?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, following the hon. gentleman's question last week I asked about the expected date of availability of the economic review and I regret to say that it will not be available till about the end of April, or after the time when the budget will be debated.

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COMMUNICATIONS

POSSIBILITY OF DECENTRALIZING REGULATORY SERVICE GROUP—GOVERNMENT POSITION

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, my question is for the Acting Minister of Communications or the Acting Prime Minister. Does the government plan to decentralize or is the government in the process of considering decentralizing the telecommunications regulatory service group from Ottawa to a location east of Quebec City, and also considering placing the regulatory offices located in large cities across the country, such as in Vancouver, Winnipeg and so on, in smaller centres?

Mr. Ross Milne (Parliamentary Secretary to Minister of Communications): Mr. Speaker, that matter is under consideration by the government at the present time but we would want to consider it further before making any statement. We would be pleased to do so when we come to a final answer.

Mr. MacKay: A supplementary question, Mr. Speaker. I thank the hon. gentleman for his answer and I would ask him whether he has any reasonable estimate when a decision in this regard might be announced?

Mr. Milne: Mr. Speaker, I would hope it would be fairly soon.

* * *

SPORTS

POSSIBILITY OF STUDY OF EFFECT OF PROFESSIONAL SPORT ON HEALTH OF CITIZENS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the minister responsible for fitness and amateur sport. On Friday last the minister told the House that professional sport serves as an example to many of us sitting in the spectator position. In view of the probability that one of the greatest contributors to obesity in Canadians is the habitual practice of sitting and watching professional sport on television or at a stadium while heavily smoking or consuming large quantities of high calorie junk foods and alcoholic beverages, would the minister say whether she has initiated any study into the ways in which professional sport is beneficial or harmful to the general health of Canadians?

[Mr. Lambert (Edmonton West).]

Hon. Iona Campagnolo (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, I have not initiated any such studies.

JUSTIFICATION FOR EXPENDITURES ON INTERNATIONAL COMPETITIONS AT EXPENSE OF LOCAL AMATEUR SPORTS

Mr. Paul Yewchuk (Athabasca): A supplementary question, Mr. Speaker. In view of the fact that professional sport is almost exclusively the preserve of males, and in view of the fact that up to 78 per cent of Canadian girls may be obese by the time they reach grade 12 precisely because the exercise programs they are exposed to are geared to developing a few elite athletes, especially males athletes, rather than to teaching enjoyable means of keeping fit in adulthood, how can the minister justify the comparatively large sums of money which her subdepartment is spending on elite international sport competitions and elaborate coach training schemes at the expense of amateur sports of an outdoor nature in which a large segment of the public can participate?

Hon. Iona Campagnolo (Minister of State (Fitness and Amateur Sport)): Mr. Speaker, without accepting the premise of the hon. member's question, I would invite him to join me in an anti-obesity campaign at some time in the future. Furthermore, I will say that in the realm of amateur sport assistance in this country we have provided equal assistance both in sport and in recreation. While my department is limited in the supply of assistance to physical recreation, there are no less than 25 departments here ranged before you which have some input and some moneys devoted to fitness in this nation.

* * *

ENERGY

OIL—PROPOSED USE OF INCREASED REVENUE FROM SALES TAX FOR HOME INSULATION PROGRAM

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. In view of the fact that the 12 per cent federal sales tax will yield the government this year $200 million more than it netted in 1973 due to the increase in the price of crude oil, which on a gallonage basis means an increase from two cents per gallon in 1973 to 4.9 cents per gallon this year, and if the minister's forecast of an increase in price on July 1 goes through, 5.3 cents per gallon in fiscal year 1977-78, is the minister prepared to recommend to his colleague a fixed amount per gallon in the sales tax or the apportioning of this additional revenue which the federal government is receiving for the purpose of carrying on a program of home insulation for all Canadians, rather than just for the two Liberal provinces across Canada?

Hon. Alastair Gillespie (Minister of Energy, Mines and Resources): Mr. Speaker, a somewhat similar question was put to me last week by the hon. member's colleague. At that time I answered the question and if he has any further representations that he would like to make to the Minister of Finance perhaps this is the time to do it.

* * *

FINANCE

SUGGESTED CHANGE IN SALES TAX ON GASOLINE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question. I was not referring to the matter which my colleague raised; however, I will direct my supplementary to the Minister of Finance. In view of the fact that the revenue from the export tax levy and the 10 cents per gallon excise tax exceeds the compensation payment by $300 million and the additional revenue from the 12 per cent sales tax on gasoline another $200 million, making a $500 million windfall, can the Minister of Finance tell the House whether it is correct that some three years ago when he was minister of energy, mines and resources he recommended to the then minister of finance changing the 12 per cent sales tax on gasoline to a fixed amount per gallon; and if that is true, is the minister prepared, now that he is in a position to do so, to implement his own recommendation?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, in reply to the hon. member's first point, it has never been the policy of the government of Canada to earmark receipts from any federal tax for a fund for any specific purpose. I would just remark to the hon. gentleman that while it is true that funds have been received from the special excise tax for a particular purpose—that is to say, compensation—there has also been an expansion in the government of Canada's liabilities for further energy assistance to the provinces of somewhere in the neighbourhood of $2 billion. So there are additional claims upon this source of revenue.

● (1440)

With regard to the second point, I can confirm that indeed it has been considered. With regard to the answer to the question, I would ask the hon. member to wait until the budget is presented.

SUGGESTION REVENUE FROM OIL AND GAS BE USED FOR HOME INSULATION PROGRAM

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the fact that the minister and his colleagues over the last four years have been seeking to justify the raising of the price of oil gradually toward the international level on the ground that this money was needed for the development of oil and gas resources, can the minister now justify taking an additional revenue of $500 million unless it is going to go toward meeting the energy crisis, and has consideration been given to using this money for oil and gas conservation programs, such as the insulation of Canadian homes?

Hon. Donald S. Macdonald (Minister of Finance): I would point out to the hon. member, as I just did, that the money is being used for meeting the energy crisis, for example, for expanding the electricity potential in several different provinces in Canada, and for expanding the exploration for oil and natural gas in the frontier areas by Petro Canada and PanArctic. Under the circumstances, with an additional $2 billion being put into place by the government of Canada for the purpose of expanding energy supply, this is very obviously a response to the energy crisis.

Some hon. Members: Hear, hear!

* * *

ADMINISTRATION OF JUSTICE

SUGGESTED LEGALIZATION OF POSSESSION OF MARIJUANA—GOVERNMENT POSITION

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of Justice. It is with regard to the Prime Minister's views on marijuana. Last week the Prime Minister stated that if you have a joint and if you are smoking it for your private pleasure, you should not be hassled. Since under the Criminal Code of Canada possession of marijuana is an offence, can the minister say whether the government intends to legalize the possession of marijuana?

Hon. Ron Basford (Minister of Justice): No, Mr. Speaker.

Mr. Broadbent: Does it intend to enforce the law?

Mr. McKenzie: Also the Prime Minister is quoted as saying that mere possession of marijuana would no longer be a criminal offence and that it would be placed under the Food and Drugs Act. I should like to ask the minister, now that he has appointed a federal-provincial committee to study the illicit use of drugs, whether he will await this committee's report, or will the government act on its own before the committee completes its study?

Mr. Basford: Parliament dealt some time ago with Bill S-19, which, among other things—

Miss MacDonald: It did not come to the House of Commons.

Mr. Basford: The parliament of Canada includes the Senate, whether or not the hon. member agrees.

Miss MacDonald: Of course it does, but why did you not bring it here?

Mr. Baker (Grenville-Carleton): That was some thinkers conference, wasn't it Ron?

Mr. Basford: If only the hon. member for Kingston and the Islands and the House leader of the opposition would remain

quiet for a moment, they would get the answer they are looking for.

Some time ago one of the Houses of this parliament dealt with Bill S-19 which recommended the transfer of the offence of possession of marijuana from the Narcotics Control Act to the Food and Drugs Act. As I indicated in the House some time ago, my colleagues, the Minister of National Health and Welfare, the Solicitor General and I have been considering in what form Bill S-19 should be reintroduced into the House and what changes in the bill should be made. We are actively pursuing that. The task force to which the hon. member referred that my three colleagues and two ministers from British Columbia established last week is concerned with recommending to both governments policy initiatives that might be taken with regard to both the supply and demand side of illicit drugs, but its emphasis, at the moment at least, is clearly on heroin and hard drugs.

An hon. Member: And saccharin.

* * *

[*Translation*]

FISHERIES

REASON FOR DOUBLE LICENSING OF FISHERMEN ON WEST COAST

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I would like to direct a question to the Minister of Fisheries and the Environment.

Is the minister prepared to make a statement in the House on the situation of fisheries on the Pacific coast, particularly with regard to double licencing for fishing, or prepared to appear before the Standing Committee on Fisheries and Forestry to explain to the Canadian public and most of all to west coast fishermen the reason behind this new regulation?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, I think that question has been discussed at length during two sittings of the Standing Committee on Fisheries and Forestry, last Thursday afternoon and Friday morning, if my memory serves me right. The officials who appeared before the committee have explained the reasons which could warrant either position, that is to protect the owners of small trawlers which cannot go in the gulf outside zones and thus depend, for at least 95 per cent of their catches, on the health of stocks inside the gulf. Or to give access to bigger ships which get about 10 per cent of their catches inside the gulf for a few weeks and then go outside the gulf to get the bigger part of their catches for the season. Such is the dilemma we have to face, Mr. Speaker, and I am not yet prepared to tell the House whether we will proceed right away or have once again a discussion and consultation period. However, if I were sure that another consultation period would give considerably different results, I would have no objection.

REQUEST FOR PUBLICATION OF AGREEMENT WITH WASHINGTON ON PACIFIC FISHERY

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I wish to ask a supplementary question.

To make this additional consultation possible, is the minister prepared to make public the text of the agreement signed in Washington approximately one month ago, agreement concerning the distribution of fisheries along the Pacific coast, and to defer this agreement to the Standing Committee of Fisheries and Forestry for consideration?

Hon. Roméo LeBlanc (Minister of Fisheries and the Environment): Mr. Speaker, I do not think the text itself concerned the distribution of fisheries. The problem of catching species of American or Canadian origins remains as complex and insolvable as it was. The agreement signed in Washington provides for a period of time during which we will be looking for a long term solution and tries to "disturb" as little as possible Canadian and American fishermen who have traditionally been fishing in any of those waters. But if I can get a text, I am willing to bring it to the committee for consideration.

* * *

[*English*]

ANTI-INFLATION PROGRAM

POSSIBILITY OF AGREEMENT WITH LABOUR AND BUSINESS ON ENDING CONTROLS

Mr. John A. Fraser (Vancouver South): My question is for the Minister of Finance. As reported in today's press, the Minister of Labour said that there is a broad measure of agreement among business and labour leaders on what action should be taken about the economy, including the removal of controls. Can the minister advise exactly what that broad measure of agreement is which his colleague spoke about, and whether it includes anything specific as to how and when controls should be ended? Is the government in agreement with labour and business on the timing and method of ending the controls?

Hon. Donald S. Macdonald (Minister of Finance): Referring back to the discussion of last week, the recommendation of the two groups was that controls should be removed as soon as possible—and the words are theirs—and that we should be content to rely on the forces operating in the market for the purpose of avoiding any renewed spiral of inflation. As I mentioned to the House last week, I have some hesitation—and I know that the majority of provincial governments have somewhat more hesitation—about an early withdrawal of controls. I think it would obviously be important to bring together the exponents of that particular point of view that is business and labour, with the responsible governments in Canada to discuss the possible further assurances that might be obtained to make certain that the spiral of inflation did not start again once controls are taken off.

BASIS FOR LABOUR MINISTER'S STATEMENT LABOUR WILLING TO EXERCISE RESTRAINTS

Mr. John A. Fraser (Vancouver South): In view of the fact that Mr. Morris, the president of the CLC, was quoted in the press on Thursday as having said:

No commitments were made and nobody came up with anything approaching a plan for voluntary restraints,

Can the minister advise the House whether the comments of his colleague, the Minister of Labour, as reported today that:

There is a real desire growing and permeating through labour that it will exercise proper restraint in the post-control period.

—is based on any agreement made at the business-labour meeting, or whether it accurately reflects any commitment made directly to the government by the Canadian Labour Congress?

● (1450)

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, in the latter respect I think the question would have to be directed to the Minister of Labour. As Mr. Morris said, there was no specific agreement with the business community at that meeting but there was a commitment on the part of representatives of the CLC to speak out in favour of restraint as, indeed, Mr. Mahoney, one of the vice-presidents of the CLC, did this past weekend.

Some hon. Members: Hear, hear!

Mr. Macdonald (Rosedale): For further elaboration of that particular point I think the hon. member might like to direct his question to my colleague.

Mr. Fraser: Mr. Speaker, I would like to ask the Acting Prime Minister or the Minister of Finance whether in the answer I have just been given there was a suggestion that perhaps the Minister of Labour is not speaking for the government.

Hon. John C. Munro (Minister of Labour): Mr. Speaker, I wonder if the hon. member would be kind enough to repeat his original question. A speech I was making ran a little late, and I regret not having been here sooner.

Mr. Fraser: Mr. Speaker, I am sorry but I did not see the Minister of Labour come in. He was not here when I started to ask my questions.

In view of the fact that Mr. Morris, president of the CLC, was quoted in the press on Thursday as saying that no commitments were made and nobody came up with anything approaching a plan for voluntary restraint, can the minister advise this House whether his comments as reported in the press today that there is a real desire growing and permeating through labour that it will exercise proper restraint in the post-control period were based on any agreement at the business-labour meeting or whether it accurately reflects any commitment made directly to the government by the Canadian Labour Congress?

Mr. Munro (Hamilton East): Mr. Speaker, this was my perception of what was evolving as a result of discussions based on comments, I believe—as my colleague the Minister of Finance indicated as I came in—by Mr. Mahoney and by others. As to what specific commitments were made by Joe Morris, I think the appropriate person to inquire of would be Joe Morris himself.

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[*Translation*]

FINANCE

REASON FOR HESITATION TO PUBLISH STATEMENT OF INCOME AND EXPENSES BETWEEN FEDERAL AND PROVINCIAL GOVERNMENTS

Mr. René Matte (Champlain): Mr. Speaker, I would like to put a question to the Minister of Finance.

Last Thursday, in answering a question concerning a balance sheet of incomes and expenditures of the federal government within each province, the minister put me off by saying that such a balance sheet was possible but he did not indicate if it had been undertaken within his department. Therefore, I would like to ask him first if he knew that a federal-provincial study had been conducted under Mr. Bourassa's government before 1973 and that even the federal government had accepted to participate in such a study as we have been told last Friday, and, secondly, why do the government and his department hesitate so much to lay before the House or to release those figures so we could have a better idea of the Canadian situation?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, such a study has been prepared by federal and provincial governments and it does not support the conclusions stated by Mr. Tremblay last Friday.

Mr. Matte: Mr. Speaker, may I ask a supplementary question?

Is the minister saying that it would be even worse than the facts disclosed last Friday? Secondly, when does he intend to give a precise answer to the questions repeatedly asked to him in this House about the amount of money the federal government gets from each province and the amount spent in the same provinces by the government? When is he going to give us this information?

Mr. Macdonald (Rosedale): Mr. Speaker, I have just answered such a question by pointing out that it is presently impossible to give an exact evaluation of the payments which are being made. Such an analysis is now in process but I must say that it presents serious difficulties. As I already said, the Baribeau report tabled last Friday was not meant to be a federal-provincial or inter-provincial balance sheet, but for other reasons, and the conclusions the Quebec minister has drawn from this report are unjustified.

[*English*]

VETERANS AFFAIRS

NEGOTIATIONS FOR TRANSFER OF QUEEN MARY AND STE. ANNE'S HOSPITALS—REQUEST FOR REPORT AND CONSULTATION WITH ORGANIZATIONS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is to the Minister of Veterans Affairs. I wonder if the minister can indicate to the House if negotiations with the province of Quebec with regard to the transfer of Queen Mary Hospital and Ste. Anne's Hospital have been concluded.

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, negotiations with regard to Queen Mary Hospital are being carried on at the present time. There are no negotiations going on with regard to Ste. Anne's Hospital.

Mr. Marshall: Mr. Speaker, in order to prevent repercussions like those which have occurred in the past as a result of transfers of hospitals, before any agreements are signed and in order to ensure care of veterans will the minister assure the House that all veterans organizations will be consulted and also that a statement on motions will be made in the House listing the details of the negotiations?

Mr. MacDonald (Cardigan): Mr. Speaker, with regard to negotiations which are going on in the province of Quebec and in other provinces, they take place according to government policy. As negotiations proceed there is always contact with veterans organizations throughout Canada. When transfers take place we try to make sure that certain things are adhered to. One of those things is that veterans are cared for and that employees now employed by the federal government are protected.

CAMP HILL HOSPITAL, HALIFAX—CONSULTATION WITH LEGION ON PLANS FOR EXPANSION

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my supplementary question to the Minister of Veterans Affairs arises out of the negotiations dealing with Camp Hill Hospital in Halifax. Apparently plans for expansion have been changed. Has the minister or his department had negotiations or consultations with the provincial command of the Royal Canadian Legion in my province.

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Yes, Mr. Speaker, we have had consultations and discussions with the Royal Canadian Legion in the hon. member's province.

* * *

INQUIRY OF THE MINISTRY

Mr. James Gillies (Don Valley): Mr. Speaker, my question is to the Acting Prime Minister. It arises out of questions raised by the hon. member for Vancouver South regarding increased consultation with labour, which the government desires. I would like to ask the Acting Prime Minister whether Mr. Mahoney has been appointed to the Senate and whether he has accepted.

Mr. Speaker: Order, please. The hon. member for Victoria-Haliburton.

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SMALL BUSINESSES LOANS ACT

POSSIBILITY OF AMENDMENTS TO IMPROVE ROLE OF SMALL BUSINESSES

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my question is for the Minister of State (Small Businesses). Right now small businesses are suffering as a result of our slack economy. What plans does the minister have to upgrade the role of small business throughout Canada?

Hon. Len Marchand (Minister of State (Small Businesses)): Mr. Speaker, the Small Businesses Loans Act has to be amended by the end of June. After consideration and considerable consultation with the small business community across the country I am proposing what I think are very substantial amendments to the Small Businesses Loans Act. I think those amendments will make that Act a much more effective piece of legislation.

Some hon. Members: Hear, hear!

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THE CANADIAN ECONOMY

YOUTH UNEMPLOYMENT—PROPOSED IMPLEMENTATION OF YOUTH EXCHANGE AND YOUTH CORPS PROGRAMS

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I would like to put a question to the Acting Prime Minister. In view of the fact that youth unemployment is at its highest level since we have been keeping records on youth unemployment, in view of the government's announced intention in the Speech from the Throne of October 12 to assist youth in this country, and in view of the fact that the government has now announced the youth exchange program and the youth corps and that it appears that both those programs will not be in operation by summer when youth unemployment will be its highest ever, can the Acting Prime Minister indicate whether he and his colleagues will take steps to bring those two programs forward so that they can be implemented this summer? In addition, is the government bringing forward any other programs which will be urgently needed to help reduce the youth unemployment rate this summer?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, the suggestion made by the hon. member is a good one. We will certainly do everything possible to bring forward these programs as soon as possible in order to augment the

other programs which will be in play this summer to assist youth. The Minister of Finance will obviously be covering the general group of employment in his speech so naturally we must wait till next Thursday for any further details.

● (1500)

Mr. Dick: Mr. Speaker, I appreciate the fact that the Acting Prime Minister agrees that this would be a better move than shipping young people out of the country to find jobs.

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NATIONAL DEFENCE

DATE OF ANNOUNCEMENT OF ESTABLISHMENT OF YOUTH CORPS

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, may I put a supplementary question to the Minister of National Defence. In view of the fact that the minister promised in February that he would be making an announcement within two weeks on the youth corps—and that is registered in *Hansard*—and the fact that in the first week of March he said he would be making an announcement on the youth corps at the end of March, may I ask if he intends to make the announcement regarding the youth corps by the end of March this year and will he be able to make an announcement that 10,000 young people will be involved in July and August of this year?

Hon. Barney Danson (Minister of National Defence): Mr. Speaker, I am still hoping to meet that deadline, plus or minus a day but to make a guarantee about 10,000 youth—we will have to wait for the announcement.

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ADMINISTRATION OF JUSTICE

POSSIBILITY OF TRANSFERRING CONTROL OF MARIJUANA FROM CRIMINAL CODE TO FOOD AND DRUGS ACT—DELAY OF PENDING CHARGES

Mr. John Gilbert (Broadview): Mr. Speaker, my question for the Minister of Justice relates to the other questions concerning canabis. In view of the strong views of the Prime Minister on the question of possession of marijuana, has the minister prepared the legislation transferring cannabis from the Criminal Code to the Food and Drugs Act? Has he had cabinet approval and will the legislation be introduced before the summer recess? More important, would the minister be prepared to recommend to provincial Attorneys General that pending charges of possession of marijuana be delayed until the proposed changes are introduced and the legislation passed?

Hon. Ron Basford (Minister of Justice): Mr. Speaker, just a moment ago I indicated that my colleagues and I are considering Bill S-19 and what if any changes should be made to those proposals. I am unable to say at what point any legislation may be introduced. You are aware of course, Mr. Speaker, that the Prime Minister indicated the other day that he was not able to predict at what time and in what form any legislation would be introduced.

ROUTINE PROCEEDINGS

[*English*]

MANPOWER

TABLING OF "JOB VACANCIES REGISTERED AT END OF MONTH, CANADA, FEBRUARY, 1955-JANUARY, 1977"

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, under the provisions of Standing Order 41(2) I wish to table, in both official languages, "Job Vacancies Registered at end of month, Canada, February, 1955-January, 1977".

BILL C-27—NOTICE OF MOTION UNDER STANDING ORDER 75C

Hon. Bud Cullen (Minister of Manpower and Immigration): Mr. Speaker, I wish to inform the House that it has not been possible to reach agreement under the provisions of Standing Orders 75A and 75B in respect of the proceedings at second reading stage of Bill C-27, an act to establish the department of employment and immigration, the Canada employment and immigration commission and the Canada employment and immigration advisory council, to amend the Unemployment Insurance Act, 1971, and to amend certain other statutes in consequence thereof. I, therefore, give notice of my intention to propose at the next sitting of the House a motion, pursuant to Standing Order 75C, for the purpose of allocating five further hours for the consideration and disposal of the proceedings of that stage of this bill.

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BUSINESS OF THE HOUSE

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I wonder if the Acting Prime Minister or government House leader will make sure that the plans are known for certain recorded votes today. They were postponed until Monday, but I do not think we publicly fixed the hour.

Mr. MacEachen: Mr. Speaker, I appreciate the opportunity given by the hon. member to establish, for the benefit of hon. members, the hour for the divisions, which I propose should take place at 9.30 p.m. today.

While I am on my feet, Mr. Speaker, I might mention that, as we know, we are dealing today with the motion for concurrence in the name of the hon. member for Halifax-East Hants, and tomorrow we will deal with the motion which will be put forward by the Minister of Manpower and Immigration. That will be followed by second reading of the bill respecting which the motion is to be made.

Mr. Speaker: The House having understood and agreed that the votes would be deferred until today, is it agreed and

ordered that those deferred divisions will take place at 9.30 this evening?

Some hon. Members: Agreed.

Mr. Speaker: Pursuant to the Standing Order, the bell will ring for 15 minutes.

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QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the following questions will be answered today: Nos. 728, 910, 1,367, 1,505, 1,799, 1,814, 1,894, 1,895, 1,896, 1,900, 1,995 and 2,193.

[*Text*]

AIB PERSONNEL

Question No. 728—**Mr. Coates:**

1. What was the estimated total number of employees that would be involved in the operations of the Anti-Inflation Board at the time the Prime Minister announced the establishment of the Board?

2. What is the actual number of employees now associated with the AIB as either salaried employees or under contract by the Board as of this date?

3. What was the total cost of operations for the Board for September 1976, and what is the estimated cost of the total operation of the Board for the fiscal year 1976-77?

Mr. Bob Kaplan (Parliamentary Secretary to Minister of Finance): 1 and 2. Supplementary Estimates for the period from October, 1975 to March 31, 1976 estimated 200 man-years. The 1976-1977 Main Estimates showed 396 man-years. Supplementary Estimates "B" for 1976-1977 shows 680 man-years. As of October 1, 1976 the total number of personnel with the Board was 856. The difference between this number and the 680 man-years is 176 persons who are under contract; on secondment from government departments and agencies; executive interchange.

3. Total cost of the operation of the Board for September, 1976 was $1,734,000. The estimated cost for the fiscal year 1976-1977 is $22.187.000.

FINANCIAL ADMINISTRATION BRANCH OF TREASURY BOARD—PERSONNEL

Question No. 910—**Mr. Mazankowski:**

1. How many persons are currently employed by the new Financial Administration Branch of the Treasury Board?

2. How many are expected to be hired within the next year?

3. What are the job classifications in the Branch and how many employees are in each classification?

4. What are the terms of reference for the duties of the Branch?

5. Are all Branch reports, studies, observations and recommendations made available to the public?

6. Does the government plan to raise the status of the Deputy Secretary in charge of the Branch to that of Secretary as recommended by the Auditor General and, if not, for what reason?

Hon. Robert K. Andras (President of the Treasury Board):

1. Thirty employees as at January 1, 1977.

2. Thirty-eight.

3.

	Numbers of Employees		
Classifications	January 1, 1977	To be hired 1977	Planned end of 1977
SX 3	1	—	1
SX 2	2	—	2
SX 1	4	3	7
FI 7	13	19	32
FI 5	7	10	17
Administration Support	3	6	9
Total	30	38	68

4. The duties and responsibilities of the Financial Administration Branch of the Treasury Board Secretariat are, in summarized form: "To develop and ensure the effective application of financial administration legislation, policies, standards, systems and procedures in order to provide public assurance that the financial resources of the Government of Canada are properly managed, controlled and accounted for."

5. Reports, studies, observations and recommendations made by the Branch concerning government-wide financial administrative issues are made available to the public. (Study of the Accounts of Canada, Guide on Financial Administration.) Study reports and recommendations on specific issues are provided on request to both interested members of the public and counterparts of the Branch in other governments, both provincial and international. The Branch makes annual evaluations of selected financial administrative practices in government departments and agencies. The evaluation reports are made to the deputy heads of these departments and agencies and copies are supplied to the Auditor General of Canada.

6. The government is giving due and serious consideration to the Auditor General's recommendation to raise the status of the Deputy Secretary in charge of the Financial Administration Branch and the associated issues in the recommendation whose implementation would require a "fundamental restructuring of the Treasury Board Secretariat". The Auditor General has been extensively consulted in the government's detailed consideration of this recommendation. In view of the significance of the Treasury Board Secretariat's position in the machinery of government, no decision will be taken until the government is satisfied that it has carefully reviewed all the potential ramifications of such a radical organizational change.

DEPARTMENT OF SUPPLY AND SERVICES—MOVE TO MONCTON

Question No. 1,367—**Mr. Jones:**

1. (a) On what date is the Department of Supply and Services going to move a large section of its operations to the Greater Moncton area (b) what are the plans and schedule for the movement (c) how many persons will be employed (d) how many will be employed from the Moncton area (e) what is the estimated annual (i) payroll (ii) operating costs less payroll (iii) capital costs?

2. Have training programmes been provided for residents of the Greater Moncton area who wish to obtain employment with the Department of Supply and Services and, if so, what are they?

3. Does the government plan to decentralize other departments to Moncton, New Brunswick?

4. What regional offices does the government plan to centralize in Moncton, New Brunswick?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): 1. Supply and Services Canada is in the process of finalizing the proposed plans, schedules and budgets for the relocation of the Superannuation Division to the Moncton area. Further information will be made available following completion of this process. (a) In general, it is proposed that the relocation will be effected gradually over a period of three to five years as the availability of trained staff permits. In this respect, there is no specific date on which a large section of our operations will be relocated to the Moncton area. (b) Details of the relocation plans and schedules will be available shortly. Announcement of related details at this time would be premature. (c) The Superannuation Division currently has approximately 400 employees; this staff level will be maintained in the Moncton area. (d) Although some of the 400 Superannuation Division employees in the National Capital Region may wish to relocate, it is expected that most of the staff will be recruited in the Moncton area. (e) (i) The annual payroll of the Division currently totals approximately $4.5 million. (ii) The annual operating costs less payroll currently total approximately $0.4 million. (iii) A statement of Supply and Services, Canada accommodation requirements is being prepared for Public Works, Canada. This will provide the basis for the development of final facilities requirements and costs.

2. Training programs have not been provided to date as this area is still in the planning phase.

3. Not applicable.

4. Not applicable.

COST TO GOVERNMENT OF SUPREME COURT TRIAL ON CONSTITUTIONALITY OF AIB BOARD

Question No. 1,505—**Mr. Mazankowski:**

1. What was the total cost to the government of the Supreme Court trial on the constitutionality of the Anti-Inflation Board?

2. What process was used to select a legal counsel to act on behalf of the government in this trial?

3. What was the fee paid to Mr. Robinette for representing the government?

Hon. Ron Basford (Minister of Justice): 1. Salaried legal officers of the Department of Justice and officials of other departments of Government were involved in the preparation of the Government's case and its presentation without a dollar value being assigned to this contribution. Apart from that, travel and printing expenses incurred in connection with the preparation were $914.11. Disbursements of the agent of the Minister of Justice were $719.04.

2. Counsel was selected to act on behalf of the Government in this case based on the usual criteria of the competence and experience required to meet the nature and importance of the litigation.

3. The fee paid to Mr. John Robinette who acted as agent of the Minister of Justice of Canada, was $22,500.

VETERINARIANS EMPLOYED BY DEPARTMENT OF AGRICULTURE

Question No. 1,799—**Mr. Mitges:**

1. How many veterinarians are employed by the Health of Animals Branch in the Department of Agriculture?

2. How many veterinarians with the Health of Animals Branch are employed in the (a) Meat Inspection Section (b) Contagious Disease Section?

3. How many primary products inspectors with the Health of Animals Branch are employed in the (a) Meat Inspection Section (b) Contagious Disease Section ?

4. (a) What is the rate per hour paid for overtime to veterinarians with the Health of Animals Branch employed in the Meat Inspection Section (b) what was the total amount paid in overtime to this group in the fiscal year 1975-76?

5. What is the salary schedule now in effect for (a) veterinarians (b) primary products inspectors employed by the Health of Animals Branch and, in each case, how many are there in each salary category?

Hon. E. F. Whelan (Minister of Agriculture): 1. Five hundred and thirty seven.

2. (a) 265; (b) 233.

3. (a) 1,099; (b) 266.

4. (a) See Article 18 of the collective agreement for the Veterinary Science Group. (b) Financial expenditure records are not maintained in a manner to readily identify the total amount paid in overtime to veterinarians employed in the meat inspection division.

5. (a) Salary ranges are contained in the collective agreement for the Veterinary Science Group.

Category	Number by Level
Veterinary Science	1—177
Veterinary Science	2—279
Veterinary Science	3— 65
Veterinary Science	4— 16

(b) Salary ranges are contained in the Collective Agreement for the Primary Products Inspection Group.

Category	Number by Level
Primary Products Inspector	1— 33
Primary Products Inspector	2— 23
Primary Products Inspector	3—1086
Primary Products Inspector	4— 196
Primary Products Inspector	5— 22
Primary Products Inspector	6— 5

Order Paper Questions

AIR CANADA PENSIONS

Question No. 1,814—**Mr. McKenzie:**

What pension, gratuities and fringe benefits were granted by Air Canada to the former (a) Chairman of the Board, Mr. Yves Pratte (b) Vice-President, Mr. P. J. Chartrand?

Hon. Otto E. Lang (Minister of Transport): The Management of Air Canada advises as follows: Air Canada does not disclose information respecting pensions and other compensations received by executives.

ICEBREAKING SERVICES

Question No. 1,894—**Mr. Forrestall:**

1. In the best estimate of the government, what would be a reasonable period over which to amortize icebreaking vessels owned by the government?

2. With reference to the answer to Question No. 1,145, will the government immediately implement an assessment of $2.00 per ton on cargo moving to/from ports on the St. Lawrence River during winter months so as to partially cover the cost of icebreaking services provided the exclusive benefit of the St. Lawrence River ports and, if not, for what reason?

3. Alternatively, will the government pay shipping lines calling at Saint John and Halifax $2.00 per ton during the winter months so as to partly compensate for the icebreaking subsidy to lines serving the St. Lawrence River ports and, if not, for what reason?

Hon. Otto E. Lang (Minister of Transport): 1. Some icebreakers are kept in operation for up to forty years but the economic life of an icebreaker is probably in the order of 20 to 25 years. Beyond that, significant expenses would be required for refitting, repairing or modernizing.

2. No. Icebreakers in the St. Lawrence River perform various functions such as flood control and many of the same costs would be incurred whether or not commercial ships take advantage of their services during the winter months. Any assessment must consider these other functions. It is also noted that reinforced commercial vessels seldom require icebreaking assistance.

3. No. The question of the equity of transportation expenditures between regions has to be assessed in a more comprehensive framework and involves much more than icebreaking assistance.

JACQUES CARTIER TERMINAL—GANTRY CRANES

Question No. 1,895—**Mr. Forrestall:**

1. Has any decision been made by the government with respect to the ordering of gantry cranes for the Jacques Cartier Terminal and, if so, what was the decision and on what date was it made?

2. Are any shipping lines, considered as prospective users of the Terminal, unable to be accommodated by the use of mobile cranes rather than gantry cranes and (a) if so, which shipping lines (b) if not, for what reason are gantry cranes being considered?

Hon. Otto E. Lang (Minister of Transport): The National Harbours Board advises as follows: 1. No decision has been made at this time.

2. As the terminal is intended to be operated as a public facility, the use of mobile cranes versus gantry cranes is under consideration at the moment. (a) The question of which prospective shipping lines could not be accommodated by the use of mobile cranes has not yet been considered. (b) Gantry cranes are considered for their ability to handle containers on cellular vessels and their capability of loading and unloading vessels more quickly; they are also more costly.

DREDGING IN ST. LAWRENCE RIVER CHANNEL

Question No. 1,896—**Mr. Forrestall:**

1. With respect to dredging in the St. Lawrence River Channel between Quebec City and Ile D'Orleans (a) what was the (i) initial estimated cost of the project (ii) amount of the low tender (iii) amount actually paid by the government (b) what was the anticipated minimum drafts expected to be created in the Channel (c) what is the minimum draft in the Channel at present?

2. Is it anticipated that annual dredging in the Channel will be necessary and, if so, what is the government's best estimate of the cost?

3. What ports and/or port facilities will benefit directly from such dredging?

Hon. Otto E. Lang (Minister of Transport): 1. (a) (i) Initial estimated cost of project, $18,928,000; (ii) Amount of the lowest tender; $20,860,000; (iii) Amount actually paid to contractor, $19,330,000. (b) Anticipated minimum depth, 41 feet. (c) Latest known channel depth, based on soundings taken in the fall of 1976, is 38 feet with a limited channel width of 650 feet.

2. Yes. Cost of annual maintenance dredging is difficult to estimate but probably is in the region of $750,000 per annum, allowing for inflationary trends.

3. Port of Quebec, and particularly Golden Eagle refinery at St. Romuald.

TANKER TRAFFIC ALONG WESTERN COAST OF CANADA

Question No. 1,900—**Mr. Leggatt:**

What (a) installations (b) services to control tanker traffic along the western coast of Canada (i) exist (ii) are planned?

Hon. Otto E. Lang (Minister of Transport): (a) (i) Existing installations: The major facility for control of tanker traffic on the west coast of Canada comprises the vessel traffic management centre located in the Capilano 100 building, West Vancouver. This Centre is equipped with radar, closed-circuit television and extensive communications facilities including dedicated communications links for the exchange of information with the United States Coast Guard Centre at Seattle. (b) (i) Existing Services: The Centre previously described manages the Vancouver traffic zone which includes Canadian waters in the Strait of Juan de Fuca, Haro Strait and the area between Vancouver Island and the Canadian mainland. Participation is voluntary at present and operating procedures are fully described for the information of mariners in the "Annual Edition of Notices to Mariners". The zone is divided into four sectors, operated as follows: Sector One (Strait of Juan de Fuca): Ship shore communication facilities enable participating ships to communicate with Vancouver traffic centre, advising the centre of their locations and intended movements and receiving information concerning other traffic in the vicinity as well as weather and navigational hazards. A voluntary communications service, operated by the United States coast

guard, is also available in this sector. Sector Two (Haro Strait and waters east of Vancouver Island): Service in this sector is identical to that provided in sector one, with the exception of the United States operated communications system. Sector Three (Vancouver Harbour and Approaches): Radar equipment, supplemented by closed circuit television, enables the centre to monitor traffic in English Bay, the approaches to Vancouver Harbour and the Harbour itself. Ship shore communication facilities are also provided, as in Sectors One and Two. Sector Four (Fraser River-South Arm): Commencing March 1, 1977, Vancouver traffic zone is extended into the south arm of the Fraser River. Facilities in this sector are limited to a system of bridge to bridge communication, with vessels advising each other of their presence when passing specified calling in points. Tofino Traffic Zone and Prince Rupert Traffic Zone provide an extension of vessel traffic management services into the western and northern waters of British Columbia respectively. Participation is voluntary at present and is based upon each ship transmitting a message giving certain basic navigation information at critical points during her passage to all other participating vessels in the immediate area. As a means of enhancing navigation safety in the Strait of Juan de Fuca and the Strait of Georgia, voluntary traffic routing systems have been established in these areas. If it is determined that the systems are effective in promoting navigation safety, they will be considered for mandatory use. A medium frequency radiotelephone ship to ship and ship shore traffic monitoring and regulating system operates in the Mackenzie river to prevent congestion in constricted and dangerous areas. It also provides navigation safety information and weather forecasts and is conducted through Canadian coast guard radio stations.

(a) (ii)Installations Planned: Facilities presently under construction, and expected to be in operation during 1977 include: Tofino Traffic Centre: By means of long-range radar and radio facilities, this centre will be able to monitor, and communicate with, traffic approaching and departing from the Strait of Juan de Fuca. Vancouver Traffic Centre: Remote controlled radar installations mounted at strategic locations will provide surveillance of traffic in Haro Strait and the southern part of the Strait of Georgia. A radio direction-finding system will enable the Vancouver Centre to make a positive identification of vessels in this area. (b) (ii) Services Planned: Coupled with the provision of extended surveillance and identification equipment, it is intended to make participation in the Vancouver and Tofino Traffic Zones compulsory, thus providing active control over marine traffic in these areas. Extension of the present service in the Prince Rupert zone is also anticipated, but details of the degree and type of service to be provided will not be decided until a decision has been reached on the proposed Kitimat project.

ACTING MINISTERS AND SECOND ACTING MINISTERS

Question No. 1,995—**Mr. Knowles (Winnipeg North Centre):**

What are the names of the (a) acting ministers (b) second acting ministers of each department of the government?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): P.C. 1976-3081 Certified to be a true copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor General on the 10 December, 1976. The Committee of the Privy Council, on the recommendation of the Prime Minister, advise: 1. that in the absence from Ottawa of the Prime Minister or in the event of his being unable to perform the functions of his Office, the next Senior Minister who is in Ottawa, and is able to perform the functions of the Office of Prime Minister, be authorized to act for the Prime Minister; 2. that in the absence from Ottawa of a Minister whose name is set out in Column II of an item of the Schedule to this Minute, or in the event of that Minister being unable to perform the functions of his Office, the Minister whose name is set out in Column III of the item be authorized to act for the Minister named in Column II in respect of the Office set out in Column I of the item; 3. that in the absence from Ottawa of the Ministers named in Columns II and III of an item of the Schedule to this Minute, or in the event of both of those Ministers being unable to perform the functions of their Office, the Minister whose name is set out in Column IV of the item be authorized to act for the Minister named in Column II in respect of the Office set out in Column I of the item; 4. that in the absence from Ottawa of the Ministers named in Columns II, III and IV of an item of the Schedule to this Minute,or in the event of all those Ministers being unable to perform the functions of their Office, the Prime Minister or, if the Prime Minister is absent from Ottawa or unable to perform the functions of his Office, the next Senior Minister who is in Ottawa be authorized to act for the Minister named in Column II in respect of the Office set out in Column I of the item; 5. that where an Office set out in Column I of an item of the Schedule to this Minute is vacant, the Minister whose name is set out in Column III of that item be authorized to act in the Office of the Minister whose Office is set out in Column I of that item; and 6. that where an Office set out in Column I of an item of the Schedule to this Minute is vacant, in the absence from Ottawa of the Minister whose name is set out in Column III of that item, or in the event of that Minister being unable to perform the functions of the Office set out in Column I of that item, the Minister whose name is set out in Column IV of that item be authorized to act in the Office of the Minister whose Office is set out in Column I of that item.

List of Acting Ministers

	Column I	Column II	Column III	Column IV
	Office	Name	Acting Minister	Second Acting Minister
1.	Agriculture	Mr. E. F. Whelan	Mr. D. J. MacDonald	Mr. O. E. Lang
2.	Communications	Mrs. J. Sauvé	Mr. A. W. Gillespie	Mr. J. Roberts
3.	Consumer and Corporate Affairs	Mr. A. C. Abbott	Mr. M. Lalonde	Miss M. Bégin

Order Paper Questions

List of Acting Ministers

	Column I	Column II	Column III	Column IV
	Office	Name	Acting Minister	Second Acting Minister
4.	Energy, Mines and Resources	Mr. A. W. Gillespie	Mr. D. S. Macdonald	Mr. D. C. Jamieson
5.	External Affairs	Mr. D. C. Jamieson	Mr. A. J. MacEachen	Mr. D. S. Macdonald
6.	Finance	Mr. D. S. Macdonald	Mr. O. E. Lang	Mr. A. C. Abbott
7.	Fisheries and the Environment	Mr. R. LeBlanc	Mr. M. Lessard	Mr. E. F. Whelan
8.	Indian Affairs and Northern Development	Mr. W. W. Allmand	Mr. J. J. Buchanan	Mr. J. Chrétien
9.	Industry, Trade and Commerce	Mr. J. Chrétien	Mr. L. S. Marchand	Mr. R. K. Andras
10.	Justice and Attorney General	Mr. S. R. Basford	Mr. F. Fox	Mr. W. W. Allmand
11.	Labour	Mr. J. C. Munro	Mr. A. Ouellet	Mr. J.-P. Goyer
12.	Manpower and Immigration	Mr. J. S. G. Cullen	Mr. R. K. Andras	Mr. M. Lalonde
13.	National Defence	Mr. B. J. Danson	Mr. D. C. Jamieson	Mr. A. J. MacEachen
14.	National Health and Welfare	Mr. M. Lalonde	Mrs. I. Campagnolo	Mrs. J. Sauvé
15.	National Revenue	Miss M. Bégin	Mr. J. S. G. Cullen	Mr. J.-J. Blais
16.	Post Office	Mr. J.-J. Blais	Mr. A. C. Abbott	Mr. J. C. Munro
17.	Privy Council	Mr. A. J. MacEachen	Mr. J.-J. Blais	Mr. A. Ouellet
18.	Public Works	Mr. J. J. Buchanan	Mr. J.-P. Goyer	Mr. M. Lessard
19.	Regional Economic Expansion	Mr. M. Lessard	Mr. R. LeBlanc	Mr. D. J. MacDonald
20.	Science and Technology	Mr. J. H. Faulkner	Mrs. J. Sauvé	Mr. A. W. Gillespie
21.	Secretary of State	Mr. J. Roberts	Mr. J. H. Faulkner	Mr. F. Fox
22.	Solicitor General	Mr. F. Fox	Mr. W. W. Allmand	Mr. S. R. Basford
23.	Supply and Services	Mr. J.-P. Goyer	Mr. J. H. Faulkner	Mr. B. J. Danson
24.	Transport	Mr. O. E. Lang	Mr. S. R. Basford	Mr. R. LeBlanc
25.	Treasury Board	Mr. R. K. Andras	Mr. J. Chrétien	Mr. J. J. Buchanan
26.	Urban Affairs	Mr. B. J. Danson	Miss M. Bégin	Mrs. I. Campagnolo
27.	Veterans Affairs	Mr. D. J. MacDonald	Mr. E. F. Whelan	Mr. J.-P. Guay

P.C. 1976-3142 Certified to be a true copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor General on the 16 December, 1976. The Committee of the Privy Council, on the recommendation of the Prime Minister, advise that Order in Council P.C. 1976-3081 of 10th December, 1976, which appointed Acting Ministers, be hereby amended by deleting item 26 from the schedule thereto and substituting therefor the following: Column I, Office, "26. Urban Affairs; Column II, Name, Mr. A. Ouellet; Column III, Acting Minister, Miss M. Bégin; Column IV, Second Acting Minister, Mrs. I. Campagnolo".

THE HON. LÉON BALCER

Question No. 2,193—**Mr. Lambert (Bellechasse):**

Is the Hon. Léon Balcer, former Member of Parliament for Trois-Rivières, employed by the government and, if so, what (a) is his position (b) was his starting date (c) is his salary (d) department employs him?

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): No.

* * *

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

Mr. Ralph E. Goodale (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, if question No. 1,939 could be made an order for return, this return would be tabled immediately.

[*Text*]

CALLS MADE AT QUEBEC PORTS DURING MONTHS OF JANUARY, FEBRUARY AND MARCH, 1976

Question No. 1,939—**Mr. Forrestall:**

[Mr. Goodale.]

What is the name and number of calls made by each vessel at the ports of (a) Montreal (b) Quebec (c) Trois-Rivières (d) Sorel during the months of (i) January (ii) February (iii) March, 1976 to load and/or discharge cargo?

Return tabled.

[*English*]

Mr. Goodale: I ask, Mr. Speaker, that the remaining questions be allowed to stand.

* * *

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

CONCURRENCE IN SECOND REPORT OF STANDING COMMITTEE

Mr. Robert McCleave (Halifax-East Hants) moved that the Second Report of the Standing Joint Committee on Regulations and other Statutory Instruments, presented to the House on Thursday, February 3, 1977 be concurred in.

He said: Mr. Speaker, most of the legislation that has cleared this chamber these days and in recent years has contained provisions whereby the governor in council, the minister or some agency may make regulations for carrying out of the purposes of the legislation that we pass. The question arises as to how this process is carried out; whether there is ever an attempt to see that the process is carried out in the spirit of the original legislation and, if not, what sort of remedies are available. It is to these three important questions that I address myself this afternoon.

The scrutiny of what one might call the delegated parliament, as opposed to the parliament in which we sit, owes its existence to several outstanding figures in this House. I think credit is due all around this chamber, but I would single out

the hon. member for Peace River, who seconded my motion for concurrence, the hon. member for Windsor-Walkerville, on the other side, who is chairman of the committee that brought in very important recommendations in this field, the hon. member for Greenwood, the hon. member for Bonaventure-Îles-de-la-Madeleine, the Parliamentary Secretary to the President of the Privy Council, the hon. member for Regina East, and the deputy House leader of the Conservative party. These are several of the prominent figures, but there are more besides. When one mentions some names, the danger is that one does not mention nearly enough. In any event, people such as Senators Forsey, Godfrey, Lafond, Yuzyk and others made substantial contributions in this particular field. At the beginning of this parliament I had the honour to be chosen, with Senator Forsey, as joint chairman of the committee. I succeeded the hon. member for Fundy-Royal. That shows that my stricture about myself was worth-while, since I had neglected to mention his name. He was a tall figure in this field, both physically and otherwise.

● (1510)

From the beginning of this parliament the work of this committee has continued and has culminated in the report, concurrence in which I have now moved. It is one of the lengthiest reports ever presented by a joint parliamentary committee. It is presented in a specially printed form covering 57 pages of two columns each. It includes a large variety of points, some technical, others simplicity itself. I shall review the work of the committee and deal with some of the recommendations I consider as particularly important, and then listen to the hon. member for Peace River, the Minister of Justice, the hon. member for Greenwood, and perhaps the parliamentary secretary to the President of the Privy Council comment on the work of this committee.

Sometimes those of us working in special committees think our committee is a world of its own and we wonder how the work will fare when it is scrutinized by this House. This afternoon and this evening, no doubt, I shall have my share of elation when others review the work of the committee, and perhaps my share of regret that we did not do better in certain respects.

I now come to the report itself. It covers the work of the committee from January 1, 1974, until January 27, 1977. For those who are not familiar with the workings of the committee, let me say that its work is initiated—I think that is putting it correctly—by two counsel to the committee, Mr. E. G. Eglington and Miss Lise Mayrand, and their efficient secretary, Mrs. Helen Leroux. They look at all the regulations, statutory instruments, and the like, of the various ministries and Crown emanations. Then, having scrutinized this vast body of regulations, our counsel come before the committee and report whether they see any irregularities in them or any other points which ought to be followed up. Paragraph 3 of the report perhaps best describes the work of the committee. It reads in part:

> The committee's primary function is to maintain a watch on the subordinate law made by delegates of parliament. In the modern era parliament has been forced by considerations of time and lack of technical and scientific expertise to leave to subordinates the making of detailed rules and regulations and to confine itself increasingly to setting the main structures of legislative interventions in society. However, parliament retains responsibility for the law of the land and to the extent that those detailed rules and regulations are not subject to parliamentary scrutiny, parliament is forfeiting its effective right to settle the laws that must be obeyed by the people.

Later in my speech I shall draw an important distinction between the work of parliament and what parliament can do and the work of the committee and what the committee cannot do. I draw a tantalizing curtain over that part of my speech by simply saying that it is possible for one of those two bodies to order a cook to be boiled in oil. If hon. members listen, they will learn later in my speech whether parliament or the delegated authority is able to order such an awesome punishment. I mention some figures. I point out that we are a continuing committee. Every week we deal with several dozen regulations, orders in council, statutory instruments, and the like. Up to July 15 last year the committee dealt with 1,348 instruments, which represents a massive amount of work. About half those instruments passed the committee without commentary, but after having been scrutinized by our counsel. Questions arose about the other half. Many of those questions were minor, although some were of substantial nature.

In the report presented to the House we have drawn attention to what we regard as defects in particular instruments. It is not likely that the committee will again make such a lengthy report to the House. I think we will be more apt to look into particular instances which concern us. That is a fair summation of the committee's work. For example, we are currently looking at the method by which increases in first-class postage were brought about by the use of a section in the Financial Administration Act rather than by an amendment to the Post Office Act. No doubt in due course the House will discover our findings in that regard.

A couple of years ago, in 1974, both Houses adopted criteria for the examination of statutory instruments. Those criteria were really an elaboration on the smaller number of criteria set forth in our founding legislation, the Statutory Instruments Act. There are some 16 or 17 criteria about which we are concerned. Perhaps I may refer to four or five of those criteria to make my remarks clearer. The criteria are found in paragraph 10 of part B of the report. We look at a statutory instrument or regulation to determine if, in our judgment it, and I quote criterion (1)(b)—

> does not clearly state therein the precise authority for the making of the instrument.

In one half of the committee's work, whether to do with the Privy Council office with which we were most directly dealing, or the various ministries, that criterion was referred to many times, for it is a generally accepted practice in the government that when statutory instruments are framed, the precise authority for the making of the instrument must be clearly stated. We found that the occasions for invoking criterion (1)(b) were few. In this regard, I think the committee would like to commend publicly—as I am doing in this debate—the

ministry for its co-operation. The second criterion is number 4, that the regulation or other statutory instrument—

● (1520)

makes some unusual or unexpected use of the powers conferred by the enabling statute or by the prerogative—

Here I will refer to what I call the Baby-face Nelson amendment. It was once put out under the Explosives Act. The problem and the reason for the objection by the committee is that section 108.1(2) of the regulations prohibits the sale of fireworks to a person who appears to be under the age of 18 years. In their wisdom, the committee considered that the subsection could be given effect to in this wise even if you are under the age of 18 years: if you appear to be under 18, you may not buy fireworks. This is not the most earthshaking problem that has ever been encountered. We took it up with the Department of Energy, Mines and Resources which agreed with the committee that the subsection should be replaced by better wording. I hope that the Baby-face Nelson amendment has now been put to rest, because the department came forth with these words:

No person shall sell any fireworks to a person who appears to be under the age of 18 years and does not produce evidence that he is of the age of 18 years or over.

The third criteria I go to is number 9, whether any regulation or other statutory instrument, and I quote—

in the absence of express authority to that effect in the enabling statute or prerogative, appears to amount to the exercise of a substantive legislative power properly the subject of direct parliamentary enactment, and not merely to the formulation of subordinate provisions of a technical or administrative character properly the subject of delegated legislation—

Here one is in the very important field of the question of whether the delegated act or instrument, in effect, amounts to the making of policy rather than to carrying out the purposes of the legislation. This is something that strikes right home at ourselves as members of parliament because under the representational gifts remission order it states:

—"in recognition of international comity and practice that heads of state, heads of government, ministerial representatives of government and members of parliament exchange gifts during official visits" customs duty, sales tax and excise tax shall be remitted on gifts received by the prime minister, ministers, and members of parliament on official visits to other countries or presented by visiting foreign donors in Canada.

The committee considered these remission orders very carefully. It was of the opinion that they were not concerned with administrative detail but constituted a substantive departure from established taxation law, giving us, in effect, a special privilege. That is set forth in the report. This reminds me of the time I headed a delegation of parliamentarians to Finland. One of the more splendid gifts of the Finnish parliament was a 40-ounce bottle of Finnish vodka which found itself in my luggage when I arrived back at the Halifax international airport. I was able to persuade Customs that I had accepted this 40-ounce bottle in trust on behalf of the parliament of Canada and that I would be able to share my pleasure with my fellow parliamentarians. I take the opportunity now of saying it was a great pleasure indeed.

An hon. Member: Did you share it?

[Mr. McCleave.]

Mr. McCleave: The spirit of the pleasure I shared if not the spirit itself. In any event, if you look at the report and examine the front portion of it, you will find that the representational gifts remission order came under some consideration by the members of the committee. The fourth example, criterion number 10, provides that whether any regulation or statutory instrument, and I quote—

without express provision to the effect having been made in the enabling statute or prerogative, imposes a fine, imprisonment or other penalty, or shifts the onus of proof of innocence to the person accused of an offence—

Members will be reassured to know that this criterion has never had to be invoked. We have never got into the field so far that fines, imprisonment or other penalties arose by administrative act rather than by the express provision in an enabling statute. Finally, in dealing with these 17 criteria may I point out criterion number 5, a very important one that we looked at on a very large number of occasions namely, whether any regulation or other statutory instrument—

—(a) tends directly or indirectly to exclude the jurisdiction of the courts without explicit authorization therefor in the enabling statute; or

(b) makes the rights and liberties of the subject dependent on administrative discretion rather than on the judicial process—

A sample that I will quote in this regard deals with the sale of postage stamps and their regulations. I quote from the report:

Section 14 of these regulations gives to any postmaster an unfettered power to cancel any licence at any time issued under the regulations.

A corner grocery store with a postage stamp vending machine may suddenly lose that if the local postmaster decides that it should. The committee was concerned by the fact that no grounds or criteria are spelled out as justifying cancellation. There is no provision for a hearing or any opportunity for the licensee to be heard, or any obligation to tell the licensee why he is losing that particular right. The Minister of Justice may argue, and perhaps will, that an action to review the decision to cancel a licence would exist under section 28 of the Federal Court Act in the event that the rules of natural justice are ignored. I am not saying it is certain, but it is possible. The committee felt that the subject should not necessarily be forced to litigation in order to establish his rights or to seek that sort of justice.

Another of the recommendations that we had regarding the carrying on of the work of this committee—really, the first recommendation—was that the criteria, of which I have only dealt with five out of some 17, for scrutiny be written into the Statutory Instruments Act so that they will not need to be adopted and incurred in anew by the two Houses at the commencement of every session of parliament. The committee also suggested that there be an additional criterion, namely, whether a statutory instrument trespasses unduly on the rights and liberties of the subject.

The last point is with regard to our relations with parliament. This answers the question of the cook who was ordered to be boiled in oil. Let it be noted that parliament can do what it wishes within its jurisdiction. It is said it can change a man

into a woman, or a woman into a man. But delegated authority must always be subordinate.

● (1530)

"The power to legislate, when delegated by parliament, differs from parliament's own power to legislate. Parliament is supreme and its power to legislate is therefore unlimited. It can do the greatest things; it can do the smallest. It can make general laws . . . it can make a particular exception out of them in favour of a particular individual. It can provide . . . for the payment of old age pensions to all who fulfill the statutory conditions; it can also provide—and has in fact provided—for boiling the Bishop of Rochester's cook to death. But any power delegated by parliament is necessarily a subordinate power, because it is limited by the terms of the enactment whereby it is delegated."

This is a statement which is undoubtedly written large on the walls of the classrooms when students are dealing with the powers of parliament and delegated authority. It comes from the committee on ministers' powers, better known as the Donoughmore committee, in the United Kingdom in 1932. I think I have now given a satisfactory explanation about the boiling of the cook. Except that the other day there was a debate in this chamber—such debates take place almost every year, and I believe one will take place tonight in the Senate—in which great interest was shown in the subject of $1 items.

The co-chairman of my committee, Senator Forsey, has indicated that in a very rare meeting of committee of the whole of the other place the question of $1 items will be raised together with the propriety of some of the things those items set out to do. Perhaps this is the most important battle we shall get into in parliament for a long time, the question of what can be done with $1 items and what can be done with legislation which does not specifically set out the powers which can be used under that legislation. The subject is one which has been well ventilated in this place, and no doubt it will be well ventilated in the other place, so I shall not get into it now.

In the report to both chambers we have dealt with what we consider to be a defect in the method used by parliament to handle delegated legislation. More particularly, we turned to the Statutory Instruments Act. The first point which must be considered as being a defect in the act is the absence of any real system whereby orders which have legislative effect are tabled in the House, are automatically referred to the standing joint committee and are published so that the public may know what is being done. This concerned us because we do not know how many instruments are effectively being hidden from us. We do know, for example, about the guidelines used by the department of immigration. Some of us, more particularly the hon. member for Greenwood, have seen portions of these guidelines. He can advise the House that they do contain substantive rules. We are told, for instance, that they contain a definition of the crime of moral turpitude, the commission of which is a ground for exclusion from Canada. It is our opinion that such rules should not be contained in documents which in no way, shape or form come before a parliamentary committee for scrutiny. This matter is being considered now in connection with the new Immigration Act which is presently before parliament.

The second point with regard to the Statutory Instruments Act is that the definition of a statutory instrument is obscure. I suppose that if either Senator Forsey or myself operated as strictly as some chairmen are inclined to do, we would be bound to examine each piece of material which comes before us in light of the definition of a statutory instrument under the Statutory Instruments Act and make a ruling as to whether or not the committee was in order in even attempting to examine some of these sacred pronouncements. The fact is that in the end we simply threw up our hands, as did our counsel, in face of the definition set forth in the Statutory Instruments Act. We implore, beseech and beg that when parliament gets around to dealing with the act it gives us a better definition to deal with. The present definition of a regulation is equally obscure, in the opinion of the committee, and as we say in our report at paragraph 45:

There is no provision for a body to give a definitive ruling on whether or not a document is a statutory instrument. There is a procedure by which the Department of Justice can determine whether or not a statutory instrument is a regulation, but this is open to the objection that the parliamentary scrutiny committee is cut off from the decision.

The course which is recommended by the committee—and I must say it is a very non-partisan committee—is to proceed along the lines which were originally recommended by our "father committee", that is, the committee headed by the hon. member for Windsor-Walkerville, namely, to have one class of document, broadly defined. This would remove the distinction between regulations and statutory instruments. It would subject all documents of the class to uniform procedures as to registration, publication and restriction as to retroactive effect.

The report of the committee headed by the hon. member for Windsor-Walkerville with regard to what should be the regulation and classification of the documents proposed is set forth in paragraph 47 of the report by Senator Forsey and myself. I simply draw it to the attention of the powers that be in the hope that parliament will have some interest in the problem we are up against and try to help us in our work. We think we have important work to do and we believe, also, that we are hampered by the present unhelpful definition. If nothing else happens immediately, I do hope the Statutory Instruments Act can be implemented so as to include a sensible definition and incorporate criteria to guide us in the examination of these regulations, possibly by way of a schedule to the act.

I have dealt with the recommendations concerning the criteria. I have dealt with the need for a new definition. We also make reference to the enabling powers in the Appropriation Acts, including $1 items. That is paragraph 113 of our report in which we say:

● (1540)

The committee endorses the views of the Auditor General. If enabling powers to make statutory instruments are to continue to be granted in Appropriation Acts, the vote texts should be specific and unequivocal, and contain all the wording having legislative effect, with none being contained in the estimates. Legislating by means of dollar votes and altering the purpose of previous votes by a number of successive votes are practices with which the committee does not agree.

May I make a specific point about recommendations dealing with the powers of officers of agricultural agencies. This is a point which did not make much impact when the report was

presented the other day, though it was the feeling of the committee that very large and substantial issues are involved here. I could have mentioned these earlier when we dealt with some of the criteria as examples, but I thought I would deal with this specifically at the tail end of my remarks.

It is our opinion that in the past the powers given under agricultural acts to marketing agencies and the like are too broad and sweeping. As a matter of fact, it was said in the committee that we thought ordinary farmers should be treated no worse than ordinary criminals, yet criminals have rights established under the common law and in the Criminal Code which ordinary farmers would probably give some of their eye-teeth to have. For example, here is something which came out in the Saskatchewan hog information, interprovincial and export, regulations. I do not mention this because it is the worst example, but because it was an ordinary example of what one finds under the Agricultural Products Marketing Act. This is one part of the regulations, which is set forth in paragraph 130 of our report:

5(1) Any member or authorized representative of the commission may, at any reasonable time, inspect any place or premises used for the marketing of hogs.

(2) Every person in possession or control of any place or premises referred to in subsection (1) shall

(a) permit any member or authorized representative of the Commission to inspect such place or premises; and

(b) furnish any member or authorized representative of the commission with such information in respect of the marketing of hogs as he may reasonably require.

What the regulations do in this case is to give powers of inspection without any requirement that the inspecting officer show his authority or establish his identity. There is no limitation on what is a "reasonable time". The requirement to produce information to an inspector is stronger than that which a peace officer can require of a person. For example, it could destroy, and it does destroy, the inspected person's basic right not to incriminate himself.

These problems have been taken up with the Department of Agriculture and that department is setting to work to remove the objectionable features of many of the regulations pertaining to agricultural marketing. The point should be made that over the years some bad practices had grown up as a result of the actions of people who drew up regulations without there apparently being the scrutiny that we in parliament would have given them had the regulations been presented to us in the first place in the form of legislation.

I think the committee can pat itself on the back for digging out some of these things and starting to effect cures, but it is a long and slow process and sometimes one does not get all the co-operation one would like. Departments, being composed of human beings, as is the committee, are apt to see things in a different light. While mentioning the co-operation of the Department of Agriculture, I am hoping for the co-operation of the Department of Fisheries since some four dozen queries have been directed to that department regarding which the committee has not yet received satisfaction. I should also mention the co-operation that we have enjoyed from both the Privy Council office and from the Minister and Department of Justice. So gradually I think battles are being won, though there is still an enornous number of battles to be fought.

Finally, Mr. Speaker, may I make four points of a general philosophic nature in concluding my contribution to this debate. The first is that parliament need not fear the delegation process. I say this because there have been some silly press reactions to the original report of the committee, as though all delegation in itself is necessarily evil. Parliament need not fear the delegation process any more than it need fear its own process of enacting legislation. What we have to fear here is whether the delegation process is properly used. We should also insist that the delegation process be scrutinized properly by the joint committee of which I have the honour to be a chairman. In other words, every member of parliament should take it upon himself to want to know that, when legislation leaves here and is subsequently carried on by a delegated process, that delegated process is exercised properly and examined properly.

Secondly, we must improve our method of dealing with the delegation process. From time to time the House and the other chamber must welcome members of the committee to come and relate our problems, just as I and others are doing. I think possibly there should be a debate at least once a year, or once a session, on the question of how we cope with the delegation process.

Thirdly—I have mentioned this before but it is worth mentioning again—the procedure committee should also take a look at the problem. Perhaps we should be establishing a process whereby all regulations go to the committee most directly affected. For example, regulations under the Agricultural Products Marketing Act should go to the agriculture committee at least once so the members of that committee have an opportunity to discuss them. After all, those members are the most concerned with agricultural matters, much more so than the members of the Standing Joint Committee on Regulations and Other Statutory Instruments. They can pronounce more directly on whether the regulations carry out the intention of the legislation and on what they understood to be the intention when that legislation went through.

We do have the advantage in the regulations committee that regulations and statutory instruments are automatically referred to us if passed, I think, since January 1, 1972. Once a regulation properly comes before us, as I understand that most generous reference in section 26 of the Statutory Instruments Act, then it is possible for us to again and again go to the same regulation if we feel it is offensive or should be examined for some reason or another. We never lose our power to examine that particular regulation. The fact is that some of us would feel comfortable if the Standing Committee on Fisheries and Forestry would look at some of the regulations dealing with fisheries, in that they only do so once in a lifetime.

● (1550)

My fourth and final point is that more members and more people from the public should use the process of the committee to look at regulations. If those regulations bother them, they

should at least write in and say, "Have you chaps taken a look at this? It seems to affect some of my basic rights. I wonder how you can allow that sort of thing to happen in any part of the parliamentary system."

The purpose of the speech I have just delivered, and the speeches the House has heard from other hon. members, no doubt will give some emphasis to the fact that we are trying to cope with the problems of the delegated process and the fact that we are trying to enlist as many people to this cause as we possibly can.

Mr. Brewin: Mr. Speaker, this second report of the Standing Joint Committee on Regulations and Other Statutory Instruments, as those who have read it will be able to testify, is a lengthy, complicated, legal document. It is none the worse for that. In effect, it has to be that sort of report dealing with that sort of subject matter. It is important that the salient features may not possibly be recognized because of the torrent of legalistic words. I will bring out some of those features which deserve special consideration.

The committee's primary function is to maintain a watch on the laws made by the delegates of parliament and to subject all rules and regulations to parliamentary scrutiny. I suggest that that delegation is necessary. This delegation is regarded as necessary, as evidenced by the well-known practice of almost all developed countries and their legislatures. There is no way we can rail against delegated legislation and say it should not be: it is here to stay; it is a natural result of the type of society in which we live.

The report which we are now discussing indicates that the intentions of parliament in respect of parliamentary scrutiny have been whittled down by a series of interpretations of the meaning of the expression "rules and statutory instruments" by legalistic refinements of the meaning of these terms. This exercise has apparently been promoted by the Department of Justice. It is not too much to say that the report indicates in great detail how the will of parliament has been frustrated by this process of interpretation by the bureaucracy within the Department of Justice. I am glad the Minister of Justice is going to speak after me. He will be able to correct me if I am wrong, or say wherein the report is wrong.

The interpretation given by the legal advisers of the Privy Council office removes from the class of instruments covered by the act a substantial number of subordinate laws. This is done by the application of what the committee called a magic formula. Unless an enabling power reads that the governor in council or minister may "by order, by rule, by regulation, by warrant, by tariff", and so on, there can be no statutory instruments.

This interpretation would remove, from the class of statutory instruments and the committee's scrutiny, instruments made under enabling powers in common use. For example, the phrase "terms and conditions as the governor in council may prescribe", or "as the board may regulate", do not, in the opinion of the Privy Council, constitute statutory instruments and therefore they are free of regulation.

In this connection I would remind the House that Bill C-24 on immigration which recently received second reading in this House contains much of such phraseology which would remove some of the rules passed by it from the scrutiny of the committee. For example, under section 14 of the new Immigration Act it is provided that where an immigration officer is satisfied that it would not be contrary to this act or the regulations to grant admission to an immigrant who has been authorized to come into Canada, he may, after such further examination as he deems necessary, grant landing to such person and impose terms and conditions of a prescribed nature. That is language which, according to the legal authorities of the Privy Council, means that the rules made in respect of providing or imposing terms and conditions are not to be scrutinized by any instrument of parliament. As far as I can make out, they do not even require publication. That is a secret form of legislating with respect to the rights of people.

The instrument or document describing these terms and conditions for admission would not be a statutory instrument, according to this interpretation, and would not require publication or scrutiny by the committee. To my way of thinking, the legal contortions used to arrive at this extraordinary conclusion are beyond comprehension. It is obvious that they deprive the Regulations and Statutory Instruments Act of the application parliament intended them to have; namely, the committee should have wide jurisdiction over all statutory instruments and legislation. There is no rhyme, no sense or no reason in saying that one parcel of documents should be subject to parliamentary scrutiny and others should not.

To put it another way, an ingenious formula has been found for substantially curtailing the purposes of parliament in passing the act. I know what the purposes were, because I was a member of the MacGuigan committee and I took part in all the debates which dealt with this subject. I believe it was the intention of parliament that this committee should have wide jurisdiction and should not be restricted by these legalistic interpretations which deprive it of much of its jurisdiction. To go into the legal merits of this matter would tax the patience of the House, and indeed I would not even have time to go into them.

The committee said, on page 19 of the report, that despite widespread belief to the contrary, there is no system whereby all orders which have legislative effect and are tabled in parliament are automatically referred to the standing joint committee and are published so that the public can know what is being done. That is the purpose of this, so that the public can know, through the filing and scrutiny of this Committee on Regulations and Other Statutory Instruments, what is being done to remove an atmosphere of secrecy about laws applicable to Canadian citizens and others in Canada. The committee report continues to read as follows:

● (1600)

There is a system only for regulations and not for all statutory instruments, many of which are effectively hidden, are unpublished or are unknown even to the parliamentary committee.

Because these documents are not said to be statutory instruments, they were not even reported to the committee and the committee did not know that many of them existed—and to this day the committee does not know how many of them exist. The committee recommended the adoption of the definition proposed by the so-called MacGuigan committee which would clear up this question of definition. We hope the government will afford an early opportunity to remedy this situation.

The committee report also refers to the sub-delegation of the rule-making power and suggests that this should be clarified and cut down, and that such delegation should only be allowed when clearly provided for in the legislation. The committee further dealt with the power of dispensing with regulations in favour of individuals and raised many examples where this is being done at present. It was through the exercise of dispensing this power that James II lost his throne and Charles I lost his head. It constitutes a vicious practice designed to ensure that we are governed not by a democratic parliamentary system but by a bureaucracy.

No one in the House does not appreciate the necessity of having a bureaucracy of officials to administer the law, and indeed I think many of us have a good deal of respect for our officials who are serving this country. But to apply a term which I think was originally used in respect of the army and its position vis-à-vis the civilian power, the bureaucracy should be on tap, not on top.

The committee took the view that the wording of the definition section of the act is obscure, and the Privy Council office's interpretation of it is, and I quote the language of the report, "Quixotic in operation and subversive to the committee's function so narrowly to confine the committee as to hamstring it". This parliament is now having a report prepared for it by the joint committee of the Senate and the House of Commons saying that this provision has hamstrung the committee's functions. I think we should do something about that.

The committee refers to immigration guidelines which the House has been discussing recently in a different context. It says it is satisfied that these guidelines and manuals are in effect statutory instruments and should be disclosed. The committee reports that it has not been vouchsafed either a perusal of the guidelines or the detailed reasons for there not being statutory instruments, and is therefore unable to give an opinion as to whether the guidelines now in existence do, or do not, fall within section 58 of the Immigration Act, or do not lay down any rules applicable to subjects or immigrants.

I invite the House to consider how serious a statement that is. The committee of the House and of the Senate was not even allowed to look at the guidelines which I for one am able to assert dealt with the rules by which we admit people or refuse them admittance to Canada. We were not allowed to even see what these documents are. As they said, they could not judge whether the guidelines now in existence do, or do not, fall within the relevant section of the act.

While it is obvious that the committee cannot pronounce itself on documents it has not seen, these guidelines do contain matters of substance which guide immigration officers' decisions in the case of applicants for immigration into Canada. These documents have been kept rigidly secret, not only from the public or those directly concerned in the cases involved but from parliament as a whole. I hope parliament has enough self-respect to say that this must not continue. The total picture is one, therefore, of frustration and obstruction as well as one of secrecy.

The committee has had before it, as the House knows, another reference to inquire into the secrecy of public documents whose production has been sought in parliament. This committee has not yet reported. I am not quite sure whether it has up to date terms of reference now before it. This refers to a subject that is widely known under the heading of the freedom of information act. This is all part of the same picture in which some of us in the House are striving to bring about greater public participation in the decisions of government. The present report, however, lays the groundwork for some general observations, namely, that we are not governed by participatory democracy, which would require full disclosure of what the government is doing unless the matter falls within a special exemption as clearly set out in the statute.

It is imperative that we should change this situation. Democracy means government by the people. It is essential, for this to be effective, that the people and their representatives should have knowledge. Knowledge, in effect, is power. It can hardly be too much to say that those who have knowledge and power today are the bureaucracy who are supposed to be subordinate. Parliament should take this matter up with vigour and should insist that the definition of regulations and statutory instruments be made broad enough so the committee can function effectively and the Senate and the House of Commons are respected and recognized.

Perhaps we do not need a revolution such as occurred in the days of the Stuart kings of England. But what I think we need is a revolutionary change in attitude, and I hope that when the Minister of Justice speaks in this debate he will say what the government is planning to do to ensure that we move to that freer, more open society in which people have power and in which other instruments of government are in the subordinate position in which they should be.

Mr. Basford: Mr. Speaker, I have listened with a great deal of interest to the chairman of the committee and the hon. member for Greenwood. As both of them indicated, the matter under discussion, namely, the work of the committee and the report of the Standing Joint Committee on Regulations and Other Statutory Instruments, is immensely complicated and complex, not only because of the legal technicalities—some of which have been raised this afternoon—but also by reason of the novelty of this area of parliamentary inquiry. Traditionally, in this country, questions as to the legality or not of legislative instruments were left, until the Statutory Instruments Act came into force, to the realm of the courts.

● (1610)

This is the first substantive report by the committee, and as such it merits very careful consideration, as suggested by the

hon. co-chairman. I can assure him and the House that the report is receiving careful attention within my department and by the government and that it shall continue to do so.

Because of the importance of the subject I accept with readiness and support the suggestion of the co-chairman that some means be found by which this subject could be reviewed, analyzed and debated—if I recall the co-chairman's suggestion correctly—on an annual basis so that from time to time we can see the progress which is being made in the area of providing—and this is the desire of hon. members of this House and of the government—that delegated legislation is given proper scrutiny to ensure that this delegation is being done properly.

As the hon. co-chairman indicated, parliament need not fear the delegation process, and as both speakers before me have indicated, that delegation is not new to parliament. It is certainly something which in this complex society and in this complex day we are going to have to continue. And what we as a parliament, and obviously those on this side as members of the administration, must be concerned about is that this delegation is used properly and that we have—on a continuing basis—an adequate process to ensure that its exercise is scrutinized.

The government is as concerned about the scrutiny of subordinate legislation as much as any hon. member in the House and certainly as much as hon. members on the opposition side. I am glad that the hon. co-chairman pointed out the work which preceded the passage of the Statutory Instruments Act, namely, the work of the MacGuigan committee which lead to the passage of the present legislation and the work which hon. members on both sides of the House have done. The hon. co-chairman mentioned a group of people, and he indicated that in any list we invariably leave one out. I would like to add to his list. It was a matter of great interest and concern to the late prime minister Lester B. Pearson that we legislate a proper regime for inspection of statutory instruments. He took particular, personal and keen interest in the work of the MacGuigan committee and the legislation which flowed from it.

I think the process put in place by the Statutory Instruments Act and the standing committee is basically a good one. Our concern here, in what is a new function for parliament—at least, for the Canadian parliament—should be about continually reviewing how the system is working. We should continually be concerned about refining our system as time goes by and bettering the system of scrutiny as our insight and experience increases.

Before dealing with the report, I want to mention one specific matter. While it was not raised by the co-chairman, it was raised by the hon. member for Greenwood. He complained about the definition of statutory instrument—and I also wish to complain about it—but he said that the definition resulted in a whittling down of the matters which could be reviewed by the committee. He seemed to imply, as some of the speeches in the other place have implied, that there was almost a conspiracy on the part of officials of the Department of Justice to do that. I was pleased to note that later the hon. member indicated in his remarks that he had a very high regard for many of the public servants who serve our country. I am glad he said that, but because of what else has been said in connection with the drawing of regulations I would like to make one point very strongly. Simply stated, I am confident in asserting that the officers of the Privy Council office section of the Department of Justice bring a very high degree of competence and dedication to the very difficult job of examining the myriad of regulatory enactments which pass through their hands. In saying that, I in no way want to take away from the dedication and competence of those in the committee who do exactly the same job.

I would remind hon. members that under the terms of section 3 of the Statutory Instruments Act, all proposed regulations must be inspected by the Department of Justice to ensure that they are authorized by the statute pursuant to which they are made; that they do not constitute an unusual or unexpected use of the authority pursuant to which they are made; that they do not trespass unduly on existing rights and freedoms; and that they are not, in any case, inconsistent with the purposes and provisions of the Canadian Bill of Rights; and the form of draftmanship of the proposed regulations are in accordance with established standards. In carrying out their work as officers in those inspections or in those analyses of matters passed under the Statutory Instruments Act, they are performing duties specified under the Statutory Instruments Act and under section 4 of the Department of Justice Act which provides that the administration of public affairs must be in accordance with the law.

Because of some possible inference by the hon. member for Greenwood and some remarks made in the other place, I want to assure the House that, from my observation, the dedication of the officers of my department to the principle that the administration of public affairs is in accordance with the law, and their dedication to the rule of law, is as strong as that of any member of the committee or any hon. member of this House.

While, obviously, in any free, democratic and parliamentary society it is essential that there be constant vigilance against abuse of public power, in my view this country is undoubtedly fortunate in having law officers of the quality, competence and dedication that it has. While it is fashionable, and always worth a headline, to attack senior civil servants, it has been my experience in four different departments that as a country and as a parliament we are generally well served by this group of dedicated, hard-working and capable advisers.

Some hon. Members: Hear, hear!

Mr. Basford: I think from time to time that needs to be said, and I think these advisers are the first to recognize the point I

have just made, namely, that in any free society there must be constant vigilance against abuse of public power by those holding public office, elected or otherwise.

As I said in the beginning, this is the first time a committee of parliament has reported on the operations of the Statutory Instruments Act. There is a need for fresh approaches to the problems raised in the report. I want to say that my department and the government as a whole has shown willingness to develop such new approaches.

● (1620)

I would illustrate that claim by example, Mr. Speaker. One problem—dealt with at considerable length in the report, as it should be, because it was a matter of very great concern to the committee—was how to provide the committee with adequate background information to the regulations it was examining while at the same time protecting the confidentiality of the advice provided by my department to its client departments and to the government generally. This protection is akin to that provided by the solicitor-client privilege at common law. The hon. member for Peace River might note—and I see him taking notes—that I believe even he recognizes the confidentiality of legal advice. I do not want to quote *Hansard*, but when he was a parliamentary secretary on another occasion he made a very long speech about it. He also included an exemption for legal advice covering this type of material in the right to information bill that he introduced in the last session of parliament.

On the one hand there is the question of protecting the legal advice given by my department to the government, and on the other the valid and legitimate need of the committee to have more information about the regulations they are scrutinizing. A solution was developed to this problem which hinges upon the distinction between legal advice and statements by the relevant departments as to their legal and policy position vis-à-vis the particular regulation in question. As a result of meeting with the committee and discussing this matter at length, I made a series of recommendations to my colleagues in cabinet who agreed—and the committee has been subsequently so informed—that henceforth each department shall have a senior adviser designated to provide these statements. My deputy minister has written to other deputies to inform them of this new arrangement. Each department will have a senior officer who will provide these legal and policy statements to the committee upon request.

I would hope that when the question of legal advice and the need of the committee for information arises the arrangement we have proposed will serve both those needs and interests. I am happy that the committee notes these new arrangements in its report and expresses the hope that they will serve the committee's purpose. I join in that hope.

It has been mentioned that this is a very legalistic and technical report. I should like to deal, in order, with some of the other sections of the report, and this discussion will as a result become somewhat complicated. I think it is necessary, however, that I put some observations on the record. This being an extensive report covering many areas of the subject, I would hope that members of the committee would not want me to respond today with a speech to cover every paragraph. Hon. members are having some difficulty keeping awake at the present time, and they certainly would be sound asleep if I dealt with every paragraph of the report, as it raises many, many issues.

I would like to begin with Sections D and F of the report which deal with the form and public availability of statutory instruments. With regard to the form of statutory instruments, the committee's basic concern relates to the citation of the statutory authority for each instrument, the citation of previously relevant amendments and the publication of explanatory notes. When they conduct their inspection of each statutory instrument, the Privy Council office section of the Department of Justice will normally see that the relevant statutory authority is not only legally valid but that it is also cited. Henceforth, this long-standing administrative practice will be refined to as great an extent as possible to ensure that the circumstances referred to by the committee will become even more rare. I think the co-chairman acknowledged that progress was already being made in this area.

The matter of providing appropriate footnote referencing to the latest relevant amendments to instruments is now being looked into by the Privy Council office, as is the matter of publication of explanatory notes. I can only state at the present time that the clerk of the Privy Council is considering the committee's recommendations very seriously, and I hope very shortly to be able to inform committee members of new developments in this regard.

I should like to turn now to section E of the report which concerns alleged defects in the Statutory Instruments Act and which has been the subject of comments by the hon. member for Greenwood. The co-chairman of the committee has also made a number of recommendations in this regard which principally, but not entirely, relate to the definition of "statutory instrument" in the act. The committee says it has found this definition incomprehensible and unworkable. In response to that, I say that basically I have sympathy with them on this point and, as I indicated when I appeared before the committee, my officials and I are prepared to consider any specific suggestions the committee might wish to make toward improving the definition. The committee has recommended the inclusion of certain departmental guidelines, directives and manuals—a recommendation which I have raised in correspondence with the committee and the relevant departments.

The committee also recommended that a new definition of a statutory instrument should be arrived at "by taking the sum of the law-making exercised by the Crown and its agencies and any other delegate or subdelegate of parliament and where made pursuant to or under a statute or to the prerogative and by declaring the whole to be subject to parliamentary scrutiny." This would, however, cause some problems of interpretation just as does the present definition. While I think the need for some exemption to this definition was dealt with in the committee's report, it would seem to me, touching only on

certain matters, that such a general definition would, subject to whatever exemptions existed, include all bylaws made by private corporations established by an act of parliament, copies of every order made by a judicial or quasi-judicial body established by act of parliament, plus the ordinances of the Yukon and the Northwest Territories and any regulations or orders made thereunder.

The value or even the wisdom of having a committee of the federal parliament reviewing this kind of material seems somewhat questionable to me. There is a need for a better definition of statutory instrument and a need to avoid some of the problems created by the present definition. And, as was said, my officials and I are considering the observations made in the report. And, I say that to indicate that in the light of difficulties with regard to the definition, I would still consider any further observations emanating from members of the committee or the committee itself. These would help in the formulation of a precise definition which may be proposed as a change to the Statutory Instruments Act.

● (1630)

The hon. member for Greenwood said he hopes the government will provide an early opportunity for dealing with this question in parliament. I assure him that my officials and I are considering the observations of the committee in its report but, as the hon. member knows, the timing of the introduction of any amendments to the act is not in my hands. It is entirely out of my hands in that it is a matter for the President of the Privy Council and the government as a whole. One appreciates that the legislative list with which this parliament must deal is extensive.

The committee also recommends that the Statutory Instruments Act should be amended so that as a general rule no subordinate legislation should come into effect before it is published. The previous speaker also raised the problem of publication. The Statutory Instruments Act at present already effectively deals with this point in a slightly different manner. Subsection 11(2) provides that, with certain specific exceptions, no person shall be convicted of an offence consisting of a contravention of any regulation that at the time of the alleged contravention was not published in the *Canada Gazette* in both official languages.

The subsection makes a sensible exception in most cases where it is proved that at the date of the alleged contravention reasonable steps had been taken to bring the purport of the regulation to the notice of those persons likely to be affected by it. For example, there are occasions when it is necessary to act quickly, such as at the close of a fishing season for conservation purposes. This happens in my part of the country weekly, sometimes almost daily. In such cases signs are posted immediately near the river or lake affected, which would seem to be a better method of informing the concerned parties than publication in the *Canada Gazette*, which I do not think is a best-seller among fishermen. If the government waited for publication in the *Gazette*, the purpose of the closing would be lost.

The committee also recommends that all subordinate legislation, unless expressly excepted by the terms of the Statutory Instruments Act, should be registered, published and transmitted to the committee. The act, however, already requires all regulations to be transmitted to the clerk of the Privy Council for registration. Furthermore, it provides as a general rule that no regulation shall come into force before registration. It also requires publication in the *Canada Gazette* after registration.

Finally, with regard to transmission of regulations to the committee, my understanding is that directives already exist on this point. Steps will be taken to ensure that this is indeed the case already prior to the introduction of, say, amendments to the act. In effect, with respect to regulations the committee's recommendation is already being implemented. The further recommendation that these requirements should extend to all subordinate legislation as defined by the committee may cause severe difficulties. One need only again mention court orders and ordinances of the territorial councils to give hon. members some idea of these difficulties. This issue is one which will be receiving further attention from appropriate officials.

The committee also recommends that "the Statutory Instruments Act should provide for a statutory instruments reference committee having the authority to issue a conclusive determination for the purposes of parliamentary scrutiny as to whether any particular document is a statutory instrument or not." The effect of this recommendation would be to delegate to the proposed reference committee the determination of the term "statutory instrument", as I understand the recommendation, for all the purposes of the act and not just for the purpose of scrutiny by the standing joint committee.

Personally, I have some difficulty with assigning to a committee of the House the task of defining words in a statute. Hopefully, an improvement of the definition would make such a recommendation unnecessary. An improved definition could also handle one other recommendation of the committee, namely, that any departmental guidelines, directives or manuals which contain substantive rules not contained in statutes should be included in the definition of "statutory instruments" and subject to parliamentary scrutiny. It seems to me, unless I misread the report, that if these difficulties could be dealt with by way of definition, we should not need some of the other recommendations. I am glad to note that the co-chairman seems to indicate that I have read the report correctly.

I apologize for being so technical, Mr. Speaker, but I think the members of the committee would wish me to deal fully with their report. Recommendation 10 of the summary, in section E of the report, advocates that the committee should be provided with reasons wherever any statutory instrument is to come into force before registration and publication. This strikes me as an extremely reasonable proposal and I am pleased to announce that steps will be taken to implement it. The government agrees, as well, with the next recommendation of the committee, namely, that the words "regulation-making authority" should be redefined. The objective here is to make it clear that these words mean the department, ministry or

other body which recommends the regulations to the governor in council.

The final recommendtion of the committee with respect to the Statutory Instruments Act is that section 32 should be amended to require the publication of regulations registered under that section. With few exceptions, the publication of these regulations has now been carried out. I think the committee in its report mentions, for example, among the remainder which have not been published, regulations which govern the Royal Canadian Mounted Police. With respect to all of these, the Department of Justice will publish this summer a complete consolidation including all regulations and other statutory instruments enacted since 1955. This consolidation would include all regulations registered under section 32, which will give effect in practice to the recommendation of the committee.

In section H of the report the committee recommends that any subdelegation of rule-making powers should be expressly spelled out in the establishing statute. This recommendation, like many of those in the report, raises what is essentially a fine question of law involving the extent of the authority granted by the general words which are traditionally employed when conferring regulation-making powers. After considerable research and consideration of the matter, Professor E. A. Driedger, Q.C., a well known Canadian authority on legislation, has concluded that the results of the court decisions to date "would appear to be that there is no rule or presumption for or against subdelegation and that in each case it is a question of interpretation of the language of the particular statute". The committee rejects this conclusion and I suggest one can only await the final decision of the courts on this matter.

With regard, however, to the general question of the desirability of subdelegation, it should be noted that the combination of the complexity of contemporary regulations and the need for flexibility in applying them in the field has created what is, indeed, an inescapable need for subdelegation as discussed in this section and sections I, J and K of the report. In my discussion of these sections I will attempt to demonstrate this necessity. In section I of the report the committee deals with the language of delegation. My officials are now studying, for future use, the general recommendations contained therein. Hopefully, hon. members will bear the committee's recommendations in mind in enacting forthcoming legislation. It should be noted, however, that it would not be desirable to impose a straitjacket on the words used in legislation by forbidding, as the committee recommends, the use of particular terms such as "respecting".

● (1640)

Section K of the report concerns enabling powers which are granted by the use of Appropriation Acts, the so-called "dollar items". This was a topic of considerable debate and a ruling by you, Mr. Speaker, last week. I do not intend to repeat all that was said at that time. I follow the example of the co-chairman who moved the motion before us today. One can understand the concern which was debated last week to which Your Honour's ruling adds a new perspective. I will leave it simply to the debate that was held last week and to the effect of the ruling of Your Honour with regard to that matter.

Section S of the report deals with the power of officers of agricultural agencies. In this regard I would like, first of all, to state that, as the committee itself points out, the regulations setting out the powers of officers of agricultural agencies are within the terms of the acts of parliament governing these matters. Second, I should point out that there does not seem to be evidence that agricultural agencies are presently trampling on the civil liberties of citizens. As the committee has recognized, the Department of Agriculture has co-operated willingly in removing objectionable features of regulations when these have been brought to its attention.

I would like now to turn to a section of the report which I understand has given rise to a fair amount of controversy amongst the members of the committee. It was touched upon by the hon. member for Greenwood. A good portion of the committee's report deals with regulations that exempt one or more individuals from the application of general regulations. Part J of the report gives examples of such regulations, and appendix III of the report sets out at considerable length why the committee considers such regulations to be illegal.

It is the committee's opinion that such regulations have been outlawed by the "revolutionary settlement" embodied in the English bill of rights of 1689. The report sets out the history surrounding the passage of the act in Britain and concludes, in essence, that the so-called "dispensing regulations" cannot validly be made unless each and every case is expressly authorized in the body of the statute itself. This particular matter was mentioned by the hon. member for Greenwood and my name has been linked with those who in times past have "lost their heads" over the issue. I have read speeches made in the other place by the co-chairman from that place wishing to give me the title "latter-day Stuart"—a title which I reject.

Mr. Knowles (Winnipeg North Centre): Maybe you are a Latter Day Saint.

Mr. Basford: This would seem to be an issue which, in the final instance, involves a subtle point of statutory interpretation. It is not extraordinary that there is disagreement between the lawyers on the committee and those of the Department of Justice as to the interpretation of the sections which provide for the creation of regulations. Justice's view is simply that all the regulation-making powers in question include the power to limit the application of the regulations. Since the regulation-making power is itself a parliamentary enactment, the "revolutionary settlement" principle is not infringed upon.

The report also indicates, in section N, the committee's disagreement with the practice of departing from the language of the statutes when the same idea is repeated in the instruments made thereunder. On the very few occasions where this has occurred, the responsible departments acknowledged that it was not a proper practice. Certainly, the officers in the Department of Justice will endeavour to assist the committee

by ensuring that such instances do not occur, or are corrected if they do occur.

In section O of the report the committee indicates that the statutory conditions precedent to the making of published instruments should be recounted in the preamble as having been complied with. The committee has noted, however, that the legal advisers to the Privy Council office have co-operated with it in this regard and they, undoubtedly, will continue to do so in future. The report raises many other technical points which, as I said at the beginning of my remarks, are too numerous to cover here. In conclusion, I would simply like to state that the Department of Justice and the government will continue to examine the good work of the committee in what, as was also said before, is a new area of parliamentary activity, scrutiny and reporting.

It should be noted that there have been occasions where the legal views of the committee have been brought to the attention of justice officers who have agreed, and have subsequently recommended to the departments that the regulations in question be amended.

I agree with the comments of the co-chairman that we must always ensure that there is in place an effective means of scrutiny, and that we in parliament as much as within government itself, have two jobs, namely to ensure that our regulations are properly written and properly passed. We also have to ensure that the committee gets the kind of information, support and help it needs to do its job properly. We should not rely upon the courts to ensure that our regulations are properly passed. We should not rely upon the hope that if a regulation is not properly passed, some citizen will take it to court and challenge it. It is our responsibility to put into place both the proper governmental and parliamentary processes and procedures.

The Acting Speaker (Mr. Turner): Order, please. I must inform the hon. minister that his allotted time has expired. He may continue only with unanimous consent. Is there consent?

Some hon. Members: Agreed.

Mr. Basford: Mr. Speaker, I would indicate that I have about one minute left. I was making the point that while we have to ensure that we always have in place appropriate governmental processes and parliamentary procedures to ensure that our regulations are proper and that we should not rely upon citizens having to go to court to exercise their right and have the court declare regulations ultra vires. However, it is significant that almost every regulation passed by the government affects a citizen in some way, some corporation in some way, or some association in some way.

● (1650)

A search of the court proceedings of this country would indicate that though from time to time particular regulations are knocked out by the courts, these are very rare occasions indeed. I believe that on the whole we can take some comfort from the fact that the processes within government and within parliament have ensured that only very few regulations are challenged in the courts. This perspective is important when our attention turns, as it undoubtedly will from time to time, to cases where there has been a mistake.

Overall, the government is desirous of establishing a spirit of co-operation with the statutory instruments committee. The willingness to create new systems and adopt new procedures, as demonstrated in the initiatives I have described today—for example, the solution we have put forward with respect to the committee's information requirements—is significant, and we hope the committee will adopt the same posture in its future work and that our future relationship will continue to be one of co-operation, recognizing that there is good will and devotion to the rule of law and the public interest not only on the part of the committee but on the part of the government and of my own officials and advisers.

Mr. Baldwin: Mr. Speaker, later on I shall commend the minister for some of the things he has said, and criticize him for others, but at the moment I should like to comment on the last statement he made, that there are very few occasions upon which members of the public have successfully been able to challenge orders in council and regulations.

Of course that is true, but one of the main reasons is that most individuals affected feel that for one reason or another they cannot, as it were, fight "City Hall" with any chance of success. In other cases they do not know how to look for these regulations or go about having them altered. Many cases have come to my attention as a member of the bar and as a member of parliament in which citizens who have been adversely affected by orders in council and regulations of the federal government—and, I am sure, of provincial governments as well—lack the opportunity, the cash and the knowledge to take to court the body responsible for the unfair and improper regulations which have affected them. It is as well to bear in mind, in this regard, the somewhat technical language which has been used in this debate by my hon. friend the Minister of Justice and by the hon. member for Greenwood.

Effectively, there are two questions at issue here. First, there is the entire principle of the use of orders in council and regulations which affect the people in so many ways. Then there is the application of those orders in council. My learned friend from Halifax-East Hants, the co-chairman of the committee, has stated that parliament is supreme. Mr. Speaker, parliament was supreme. It is supreme no longer because of the very use of orders in council and regulations of the kind we are discussing. I am not blaming anyone in particular; I am sure we all have some share of the blame to assume. If this parliament is bleeding to death, as some say it is, much of it is from self-inflicted wounds. We sit back and allow these things to happen. Our inability to deal with this situation is illustrated by the history of this particular committee. I recall debating this subject back in 1965 with the then prime minister—I am glad the Minister of Justice raised the fact that the late Lester B. Pearson was instrumental in bringing about the course of events which ultimately led to a greater willingness to subject these matters to parliamentary scrutiny.

We were debating the need for an ombudsman, and at that time I told the prime minister that while I had no objection to this idea it was, in my view exceedingly important to establish, in the Canadian parliament, some kind of scrutiny committee such as that which already existed in the United Kingdom. Mr. Pearson agreed with me. I subsequently crossed the floor of the House and talked with him on several occasions, and it was following those discussions and the intervention of other members, that the MacGuigan committee was set up. That committee approached its work with persistence and a great deal of study. A very good report was produced. Unfortunately, its recommendations were not completely followed. But that was 12 years ago, Mr. Speaker. It has taken 12 years to get around to the report, to the presentation of a bill, a debate on the bill, the establishment of the present standing joint committee and here, for the first time since the matter was raised in the House, to taking action to come to grips with the problem which afflicts us. It is all very well for the Minister of Justice to say we are going to do this, or we are going to do that. If it takes another 12 years to come to grips with the problems our committee has raised, God help the country!

I see it is almost five p.m. On a point of order, this is a debate on a motion and I believe that, properly speaking, the debate should continue and that private members' business should not intervene. It is my recollection, however, that there has been some discussion on this matter and I am quite prepared, if it is the unanimous wish of the House, to see the debate adjourned so that private members' hour can proceed, in which case may I call it five o'clock?

Mr. Goodale: Yes, Mr. Speaker, there has been some discussion between representatives of the various parties and there is, I understand, consensus that we should proceed with private members' hour today and deal with notice of motion No. 15 in the name of the hon. member for High Park-Humber Valley.

Mr. Knowles (Winnipeg North Centre): There have been such discussions, Mr. Speaker, and we agree.

The Acting Speaker (Mr. Turner): It is my understanding, then, that we will proceed to private members' business.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Turner): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall)—Transport—Appointment and terms of reference of commission to study problems in Newfoundland; the hon. member for Esquimalt-Saanich (Mr. Munro)—National Defence—Policy of department with respect to uniforms for cadets.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions and public bills.

Shall notice of motion No. 4, in the name of the hon. member for Ottawa-Vanier (Mr. Gauthier), stand?

Mr. Goodale: Stand.

The Acting Speaker (Mr. Turner): Stand at the request of the government.

PRIVATE MEMBERS' MOTIONS

[*English*]

TRADE

SUGGESTED IMPLEMENTATION OF PROGRAMS TO ASSIST SMALL BUSINESS

Mr. Otto Jelinek (High Park-Humber Valley) moved:

That, in the opinion of this House, the government should consider the advisability of implementing programs to assist the development of small business in this country, consisting of such positive initiatives as (a) allowing tax credits for investment in small business (b) providing assistance in the formation of small business export consortia (c) changing government tender practices so that small business supplies a portion of government purchased goods and services (d) reducing the government paperwork burden imposed on small business.

● (1700)

He said: Mr. Speaker, I should like to begin by saying that in my mind there is no segment of our society which unites this country as much as the business world; that is to say, business in general, and small business in particular. I believe this is an important observation to keep in mind, especially during these troubled times when the threat of separation and the possibility of the ultimate break-up of Canada is hovering over every Canadian.

The fact is that business problems, concerns and potential solutions in Victoria are the same as in Regina, Toronto, Quebec City, Halifax and St. John's. Therefore, if we are to keep the remaining binding fibres of our society intact, we must all pool our efforts and resources in supporting and encouraging the growth and stability of the free market system and, therefore, the basis of this system which I believe to be small and medium-sized enterprises. Unfortunately, Mr. Speaker, in most cases the government either ignores or overlooks this sector which forms the backbone of our economic way of life. It is true that from time to time, however, the government does throw the odd bone to the small business community, some of them quite worth while. Unfortunately, I believe that these few and far between moves are made primarily for pacifying reasons with no basic, over-all commitment in mind.

It is also true that the Prime Minister (Mr. Trudeau) almost a year ago appointed a minister responsible for small business who in my opinion is working in very good faith indeed within his jurisdiction and portfolio. However, Mr. Speaker, the minister in charge of small business cannot exist in a policy vaccum without succumbing to the same fate as his predecessor, the minister of multiculturalism. Hon. members will recall that a minister of multiculturalism was appointed prior to the 1974 election, only to disappear after the Liberals came back to Ottawa with a majority mandate. I hope that the Prime Minister's intentions regarding the small business ministry will not parallel the former ministry of multiculturalism.

The question, then, Mr. Speaker, is: What is needed in order to keep small business participation active and healthy in Canada? It is my strong belief that what has been lacking for far too long is a strong and innovative small business policy. It is sad that even after seven or more months of the existence of a minister responsible for small business the minister himself just last Thursday could not even define small business as it relates to his portfolio, let alone advise this House, and more importantly the tens of thousands of concerned small businessmen across this country, when, if ever, Canadians could at last expect to have before them a small business policy.

Instead of the ad hoc, band-aid approach that this government has taken in respect of small business, as indeed it has on a great number of other issues, a definite small business policy, or better still a small business act along the lines of that existing in the United States, Japan and elsewhere, must be established at the earliest possible date in order to replace the existing air of confusion with potentially long-range programs.

Obviously, the government cannot be considering seriously the problems and potential solutions of small business when the minister does not even know what specific segment of our economy he represents. This fact and this attitude, economically speaking, put us roughly 20 years behind other industrialized nations. This was confirmed to me through a series of meetings with government officials in Japan, including the director of the small and medium-sized enterprise agency, as well as at an earlier symposium on small business held in Washington, D. C., which I was fortunate enough to attend. Curiously enough, I missed the absence of the minister responsible for small business at the meetings in Washington and elsewhere. In any event, it is my understanding that since he became minister responsible for this sector the only trip he has taken abroad has been to the Soviet Union. We wonder at the reasoning behind that move.

Of course, one does not have to go to Tokyo or to Washington to find out about our dilemma. But what hit me most vividly, particularly in Japan, was the difference in priorities between the Japanese government and that of our own. In Japan, as in the United States, West Germany and elsewhere, governments have been catering to the well-being of the small business community over the past 20 years or so. As a result, their economies are far more advanced than ours, especially when it comes to unemployment where, for example, Japan has zero unemployment in a population of 110 million people while we have reached the frightening figure of one million unemployed in Canada.

One of the main reasons for this imbalance in statistics is that we are not taking advantage of the best and cheapest potential job employment opportunities in a mixed economy. I am, of course, referring to the small business sector. Unfortunately, the philosophies of our government as a whole in Canada over the past decade or so has had a tendency towards centralization, with bigger and costlier governments, stronger and more powerful unions and larger and fewer multinational corporations. It is my deep concern that unless this trend toward centralization does not reverse itself within the very near future, our system—the free market system which this country was built on—will slowly but surely disappear, only to be replaced with what I can describe as "corporate socialism".

The simple fact remains that our governments continue to consult with large business and unions only, and as a result most of the legislation is geared solely toward that sector. This leaves small business, which by the way is responsible for well over 50 per cent of the labour force, to accept the various laws which were not based on their problems in the first place.

There is no question that the small corporation has vastly different needs from the big multinationals. An example of such a big business policy is the imposition of quotas on textile imports. Naturally, these quotas are needed to protect the large Canadian textile manufacturers, but they should not apply to the thousands upon thousands of small specialty shops, importers, merchants, and so on, which import specialty items which Canadian manufacturers would not even think of making in Canada. As a result, further unemployment occurs as well as bankruptcies, which are already at their highest level in our history, all because of legislation which is geared to big business and does not take into account the small businessman who automatically falls under that legislation.

I realize that most politicians in the democracies of the west know that "small" is beautiful. However, the future role of small business is to convince the public and its political leaders that small, as it relates to the economy, in fact has been the pillar of free enterprise as we know it and must continue to form the basis of this freedom of the economy if we do not want to see the demise of that freedom. I do not believe that there is one individual in this House, with the exception of perhaps some NDP members, who would want to see the free enterprise system eroded any further.

As the current radio ads sponsored by the private insurance companies of Canada state, "A challenge has to remain, or else we all become vegetables". I would like to put on record my appreciation and, I know, the appreciation of millions of Canadians, for the initiative taken by these private insurance companies in promoting and sponsoring this current series of free enterprise advertisements. They, basically, sum up the heart of the fundamental political force of this decade, including the fight against bureaucracy.

No segment of society is more vulnerable to the mechanics of bureaucratic power than the small and medium-sized business sector. These companies by and large, because they are

small entrepreneurial operations, do not have the manpower to handle the massive volume of government demands now made for paperwork of various descriptions. Too many small businessmen who are victims of an unco-ordinated leap-frogging by government departments in their demands for ever more statistics find the productive effort is increasingly swamped by form-filling.

● (1710)

Laws and regulations, often made by government to regulate the activities of large corporations, have often failed to take into account the small and medium-sized businesses which find themselves defenceless in a bizarre jungle of apparently conflicting regulations without the aid of the platoons of corporate lawyers, tax accountants and government relations men who serve larger firms. Even regulations which at first might seem fairly innocuous, such as the federal government's labelling act, can put many hitherto prosperous companies into bankruptcy.

The government does not appear to realize in any meaningful way that the survival of small business is inescapably linked to the survival of the mixed economy. Therefore, other than my insistence that it is imperative to reverse the generally existing philosophies of centralization in this country by all of our governments, I believe most strongly that the government must begin compiling a definitive policy on small business. When asked about a policy, the Minister of State (Small Business) (Mr. Marchand) stated four or five months ago that a policy would soon be forthcoming. When asked again just last week he indicated that he had no idea as to when a policy, if ever, would be forthcoming.

An hon. Member: He didn't say "if ever".

Mr. Jelinek: A policy must be forthcoming by this government, before it is too late. A step toward that direction would be for this House to accept some of the basic proposals listed in this motion. If I may, I will read them again. One is, "allowing tax credits for investment in small business". Everyone knows that we have a non-competitive banking system in Canada, unlike that of the United States, and unless you are a large, multinational corporation, and unless you have enough collateral to triple or quadruple the amount of money that is needed for your small business expansion, you are more often than not unable to get a loan. The biggest problem is raising funds.

This suggestion of allowing tax credits for investment would solve a two-purpose situation. First, we would create an opportunity for further investment by Canadians in Canada, rather than going south of the border, which is the case now. Second, we would be making funds available to the small business sector which does not now have the opportunity to deal with fund-raising.

Continuing the proposals: "providing assistance in the formation of small business export consortia". Japan is one of the best examples in this area. That is why their economy is flourishing. Their small businesses are flourishing because they are small, independently and privately owned businesses. Most of them fall under umbrella organizations which help export their needs to the rest of the world. Something along those lines should be considered in this country.

The proposals continue: "changing government tender practices so that small business supplies a portion of government purchased goods and services". That is better known as the "set aside" program. In the United States this has been in effect for some time. One of the main reasons is that that country considers it very important to act on behalf of the small businessman and has had for some time a small business act. I would like to quote from section 2 of the United States small business act in respect to the "set aside" program which reads as follows:

It is the declared policy of the Congress that the government should aid, counsel, assist, and protect, in so far as is possible, the interests of small business concerns in order to preserve free competitive enterprise, to ensure that a fair proportion of the total purchases and contracts or subcontracts for property and services for the government . . . be placed with small business enterprises—

That is a very simple solution, yet one that is not taking place in Canada and one that has not been considered to date. It hurts the small businessman as much as any other area that I have mentioned. The final proposal in this motion reads: "reducing the government paperwork burden imposed on small business". I realize the minister has already taken a move in this direction: he has taken the initiative to reduce the reporting of corporations to Statistics Canada. I compliment him on that move. It is something for which our party was pushing for years prior to the appointment of the minister responsible for this area. That is a move in the right direction.

I would hope the government would go much further than that, because there are countless government surveys, statistics and regulations within nearly every other department where curbs and waste are taking place. Curbs on this wastage must take place as soon as possible in order to assist the small business community. The provinces are to blame for this as well as the federal government.

To sum up, then, what must be done is, on one hand, reduce considerably the existing bureaucracy which is strangling the small business community, while on the other hand make available incentive programs which, by way of a tax system, would be based upon research and development, increased employment, productivity, export sales, expansion, secondary manufacturing, and so on.

In the few brief moments I have left, let us take, for instance, the secondary manufacturing. Canada is the richest nation, per capita, in natural resources, and look at the state of our economy! One of the reasons is because we do not have the incentive. We do not offer incentives to industry to develop our secondary manufacturing. We need the United States and other foreign concerns to develop some of our natural resources. Then we fight like hell to sell them to other countries—Japan being one of them—where we help their economy, where we help their employment, their unemployment being zero. Then we turn around and buy the finished product—very often at a much higher cost—made out of our own natural resources, in the first place, and dug up by the

Americans. If we want the trend in our economy to reverse itself, then surely we must come up with incentive programs to assist this very vital sector which has not been established in our country.

To my mind, "incentive" is the key word and one that, unfortunately, is disappearing from the political vocabulary in Ottawa. Instead of incentive programs we are now in the midst of the greatest give-away era in our history. The higher the number of direct grants or give-aways, the less incentive for realistic productivity. Just as the higher the number of unemployment benefits, the less incentive for long-range employment.

My concern is so genuine regarding the problems of small business and the freedom of enterprise that I hope the seriousness of these problems can be dealt with on a non-partisan basis. We cannot wait any longer to move in a positive direction in this regard. I hope hon. members will realize the seriousness of this situation and accept some of the proposals which I have outlined today. Opportunities still exist in Canada, but they are diminishing very quickly. Let us not lose them completely.

Mr. Maurice Harquail (Restigouche): Mr. Speaker, the hon. member for High Park-Humber Valley (Mr. Jelinek), while we do not always agree with some of the comments he makes in the House, has brought forward a worth-while motion. When one looks a little more closely at the recommendations that are contained in the motion, one can easily see that a good part of it has been taken from the Speech from the Throne. In it the government promised, first, measures to reduce the paperwork burden on small enterprises; second, to render government lending sources more accessible to small businesses; and third, to restructure major programs of the Department of Industry, Trade and Commerce in order to orient them more specifically to small and medium-sized businesses.

● (1720)

An hon. Member: Copycats.

Mr. Harquail: The hon. member is correct in that. In introducing his motion this afternoon the hon. member for High Park-Humber Valley (Mr. Jelinek) agreed that the Prime Minister (Mr. Trudeau) made a good choice in selecting the hon. member for Kamloops-Cariboo to be Minister of State for Small Business.

Mr. Huntington: Where is he?

Mr. Harquail: I hear comments from the other side. I am surprised that only three conservative members are sufficiently interested in the motion to be here to support the hon. member for High Park-Humber Valley this afternoon. I would have thought he would have been able to muster more support for Canadian small businessmen.

Some hon. Members: Hear, hear!

Mr. Harquail: I was delighted to hear that this new, young minister, the Minister of State for Small Business, has travelled across this country and went to western Canada in January and to Atlantic Canada in March to meet small businessmen in this country. He had very good reason to do so, because it is estimated that over 60 per cent of Canadians work in small businesses either as employers or as employees.

Let me quote a few figures, Mr. Speaker. There are an estimated 329,000 small businesses in Canada. Those 329,000 businesses are in the following sectors: retail, 137,000; wholesale, 32,000; construction, 46,000; manufacturing, 37,000; service, 56,000; transportation and warehousing, 13,000; owners of apartments and other buildings, 8,000—for an estimated total of 329,000, which is over 60 per cent of the work force. So I can confidently state that small businesses are the lifeblood of the economy in Canada.

Mr. Jelinek: Then do something about it.

Mr. Harquail: We are doing something about it. As a matter of fact, the Minister of State for Small Business, as he himself mentioned in the House this afternoon, will soon be bringing in a bill amending the Small Businesses Loans Act. He has been also working very diligently with the Canadian Federation of Independent Business and is developing an excellent rapport with this and other organizations which have felt for some time as though they were cut off and did not have a voice in government.

Mr. Jelinek: They still don't.

Mr. Harquail: Another example of positive action and good leadership by the government was indicated in the Speech from the Throne and in the appointment of the Minister of State for Small Business who travelled across the country to speak to this most important sector, namely, the entrepreneurs.

Another excellent move by the government to assist small business was through the Department of Indian Affairs and Northern Development which operates programs to encourage small business enterprises in northern Canada. They have programs to encourage and facilitate business development by native people throughout the country. These programs are the small business loans fund, which applies to the Northwest Territories and the Yukon, the Eskimo loan fund and the Indian economic development fund. As well, the Minister of State for Small Business is consulting with small businesses in every part of the country regarding the Small Businesses Loans Act which is administered by the Department of Finance. Through it, Canadian chartered banks and other lending institutions make loans to businesses. The loans are backed by government guarantees. At present the interest rate under the act is 9½ per cent. At the end of March, 1977, the interest will be recalculated. The rate of 9½ per cent is only three-quarters of 1 per cent above the bank's prime rate, the rate charged to the bank's best customers.

Another direction in which the government is moving is to provide, through the Department of Regional Economic Expansion, major support to small business in many regions of

Canada under the Regional Development Incentives Act and also in the agricultural field through ARDA and special ARDA programs. Also, through the Canadian government office of tourism the government is providing a variety of programs in support of the tourist industry.

While I have this opportunity I should like to make a suggestion on behalf of Canadian small businesses that we bring some forceful recommendations to the House through the Minister of State for Small Business with regard to the competition act. All too often big businesses impinge on small businesses to the extent of, if not crippling them, putting them right out of business. Therefore, I would support any measure brought in by the Minister of Finance (Mr. Macdonald), the Minister of Industry, Trade and Commerce (Mr. Chrétien) or the Minister of State for Small Business to give greater protection to small businessmen in Canada. This is much needed, as I know from the representations I receive at my constituency office.

One of the very important and effective ways in which our government can give greater assistance to small businessmen is by improving and tightening up legislation dealing with unfair competition. I am one of those who would certainly encourage new legislation brought into the House on this subject so that we might do much more even than is contemplated and than is done by the Minister of State for Small Business as well as the Minister of Industry, Trade and Commerce and the Minister of Finance on behalf of small businessmen in this country.

In summation, I should like to say that although the hon. member for High Park-Humber Valley, in our view, does not always speak words of great wisdom, he has brought out some excellent points in his motion and I think we should express our thanks to him for bringing it forward. I have no difficulty in agreeing with the majority of the recommendations contained in his motion. However, as I have said, most of his recommendations are already contained in the Speech from the Throne and are being acted upon by the Minister of State for Small Business.

Some hon. Members: Hear, hear!

Mr. Ron Huntington (Capilano): Mr. Speaker, it is a pleasure for me to take part in this debate on the motion of my colleague, the hon. member for High Park-Humber Valley (Mr. Jelinek).

To start with, I would like to correct the remark of the hon. member for Restigouche (Mr. Harquail) that the motion came from the speech from the throne. May I say for his benefit, through you, Mr. Speaker, that the recommendations contained in his motion have been the subject of frequent comments for many years from members on this side of the House, and it is on the basis of those remarks and speeches that mention of this subject was made in the Speech from the Throne.

Some hon. Members: Hear, hear!

[Mr. Harquail.]

Mr. Huntington: I was also surprised the Minister of State for Small Business, who was present in the House until a few minutes after five o'clock, saw fit to leave when a motion which elicits elaborate comment and information is being debated.

Mr. Harquail: He had business with small businessmen.

Mr. Huntington: If that is the case, then I will forgive him.

Some hon. Members: Hear, hear!

Mr. Huntington: There are four parts to this motion. The first is to allow tax credits for investment in small business. I think that is an important suggestion which gives us in the House an opportunity to offer a few comments on it. The greatest need is for small businesses to improve balance-sheet and profit and loss ratios which will improve the borrowing powers of small business in dealing with chartered banks.

Small business loans legislation should be adjusted to serve the equity and working capital needs of small business so that they can increase the leverage they have in dealing with chartered banks. I would also like to see interest rates on loans under the Small Businesses Loans Act tied to a rate above the prime. I suggest that that rate above prime should be in the order of 1.25 per cent to 1.75 per cent so that we do not again get into the situation we have experienced whereby we have fixed the rate and removed the incentive from chartered banks to involve themselves in government guaranteed loans.

● (1730)

I also think that after having gone through an era of a very high rate of inflation the amount of the loan, $50,000, should be increased to at least $75,000 and perhaps even to $100,000. Perhaps also that should come up for annual review.

In view of the inflation we have been through, and if the Minister of State (Small Business) (Mr. Marchand) is recommending changes to the Small Businesses Loans Act, perhaps he should give consideration to increasing the gross volume of business for firms qualifying under that act. I suggest that we look at something in the order of $1.5 million.

I understand that the loss on these government guaranteed loans has been very small, and I would like to commend the officials in the Department of Finance for the performance they have achieved under this act to date. However, steps should be taken to make possible the use of this lending resource for equity and for working capital purposes. I think this would have a greater effect on the small business community than limiting it only to expenditure for capital use.

The government would also be well advised to study tax credit incentives which should be applicable to small businesses, that would give them the incentive to hire people. So far we have talked only about incentives to provide capital for fixed plant. I would like to see the loans re-arranged to provide assistance with regard to working capital areas and leverage areas, but one of the problems we have is that the activities of many small businesses are of a marginal and seasonal nature.

In many cases employees are laid off because of seasonal or peak demands, and these employees have to go on the UIC rolls. Then along come unforeseen windfalls or orders, and these small businesses go back to hire, but they cannot assure a period of employment which is long enough to cause people to come off UIC rolls and go back to work. That is quite understandable, and it is one of the faults in the design of the Unemployment Insurance Act.

We need a special study of cases like these so that UIC benefits can be interrupted without loss of sustaining benefits due or without people having to go through the earning and waiting period again. I urge the Minister of State (Small Business) to consider this because it is one of the serious employment problems in the small business sector. The UIC system should be molded to adapt to this variable which is so common among small businesses.

The government perhaps should also look at a tax credit for Canada Pension Plan and UIC costs to the small business owner as an incentive toward meeting the payroll taxes involved for small business employers when we are dealing with work which can employ those at the marginal perimeters of the Canadian work force.

On the matter of equity needs of small business, and the inherent risks for minority shareholders in small businesses, the government might also look at tax deduction features as it has done in the cases of film production and oil exploration. Surely the goal today is to generate economic activity, and what element of our industrial organization serves the marginal work force more than the small business component of our country?

I would now like to move to item (b) of the motion which would provide assistance in the formation of small business export consortia. I know of a person who went to Nigeria to attempt to sell Canadian assembled or manufactured generators. This person noticed that the fishing industry over there was short of the equipment we on the west coast take for granted. He travelled around and tried to put together a group of orders for equipment manufactured on the west coast. The federal government paid for this person's trip to Nigeria. He spent a great deal of his own time exploring the area of additional business for secondary manufacturers in Canada. I am speaking of drum gear and hydraulic gear which is very common to us on the west coast. We manufacture it there. This person just did not have enough cash flow in his own company to follow this through. If there had been some kind of aid from the Department of Industry, Trade and Commerce, or if that department had provided assistance in the form of an officer to study whether that type of trade consortia could have been developed for the benefit of small business in that particular region in Canada, it would have been a good thing.

I think the government should have some seminars on developing trade consortia for small businesses. Small businesses do not have the muscle of large institutions to take care of this need. We have a need for more of the community oriented trading type of consortia than the proposed government corporation which will be an international trading company trying to emulate Mitsubishi and some other large Asian firms. It is rumoured that Mr. Jean-Luc Pepin will be head of that corporation when he steps down from the Anti-Inflation Board.

CIDA and EDC seem oriented to serve Canadian businesses which have heavy and well organized lobby interests. Their work, and the work they create in Canada, just do not seem to benefit the small business community. The hon. member for High Park-Humber Valley read into the record the small business act of April, 1970, of the United States Congress. Perhaps the Minister of State (Small Business) should study that because it shows that the United States is very concerned about the viability of this aspect of its community. As a matter of fact, the United States protects a percentage of national defence contract orders—as much as one third—for the benefit of the small business community there. If we are to have anything like a free enterprise economy, an initiative like that should be taken by the Minister of State (Small Business).

More and more the trend in the world today is toward international business between governments. Surely the Minister of State (Small Business) can lobby his cabinet colleagues for a small business component in dealings with CIDA, EDC and CCC.

I would now like to move to item C of the motion, which would change government tender practices so that small business suppliers would provide a portion of government goods and services. I have already mentioned how some United States legislation has benefited the small business community.

I am concerned about the lack of fairness which is developing in the various regions of Canada in the inter-communication or business intercourse which goes on across provincial boundaries. I am sad to have to draw to the attention of the House the fact that drivers of trucks moving from Ontario into Quebec are now being harassed. Even passenger cars are being stopped for full inspections, and tickets are given to drivers not wearing seat belts. I understand that contractors from other parts of Canada cannot now participate in contracts which are for work within the province of Quebec.

In many cases western industries can no longer compete with industries in Montreal. In one case a uniform manufacturing industry in Vancouver can no longer compete with the bids tendered by Montreal firms. If Montreal firms are going to compete right across Canada, that principle has to apply in Quebec as well. If we are going to have international boundaries, God help us. In the city of Calgary companies were bidding for a contract to supply firemen's uniforms. The contract was given to a Montreal firm for $243,000. The Calgary firm bid $257,000, the Vancouver firm bid $257,000, and the Toronto firm bid $300,000. The western Canadian industries involved can no longer compete and are facing bankruptcy as a result of this type of competition. I call for fairness across all provincial boundaries.

● (1740)

Another example which troubles me in this matter of the regionalism that is developing is that in British Columbia, with

the aid of programs of the Department of Industry, Trade and Commerce and of the National Research Council, there was a major breakthrough in high-intensity lighting. When the federal government, through the Transport Development Agency, was giving a contract for expansion of the use of high-intensity lighting, however, it was given to a Montreal firm that is a spin-off of a United States firm whose technology is completely obsolete in light of the technology developed in Vancouver. I do not know why the Transport Development Agency would not give full and due consideration to research and expertise that exist in other parts of Canada. Why can the Vancouver firm not have the lighting contract and give the time tests needed on the Centennial Pier project or some other project? When the patents are owned by Canadian Patents and Development Limited why can the Vancouver firm not get the same consideration as eastern firms? There seems to be a stigma because it is located in Vancouver.

Another firm in Vancouver just lost a bid on hollow tubing for the extension of the penitentiary at Agassiz. That firm, a subcontractor, produced the lowest bid in Canada, yet the major contractor who won the bid refuses to use their product. This does not sit well with the Vancouver firm. The product that will be used will be made in Montreal, shipped across Canada, put into an institution being built at Agassiz, and the west coast producer of the same product can apparently go to hell.

Another contract was available for curtain track for a hospital. We have a Canadian product—100 per cent designed, 100 per cent owned, and 100 per cent produced in Canada. The tooling is done in Canada as well. But a west coast firm lost out to an eastern firm, which used an American design, and was a subsidiary of an American company.

The Department of Consumer and Corporate Affairs is stirring up an extremely biased reaction amongst retailers in Vancouver. Retailers in the prairies and Ontario are not being subjected to the same type of examination and scrutiny. This regional interference is causing rising tempers in the west, and I plead with the government to change its attitude. The provinces of British Columbia and Alberta need their fair share, and the small business sector of those provinces needs its fair share of the federal government's expenditures.

If the Minister of State (Small Business) wants to help small business he could consider helping a chocolate factory in Vancouver that has the knowledge and the people to make a go of the business. If the finished product were imported from England it would be subject to a 10 per cent tax. There would be no other tax or expense except the distribution costs and freight, and there would be a refund of the liqueur tax to the manufacturer. In other words, the offshore manufacturer would get a refund of tax paid on the liqueur. The offshore manufacturer can buy the liqueur at low rates. There is a 15 per cent import duty on milk chocolate imported in bulk to Canada. This factory employs 18 people and prints all the boxes and packaging supplies in Canada. They buy all their packaging material and formula material from Canadian suppliers. They must buy the liqueurs in the liquor stores at retail prices, however, and they must also pay the 7 per cent provincial sales tax. This is ridiculous, Mr. Speaker. How can you build an industry with any hope of exporting, say, to the United States, when there are these crazy and obsolete customs and excise laws? It is time we all worked toward creating something worth while in the small business sector.

There is another industry that bothers me, Mr. Speaker. In the cement business if you are a small operator and you put cement sand and gravel in a bag and keep it dry, you have to charge 5 per cent federal tax on the product. But if you are a big company, buying your sand, cement with $2.20/ton tax, and gravel on a tax-exempt basis, and if you mix them with water and sell the resultant product as ready-mix concrete, then it is exempt from federal sales tax. What is important enough about adding water to dry ingredients that gives one company an advantage over the other? In a small company the auditors can go in and do an audit in three or four hours so they get a bill for the sales tax. But a big company is so cumbersome that it is too much trouble for the government auditors, so that large company can sell the same dry mix and not pay the sales tax. In British Columbia we have the example of a manufacturing company that has been in existence for about 15 years. Its very survival is threatened by this type of taxation law. I plead with the government to do something about this. There are all kinds of employment opportunities in this country, but our laws suppress incentive and make it almost impossible for small firms to stay solvent.

I do not have time to go into matters in the textile industry, Mr. Speaker, but if ever a group of small businessmen got a shafting it was this group when the guillotine was brought down. That has turned out to be a very sad state of affairs. Instead of maintaining the level of low-cost garment imports for low-income workers, the guillotine was brought down. It disrupted the whole market and the trading pattern. I agree that a quota was necessary, but I think we moved too fast on that one. The retailer and small importer bringing specialty material into the country fell under the guillotine. Their livelihoods are in danger.

Why can we not give consideration to the small business component of the Canadian community, Mr. Speaker? Why do we not use the research and development facilities that are available and share them between the large industrial component and the small industrial component? We also need to pay attention to regional balance when issuing invitations to tender for government supplies. I plead with the government to give consideration in this matter to the small business and industrial component on the west coast.

Mr. Norman A. Cafik (Ontario): Mr. Speaker, in his motion the hon. member for High Park-Humber Valley (Mr. Jelinek) indicated a number of steps that the government ought to take to assist small business. I suppose it is understandable that he would avoid mentioning some of the very positive things already being done. I think it is also understandable that in the motion he would imply that things are not being done that are in fact being done.

First of all he talks about tax credits for investment in small business. Technically I think he is right; there is no tax credit system for such purpose at present. I think hon. members should realize, however, that in terms of incentive to small business through the tax structure there is a special small business tax rate of 25 per cent, excluding the manufacturing sector, and 20 per cent for small manufacturing industries, as opposed to 40 per cent for large manufacturing industries. This in itself is a significant tax advantage to the small businessmen of this country, and it is inappropriate to leave the impression that those kinds of steps have not already been taken.

● (1750)

Second, he asks us to provide assistance in the formulation of small business export consortia. May I draw to his attention and to that of all members the fact that the Department of Industry, Trade and Commerce, under certain of its programs, supports trade missions all over the world? Through those programs the department helps small businessmen to make arrangements with other small businesses in other countries, so that they may mutually handle each other's products, to the advantage of businessmen in both countries. I think that is moving precisely in the direction the hon. member for High Park-Humber Valley has in mind. I would not want to leave the impression there is no room for improvement in this area. I think there is and the government is moving in that direction, to the considerable benefit of the business community of this country.

Third, he talked about changing the government's tendering practices for small business. I do not know the hon. member's experience with the Department of Supply and Services, but I can tell him that there is no question in my mind, from my dealings with the Department of Supply and Services, that the department already provides considerable assistance to small business people. True, no special segment or percentage of total government business is earmarked for small business, as implied in the motion. I think that the question must be examined. The simple fact is that the Department of Supply and Services is already moving in that direction. It is decentralizing its operations across Canada to make sure that local business, mostly small, has a better opportunity to do business with the Government of Canada.

Fourth, the hon. member suggests that we should reduce the amount of government paper work being imposed on small business. That is an important suggestion. I have been making it since 1968. I say that we should arrange for a federal-provincial conference, in order to rationalize the paper work which emanates from federal, provincial and municipal governments. In other words, we should rationalize this entire process so that the small businessman need not hire an accountant to do the paper work the government requires him to do. That point is important. I understand that the minister of state responsible for small business will address his attention to this question in a federal-provincial conference, in order to minimize the amount of paper work we require small businessmen to perform. I note that Statistics Canada has already moved in that direction by eliminating the requirement for small business people to submit statistical reports. The agency has removed one of the great irritants.

It is also necessary for those in the House who want to assist small business to do more than speak about assistance. We must do practical things in our areas and ridings to help small business. I, for one, have done a great deal, in my view. Back in 1968 I pioneered what became the first industry seminar in this country. Finally, after we had worked on this matter for one year, the government agreed to send officials to my riding and expose the business community to what I call the other side of the coin. Many people think that government plays a negative role in our lives, but big business realizes it also plays a positive role. Because the small businessman does not have the necessary expertise and staff, and does not know of federal and provincial government programs designed to help small business, he is often left holding the bag, as it were.

There are many programs available for helping the business community and it is our responsibility, as members of parliament, to make sure they are aware of these programs. For example, do small businessmen know of the existence of the Federal Business Development Bank, which can give much help? Not many small businessmen know about it, and it is our responsibility to see that they do. The list of programs we should draw to their attention is long. How many small businessmen know about the Small Businesses Loans Act, the alphabet soup programs of the Department of Industry, Trade and Commerce for providing assistance for research and development, programs for assisting with exports abroad and the financing of exports abroad, and other programs to do with research? The range of such programs is broad indeed. By this I do not mean to imply that all is well with the business community or with federal programs.

I, for one, take exception to a point raised by the hon. member for Capilano (Mr. Huntington). I enjoyed his remarks. He said that he would prefer it if the Small Businesses Loans Act would allow the banks to charge higher interest rates. That may make sense at first, but does not make sense when one examines the idea in depth. I think there is a better way to provide assistance than that suggested by the hon. member. The government assumes the risk of those loans; therefore I do not see why a bank should be entitled to as much interest as when it assumes the risk itself. It makes no sense. Perhaps we need an increase in the interest rate, but we need a hooker in the legislation—

Mr. Huntington: No.

Mr. Cafik: —which requires banks—

An hon. Member: We already have plenty of hookers.

Mr. Cafik: Just one moment. You be quiet. I am speaking at the moment and I did not interrupt you.

As I say, the law should require the banks to devote a minimum percentage of loans to the small business commu-

nity. And these loans should not be charged at rip-off interest rates, either, as implied in my hon. friend's suggestion.

I think also that we want to reduce the size of many give-away programs. On the other hand, we want to provide working and equity capital to the business community, capital of which our business community is desperately short.

Mr. Knowles (Winnipeg North Centre): Does the hon. member not believe in free enterprise?

Mr. Cafik: That would help, as I think hon. members opposite agree. I know that much remains to be done, but am convinced that the government has a greater commitment toward the small business community than the party opposite, whose big concern has primarily been the big business community. May I call it six o'clock, Mr. Speaker?

Mr. Knowles (Winnipeg North Centre): We are trying to figure out which is the Tory party in this House.

Mr. Deputy Speaker: Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

ROUTINE PROCEEDINGS

[*English*]

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

CONCURRENCE IN SECOND REPORT OF STANDING COMMITTEE

The House resumed consideration of the motion of Mr. McCleave that the Second Report of the Standing Joint Committee on Regulations and other Statutory Instruments, presented to the House on Thursday, February 3, 1977, be concurred in.

Mr. Baldwin: Mr. Speaker, just before five o'clock I had responded very briefly to what I consider to be a very smug and fatuous statement by the Minister of Justice (Mr. Basford). He said that this system of governing by order in council regulation cannot be too bad because nobody is suing the government, because no one is taking the time and the trouble to bring the government to court. What a stupid and fatuous thing to say.

As I pointed out, it is a pretty big job to take City Hall to court. First, you need to know that you have a right. Second, you need to have the determination and the money to go to trial. Third, you have to know on what your rights are based.

For over a year the standing joint committee has been frustrated and inhibited by the refusal of a number of departments of government to tell us what rights they are operating on, the basis of their declaring that certain orders in council have been passed and showing us the orders in council. If the co-chairman of the committee, the hon. member for Halifax-East Hants (Mr. McCleave), and the co-chairman from the other place, were unable to find out what kind of orders in council and what documents the government was basing its operations on, what chance has the ordinary person on the street?

This was a good committee. My friend was a very good co-chairman, as was the co-chairman from the other place. They worked together. It was a committee where politics was hardly present. Shortly after its organization we had a tremendous task to undertake on behalf of the people of Canada. The committee members worked together very well. It was not a case of being frustrated because of politics in committee.

The committee was united in its determination to get to the bottom of this problem. If we could not do it, what chance has the ordinary individual, the farmer from my country, the fisherman from Newfoundland, the storekeeper, or the person in the factory?

In a great many instances it is not a case of being able to sue the government. It is not a case of the government acting illegally or in a way which is ultra vires. It is a case of a government having the power like a gigantic monstrous operation and using that power unjustly and inequitably. That is the kind of thing that affects people.

The woods are full of situations and cases. For example, people are to be deprived of saccharin. We will not know until the facts are disclosed whether there is a good case for it or not. However, thousands of people have been placed out of court. They have no opportunity to challenge this because the government has acted under statutory instruments, legally passed, properly enacted, and under regulations which have been dealt with under the enabling powers.

As I said before five o'clock, we all know of thousands of cases. There is not a member of this House who cannot put a finger on a dozen cases which come to his attention every time he returns home. What about the Indian people in Yellowknife who have probably been slowly poisoned by taking arsenic waters from the lake there? All this is controlled by regulations and statutory instruments. What of the AIB regulations? How we are controlled, as far as wages and prices are concerned, is all done under statutory regulation.

For the minister to make the absolutely stupid remark that what the government is doing must be all right because no one is suing the government, is not a defence that will not stand up for consideration.

The minister also said that this is a comparatively new problem. He said they are facing up to it, and doing what they can. I gave the minister credit, and I repeat it now. In his appearance before the committee the minister at least discussed with us some of the more minor problems that we have

been having. But I put it to you, Mr. Speaker, that it was not until the committee got to the stage at which it was going to make its report and indicated that it would be debated in the House that we had a chance to get the minister before us. For far too many months we had been completely frustrated by our incapacity to get to grips with many of the issues to which reference is made in the report.

I said earlier that we had waited 12 years before reaching our present position. Are we to wait another 12 years before the government moves to deal with the difficulties which the committee has now outlined?

● (2010)

As my hon. friend mentioned, 40 years ago there was a committee set up in the United Kingdom, the Donoughmore Committee on Ministers Powers. On page five of that committee's report there is a reference to a report of another committee set up in 1931 and I will read this interesting statement into the record because it demonstrates the whole problem:

> The most distinctive indication of the change of outlook of the government of this country in recent years has been its growing preoccupation, irrespective of party, with the management of the life of the people. A study of the Statute Book will show how profoundly the conception of the function of government has altered. Parliament finds itself increasingly engaged in legislation which has for its conscious aim the regulation of the day-to-day affairs of the community, and now intervenes in matters formerly thought to be entirely outside its scope. This new orientation has its dangers as well as its merits. Between liberty and government there is an age-long conflict. It is of vital importance that the new policy while truly promoting liberty by securing better conditions of life for the people of this country, should not, in its zeal for interference, deprive them of their initiative and independence which are the nation's most valuable assets.

That was in the United Kingdom 40 years ago. In a short time I shall ask the House to consider some of the bills which the government has asked parliament to deal with in the present session to show to what extent it now proposes to intervene even more massively into the everyday affairs of the people. Consider the enormous growth and power of the civil service between 1931 and 1977. At the snap of his fingers, upon a mere whim, a civil servant can make decisions which affect the lives of thousands of people. This has become a disease, a disease which, in my opinion, is malignant, and I do not think parliament will survive much more of it.

Some of my hon. friends opposite were at a meeting in Toronto over the week end. I can understand that. I am not going to disparage it in any way. It was a thinkers' meeting. The Prime Minister (Mr. Trudeau) made one or two of his philosophical statements. It was not a successful meeting. Supporters of the government met people, thinkers, from all over Canada who came fresh to that meeting from contact with their fellow citizens, and I am sure they told the Prime Minister and the others they met that the mood of the country is not good. I suggest that members opposite should not take the Gallup Poll too seriously because it does not take that mood into question.

People are sick to death of being pushed around by bureaucrats on a day to day basis by means of regulations which they feel powerless to alter. It amounts to government, not by statute, but by order in council and by regulations about which even many of us in this Chamber know nothing. I believe that what happened in Quebec was this: the people took a look at a government which was behaving precisely in that way; they looked over the litany of scandal, secrecy and autocracy which characterized their government, and decided to throw it out. I believe the electorate will do the same to the Government of Canada, and for the same reason.

There is no doubt about it; unless the government straightens up and cleans up the mess it has created and which lies, now, at its own doorstep, the people will get rid of it. They are fed up with things being done in the name of democracy which constitute something entirely different. Parliamentary democracy has yielded to prime-ministerial dictatorship made possible because of the ability to govern through orders in council and regulations of the kind we are considering.

I told the House earlier I would refer to instances where this is happening during the present session. At the end of last week there was a debate on $1 items. A supply bill contained 52 $1 items which, in many instances, would permit government officials to state the terms under which uncounted millions of dollars are to be spent. By a very wise decision, Mr. Speaker reserved the right of the House to challenge these provisions from time to time. This was not the first time such a thing had happened. Our committee has demonstrated that between 1971 and 1976 104 similar items appeared of a similar nature. I do not believe the government has altered its ways. I think it will continue doing this kind of thing.

Then there was the telecommunications bill, Bill C-43. I do not intend to outline the enabling and regulation-granting clauses of that bill, but it is a measure which removes virtually all controlling power from the CRTC and places it in the hands of the minister and the government. This is a dangerous prospect, and I do not believe the people of Canada should look lightly on a bill which gives power of that kind to a political party forming the government.

Then there is Bill C-27, the bill dealing with unemployment insurance and the changes in the department. Again more power has been taken by the minister. Some illustrations have been given already. The co-chairman of the committee has given an indication of what the Unemployment Insurance Commission was doing. It was established to our satisfaction that applicants for benefits under the act were required to show, to the satisfaction of the officials, that they had made reasonable efforts to find "comparable employment". And we were told that there were in existence secret guidelines, in the hands of officials of the Commission, by which judgment was made as to whether or not an individual had indeed made the necessary effort to secure other employment. We ourselves were not able to see those guidelines. We know they exist, though, and I think it is a disgrace that people who may well be entitled to certain benefits should be deprived of the opportunity to find out precisely what criteria they have to meet in order to become qualified.

Not long ago the amendments to the Immigration Act were dealt with. There is no question that under the Immigration Act the minister can issue directives which do not need to be

called regulations, and by virtue of which officials at the border have complete discretion as to methods of controlling the flow of immigrants to this country. The new act which is before us will go even further. It will place almost dictatorial power in the hands of the minister which, in practice, means in the hands of his senior officials, to direct the flow of immigrants to any part of the country without their decisions being in any way liable to challenge in the House.

Then there is the combines legislation which is going to committee shortly. Power is being taken away, in this case from the courts, and placed in the hands of a commission which will have tremendous authority to deal with the everyday economic affairs of a great many corporations and individuals.

Finally, there is the Transportation Act. I have left this until last for a definite reason. There is no question that the Transport Commission is to be divested of most of its authority and that this authority is to be placed in the hands of bureaucrats at the higher level in the department. I just so happens that there are comments on this by a man who is very well versed on questions of transportation and who also knows something about the bureaucracy. John R. Baldwin, under date of January, 1977, presented a seminar paper to the Canadian Transport Commission. Mr. Baldwin was for many years a very valued and respected civil servant. He was deputy minister of the Department of Transport and he ended his career in the public service as president of Air Canada. He has been a mandarin, but he has also been a working civil servant. He has been out of the political sphere for some time.

● (2020)

What does Mr. Baldwin say about the proposals contained in the new transport bill? On page 4 I read this:

> In spite of the long slow move to greater recognition of the importance of normal economic processes, recent trends to strengthen the role of the bureaucracy at the expense of the operator, of Parliament, of the regulatory agency and even of the cabinet cause concern.

That is the statement of a man who, as I say, has been a deputy minister and president of one of the great air carriers of Canada. He continues:

> The trend is typified by the increasing concentration of power, as defined by statute or regulation, in the hands of Governor in Council or the Minister. This means, more often than not, the advice of the bureaucracy and is leading to a bureaucratic discretionary authority that is some cases should belong to the legislator or, in other cases, to the regulatory agency rather than departmental officialdom. This, if unchecked, could lead to a greater interference with normal processes in transportation;

We then have the human rights bill. With all the exceptions and the rather vague definitions contained therein, human rights will, in effect, be what the minister declares them to be from time to time, almost on a day to day basis. By "the minister" we mean, of course, the officials who advise him.

I have given the House five items—the $1 items, the Immigration Act, the unemployment insurance changes, the National Transportation Act, and the human rights bill—which this year the government is demanding parliament pass and which will divest us of the opportunity to do the job we were sent here to do on behalf of the Canadian people. These items will pass unless some of my hon. friends opposite become alarmed at the kind of authority they are prepared to give to the government. I do not care whether the government be Liberal or Conservative; I would not give those powers to any government, though certainly not to a Liberal government which has had some 45 years' experience of misusing power. Unless my hon. friends opposite are prepared to challenge the government on those items, by the time this session passes into history the government will become one of the most powerful governments in terms of the bureaucracy and its capacity to intervene, without challenge by the House, in the affairs of the people of Canada.

It is this kind of thing which leads to the deterioration of the democratic process. People become cynical. They are cynical because of this kind of situation. They mistrust the government. Any one of us who goes home on a weekly basis and talks to his constituents hears about this sort of thing. Gallup polls show it. I suggest that the time has come for us to face this challenge and to do something about it.

I agree with what has been said by speakers heretofore. You cannot turn the clock back. For one reason or another, be it good or bad, we have permitted or encouraged government to engage in this sort of interference in our lives. What we have to do is to set up a means of making the government accountable. The government must be prepared, as one of my hon. friends has suggested, to set up a statutory committee, so that when we pass a bill giving these kinds of powers to the government that statutory committee will have authority to examine the basis upon which those powers are given, how they are exercised, and what effect they are having. We simply cannot afford to sit back idly any longer and allow the government to have this authority without compelling the government to come to a committee of the House, or to the House itself, and to answer for what it has done by producing an accounting of its stewardship and how the government has acted and conducted itself in connection with such powers.

I am going to conclude, Mr. Speaker, by making some suggestions. I think that in an issue of this kind it is not enough to scold the government. It does not take any great orator to show how many mistakes the government has made in this regard. I say to hon. members opposite that this is their parliament. This is their country. The people are theirs just as much as ours. Legislation should not be passed simply at the whim of senior bureaucrats, admirable people thought they may be. We have heard from one of the most senior bureaucrats of all in the person of Mr. John Baldwin about how he saw the dangers which are present in this situation. Therefore I would urge my hon. friends opposite to give serious thought to this question and to tell the government, either in caucus or in the House, that it cannot go this far; or that if the government does go this far, that it must somehow give to committees of the House, or to the House itself, the opportunity to challenge people who pass regulations. Then those people will know when they pass an order in council or a

regulation that they have to account for the exercise of the power they have given themselves under regulation.

I do not think there is any magical cure for this. Government being what it is there will always be misuse of power. But as I said earlier, Mr. Speaker, there should be statutory committees. For example, I do not think we should pass the bill amending the Transportation Act without including a provision for the establishment of a committee which would ride herd on the extent to which the government makes use of the power to use the order in council procedure, what authority it gives, and how it has conducted itself in implementing the regulations.

The scrutiny committee—that is, the joint standing committee—must be strengthened. It is not for us just to bring in reports. I would go further than my hon. friend from Halifax-East Hants and say that it is not enough to bring in a report perhaps once a session. The authority should be granted, either by statute or amendment of Standing Orders, so that when our committee comes to a decision that the government has acted inequitably, that it has breached the rules of natural justice, that it has made unusual and unexpected use of some power, or whatever may be the case, that we should be entitled to bring into the House a petition seeking to have that order in council amended or set aside. I do not think there need be too many.

Some of my hon. friends in the government may say that this will take too long. It is my experience as a member of this House, having observed the machinery of government, that if the civil servants who draft these regulations and enforce them knew that the orders in council that they produced to their minister for signature by the governor in council could, in due course, be brought into the House after committee examination, and a thorough and detailed study made of the extent to which they had been used, this would be a very salutary brake. It would be a silent policeman on the inequitable abuses of the capacity of government to govern by order in council.

● (2030)

Committees should have the power to call witnesses, but under what is known as Crown privilege any minister can say that he will not allow a civil servant to be called. This is a power which has been exercised. He can say that he will not allow civil servants to produce documents if he does not want them to do so.

We had a situation a week ago when an agent of the Department of Justice appeared before a provincial tribunal and said "I want a blanket exemption and blanket immunity for every civil servant whom you have called as a witness before you." What gall, what a travesty of justice! The Department of Justice headed by a member of this House, a constitutional adviser to the government, says "I won't allow civil servants to be called to give evidence." What right have they to have immunity different than that open to the rest of us? That is the sort of thing governments claim as a right and that has to be taken away.

There must be much more care taken in the drafting of orders in council. They should be drafted by people who have a common experience. One only needs to look at the thousands of orders in council. My friend from Halifax-East Hants said that our committee had looked at a little over 1,000 of them. My understanding is that during the course of one year there are between 3,000 and 4,000 orders in council regulations passed, aside from countless directives which do not qualify under that title. I think there should be some common approach in the drafting of these so that people will know what they are up against. There should be notice published, not only in the *Canada Gazette*, but in newspapers in areas where people will be affected.

We all remember the story of the Roman emperor who was called upon by law to have his laws engraved on tablets of stone. He did so, but had them hung up so high that people could not see what was on them. This is the trouble today. There are very few people, even in government, who know how many order in council regulations are passed, where they are hidden away, and what effect they have. There must be publicity. There must be some changes on the question of judicial review. At the moment we can only have judicial review if there is a question of something being ultra vires. People will have more confidence if there is a simple, inexpensive method of challenging some of the regulations. People have more confidence in the courts than they do in some of the tribunals.

I have tried to keep this debate on a non-partisan level, just as it has been in the committee. I suggest to my hon. friends opposite that if they believe a parliamentary democracy is the least dangerous of all the systems of government which man has invented, then they have got to do something about it. We on this side have been doing the best we can. I am convinced that dozens of laws are passed every session which do not have the approval of the majority of the members of the House, but because the government side feels compelled to go along, they do so. Then we have a situation where provisions for orders in council are included in the enabling powers in those bills, and are entrusted to our public servants.

Public servants are not bad people. They are not dishonest people. But sometimes when they get into the highrise towers of power and get their hands on the levers of power, they run wild. If our system is to survive, is to flourish and is to have that capacity for creativity to make this House of Commons a place of light and learning, rather than what it is today, then a lot of the responsibility lies on the shoulders of hon. members opposite. They have a very considerable responsibility. If they fail in that responsibility, then the people of Canada will well and long remember it.

Mr. Goodale: Mr. Speaker, I consider it an honour to be able to participate this evening in a debate on this important subject, and particularly to have the opportunity to follow my learned friend from Peace River who has, in the course of the last few minutes, made a valuable contribution to this debate. I do not intend to take a long time this evening because I think there are other members of the House, particularly those who

have participated in the work of the committee, who want to address a few remarks to Your Honour. However, there are just a few comments with respect to the work of the Standing Joint Committee of the House of Commons and the Senate on Regulations and Other Statutory Instruments which I would like to make.

My first words have to be ones of commendation for the work of the two co-chairmen of our committee, the hon. member for Halifax-East Hants (Mr. McCleave) and the Honourable Senator Forsey. Indeed I would like to commend all the members of the committee who have worked so hard in the preparation of this report we are discussing today, and who have established a solid tradition of conscientious scrutiny of the subordinate legislation which emanates from the various departments and agencies of government.

The report is a major work. It represents months of detailed effort. It is breaking new ground in many respects. In regard to some of the criticisms which have been offered, and no doubt will be offered about the report, it is important to bear in mind that in many cases the report, in Canadian experience is plowing new ground. It covers an enormous amount of ground. It is difficult to deal with all of its aspects in one comprehensive debate, or perhaps in one all-encompassing vote on concurrence. There is just so much included here that it is impossible, really, to come down to a bottom-line single word yea or nay judgment call with respect to all of it.

In fact the voluminous nature of the report has been outlined by the co-chairman this afternoon. All of the work, the consideration and compromise of members and Senators, which went into its drafting reminds one of that old tongue in cheek definition of a camel, which is described as a horse but one designed by a committee. Perhaps that is a little bit of what we are dealing with this evening.

Mr. Baldwin: I would have thought designed by bureaucrats.

Mr. Goodale: I do not mean to be unkind in using that definition. That is part of our problem that we are dealing with in this report. Perhaps we are dealing with one of those proverbial Committee camels. This is an essential problem in trying to come down to a single conclusion about it.

As I mentioned repeatedly during the deliberations of the committee—and this is clearly included in the minutes of the committee—I for one do not agree entirely with some of the analysis, methodology, and conclusions of the committee as expressed in this report. I would like to take a few moments this evening to express a few of my reservations. In doing so I do not mean to deprecate the sincerity or the considerable good work of committee members. However, I believe the House should be aware of the defects which some of us believe exist in the criticisms in this report.

First of all, I would like to comment upon the over-all tenor and tone of the report, the general impression which is conveyed by some of the language which is used, and the peculiar emphasis it gives to the instances where the committee claims the regulatory system has broken down. In some serious respects the report is prone to overstatement. The language used, in some cases, is pretentious to the point of being incomprehensible in some sections. It almost borders upon the sarcastic. I want to emphasize that I am not making that as a blanket condemnation of all aspects of this report, but there are some sections which are impaired by that kind of language usage. It demonstrates a flair for a colourful or super emphatic turn of phrase, and that does not do anything particularly to enhance the credibility of the report. To support that contention I would make only one rather homely reference to statistical facts which are set out in the report itself. I would draw the attention of members to paragraph 6 which appears on page 2. It points out, at that point, that 1,348 cases have been reviewed in the committee's work since July 15, 1976. Of those cases, 689 have been objected to, queried, or found to be in need of further explanation. Of these, 487 have been answered by the government, and 202 were awaiting reply at the date of the reports. Of the responses which have been given, only 24 have finally been considered by the committee as defective.

● (2040)

Even if the committee's view is 100 per cent correct with respect to each of the perceived defects in those cases, even if the committee is absolutely infallible in its approach to the problems which it sees, that represents a failure rate of only 5 per cent of the instruments objected to and for which replies had been received. To look at it in another way, it amounts to a failure rate of less than 2 per cent of all the instruments that have been reviewed. Yet, despite that rather slim numerical basis, the report of the committee seems to me to be unfortunately couched in rather pompous language, as I have mentioned, which seeks to condemn government action in broad and sweeping terms. In places the language used would appear to seek to convey pretended importance far beyond any basis in fact. I admit that some of this may simply be explained away as a matter of style or writing. But to my mind it renders the report less readable and less comprehensible, and seriously detracts from the credibility that a work of this kind should certainly have.

Secondly, on a more important matter, I should like to mention a problem to which I referred during the course of the committee's deliberations, and this has to do with the preoccupation which the committee seems to have had with legalistic debates between the committee's counsel and rather junior legal or instruments officers in various departments of government. What we have seen in some of these cases is a failure or refusal of the committee to "go to the top", so to speak, to a senior departmental official or to the minister himself to pursue an objection and seek satisfaction.

If this matter, which we are discussing this evening and which the committee has discussed for so many months, is as important to parliament and to good government in Canada as we say it is, then we as a committee should be more diligent in prosecuting our various cases with senior people in responsible positions in the departments which concern us. If we are going to make sweeping denunciations of ministers, departments, and government practices generally, and that seems to be the

tenor of much of the report, then before we make those denunciations we had better make sure that we as a committee have taken our complaints to the minister or his senior departmental people for redress and found them lacking. If that had happened in all the cases about which we have complained, I think the authority of the report would have been greatly enhanced. Instead, in many instances we seem to content ourselves with dealing at a rather junior level and getting involved in some legalistic debate between instruments officers. This may be explained by the fact that the approach of this committee is a new approach, that we are plowing new ground. But certainly that is a recommendation for the future which we should bear closely in mind.

It may well be that ministers in some of the departments which have been particularly criticized, or at least criticized by implication, are not at all aware of the legal battles going on at some lower level in their departments. Yet in this report, even though they may be unaware of what has transpired, we make them at a senior level "carry the can", so to speak. This is a serious flaw and it undermines the strength of the committee's complaints.

I have noticed, in reviewing some of the work of the committee, that this point was drawn to the attention of members on many occasions in the past. In fact my predecessor as parliamentary secretary to the president of the privy council, who has now joined the government in the capacity of Postmaster General (Mr. Blais), suggested a very useful procedure to committee members more than a year ago to avoid the criticism of our dealing at a lower level of authority, and refusing, or failing to go to senior officers in departments or to ministers to seek redress. Unfortunately his suggestion was not acted upon. I hope, as a result of the further work of the committee, and perhaps of some comments this evening, that in future that kind of recommendation will receive more attention, and that if we do have a serious complaint that is as important as we say it is in this report, then we should certainly pursue it with senior people.

Thirdly, as a point of concern about this report, for me at least, I regret the rather short shrift given in the report to the appearances before us during our committee proceedings of the Minister of Justice (Mr. Basford) and to his recent letter to the committee, portions of which are quoted in the report. They are found in paragraph 80 on page 26. The minister spoke earlier today in this debate and gave an excellent and learned defence of his position. I do not intend to review all the ground that he covered in his speech. I think his letter and his evidence to the committee, as well as his speech today, deserve close attention by members of the committee. They hold out considerable hope that in future some of the problems which we have felt in the past will be alleviated.

In his letter, and again today, the minister outlined a new system for dealing with committee inquiries. He suggests that we deal at a more senior level than we have in the past, and proposes a procedure to be followed. He indicated that he has the approval of his colleagues in cabinet and their support for the position which he has taken, which is certainly one of co-operation and indeed, I suggest, supports the work of the committee. The impasse that we have complained about in the report appears to have been broken by what the Minister of Justice has said. But at the very least, I think, the positive, constructive and practical response we have had from the minister should offer the committee some hope and some reason for optimism. But again, despite the fact that the minister's letter was before us during our deliberations on the drafting of this report, as evidenced in some of the terminology used, there has been a tendency to "slough off" or at least to "downplay" what the minister has had to say. Again I would suggest that this tends to sap the committee's credibility and it impairs the impact of our work.

Mr. Ellis: You have said it three times already.

Mr. Goodale: I regret the sweeping cynicism that may have been evidenced in that last interjection, and which certainly seems to be apparent in some of the statements in the report which have been largely based on old business conducted at a junior level in the bureaucracy, and based upon experience which predated the minister's proposals for improved procedures.

I would also like to mention—I do not do so to raise a procedural problem and I do not propose to make a formal motion or take formal action as a result of mentioning these items—some procedural flaws of a technical, but important nature which may defeat some of the impact of our report. They may indicate that some of the things upon which we have pronounced ourselves were indeed not within our terms of reference.

We have a full mandate to peruse and criticize subordinate legislation, but I am not convinced that we have a mandate or jurisdiction to comment on the very method which parliament has chosen of delegating responsibility, nor do I believe we have been charged by parliament with the responsibility to challenge the Statutory Instruments Act itself. Our views may well be very helpful in future to the minister or to the government with respect to these items. Indeed, in a letter to the committee the Minister of Justice invited us to pass along any views we might have. But I do not think those views, and these opinions on matters upon which there is perhaps some doubt, would fall within our terms of reference. If we had advice and opinions to make known about those items, perhaps we should have chosen a different route in order to make them known to the government, to the responsible ministers, and indeed to the bureaucracy. By including them in our report, from a technical point of view perhaps we exceeded our jurisdiction and our mandate as given to us by parliament.

I would like to make one final point in closing, and that is a plea that in this debate tonight and, more important, in the future deliberations and work of the committee, we stress a practical and realistic approach to our problems and perhaps avoid some of the academic or theoretical debates which perhaps in the past have hung us up to a certain extent.

● (2050)

I think the committee has done good and valuable work, and what it has to say will no doubt lay a solid foundation for future contributions to our system of parliamentary democracy. As I have indicated, the beginning has not been perfect. I think I demonstrated that in my few comments this evening. As I said, my comments are offered as constructive criticism and advice. I hope they will help because this committee, in which I have enjoyed participating, has important work yet to do, and in order to do that work in the best way, and in order to discharge our mandate to parliament, and through parliament to the country, I think we should bear in mind the need to approach our task in a conscientious way and also in a practical way to ensure that in real terms we are discharging the mandate which has been given to us by the House of Commons and by the Senate.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, I have listened to the debate today as a layman wondering what this committee has been doing for the last while. I listened to the legal, dry-as-dust presentations on this great study, and every moment I listened I became angrier and angrier because here we are witnessing an effort by a very sincere group of people from all parties to find out about the injustice in our system, and there is injustice. They presented, in what I thought to be a very moderate way, some proposals which I did not hear discussed on the government side. I heard some statements today which shocked me, in view of this study about how these instruments or regulations—or whatever we want to call them—are being used as a method of injustice in a so-called democratic society. The Minister of Justice (Mr. Basford) stood up today and said he was here representing his clients, the people in his department. Why is he not here as an elected representative representing the people of Canada?

Some hon. Members: Hear, hear!

Mr. Hamilton (Qu'Appelle-Moose Mountain): The parliamentary secretary who just sat down sympathized with the ministers because officials at lower levels do things about which ministers do not know, and for which ministers are blamed. Why should they not be blamed? Ministers have the power to punish, dismiss, move sideways, upwards or downwards people who do harmful things, but the fact is that ministers, with the support of some spokesmen in the House today, are not doing anything to check and control the servants of the people. That is the essence of why it is important to look at these regulations to see if there is something we can do to take away the sting of their injustice and, when they are brought to light, to take countervailing action.

As this House knows, I have been in this fight for many years. I have fought as a minister and I have fought as a member of the opposition. In Canada in the last 40 years we have moved to the point where our so-called democratic institutions have turned over all effective power to civil servants who are not responsible to the people directly. If the Canadian people had been here last Friday when we were debating metric conversion, they would have realized that we were debating an issue which should not even be a matter of controversial debate. We were debating whether we should put the system in arbitrarily, knowing the opposition of the people, or put it in slowly. One would think that would be a matter of judgment, but it is an article of faith to hon. members opposite that because the Metric Commission has said that in Australia it was adopted rapidly, we have to do it rapidly here. It is this attitude on the part of hon. members opposite that is getting to us, and I hope getting to the people of Canada.

I am going to give just two illustrations of what has been happening in recent years. I have gone to ministers privately, I have gone to senior civil servants privately, I have asked questions on the order paper and questions in the House orally, and these two cases are not the dry-as-dust type of cases a legal man faces when he appears before a supreme court justice. These are cases that hit your very guts.

Some years ago this parliament passed legislation, which was supported by all parties, providing that children up to age 16 should have the right to family allowances. Parliament said that whether a child's father is a millionaire or his mother is a millionaire, or whether they are paupers, that child should receive $20 a month in family allowance, to ensure there was no injustice. Granted, in the case of those with wealthy fathers some of it would come back in taxes. As I say, this parliament, with all its majesty and power, passed a law providing that every child, regardless of the wealth of his parents, would get $20 a month in family allowance.

What did the civil servants in the Department of National Health and Welfare do without telling parliament? What did they do without even telling the minister? They quietly slipped through regulations which said that every child up to the age of 16 shall have family allowances except one class of children, and that one class of children is made up of orphans. If any child, or group of children, loses both parents, under the regulations as they exist, and as drafted by civil servants in a room by themselves, and promulgated by order in council, that child or group of children loses the right which parliament gave of having family allowances. That exists today in Canada. When I raised this matter with the minister, he was shocked, as he should have been shocked. He said he would take it up with his civil servants, but the answer came back that that could not be changed because it is a regulation. The minister took the matter up with his civil servants, but they said it was a rational regulation, that every day people are dying, that when they die they leave estates, that whether a child is three, two, five or eight he gets the estate of his parents and that he is then an adult.

The regulation says that if a parent has an estate of $1,600 or more, a child is no longer a child in this country; he is an adult as far as family allowances are concerned. That was not done by parliament; it was done by civil servants with a parliamentary secretary saying, "Yes, Sir; no, Sir; when shall I sit down, Sir; and how high shall I jump, Sir?" When I raised this matter with the minister and asked what the reward of the deputy minister involved would be, I learned that he was promoted. There is a place for the recommendations of a

committee like this. These things could be put before this committee. It is a prestigious committee, and it should be given publicity. Have parents who have children who are alive and well ever been told that those children would lose the family allowance if both the father and mother die? No, no one tells them that. Grandparents do not want to die with the knowledge that if their grandchildren should be left without parents they would grow up with fewer advantages than other children. This is an example of the gut-wringing type of thing we hear about.

● (2100)

The hon. member for Peace River (Mr. Baldwin) and the hon. member for Halifax-East Hants (Mr. McCleave) speak in the dry terms of the legal profession; I speak in terms of the human suffering, misery, and injustice that this type of regulation causes.

As the hon. member for Peace River pointed out, every member of parliament knows of such cases. I for one cannot do as the hon. member for Assiniboia (Mr. Goodale) suggested and just go to the minister and get the problems resolved. I have to deal with the civil servants who maintain that there is no way around the regulations.

Let me give another example that effects every member of this House and his family. There is a regulation in the Department of Transport to the effect that any company carrying passengers by air in Canada—whether it is Pacific Western, Air Canada, Canadian Pacific Airlines or any other—must carry passenger insurance. That is the will of the Canadian government, and it is a good regulation. If my memory is correct, the amount of insurance is $45,000. It is not really necessary to take extra insurance for air travel as it is already provided by this parliament. But what happens if there is a crash, such as there was on the Canary Islands yesterday, and parents are killed? This regulation is not enforced because the insurance companies will only pay when liability is established.

How many dependants of the more than 100 Canadians who died in a Toronto crash four years ago have been paid? Every member of parliament gets an airline pass to his constituency every week and is automatically insured for $45,000, but if he is killed the insurance is not automatically paid to his dependants unless the liability of the airline is established. In the case of Air Canada and the Department of Transport it would be necessary to bring suit in two courts because one of them is an agency of the Crown. It costs about $50,000 or $100,000 to bring a suit, so the ordinary person—or even the wealthy person—has no chance of claiming the insurance. The only thing they can do is combine to bring suit.

Even though the suggestions made by the hon. member for Peace River are not perfect, they are moderate, positive, and constructive, and this House should listen to them. I do not think his could be called a political speech.

On the basis of the two types of regulations that I have brought to light this evening I should like to see parliament do what other legislatures have done, and set up a statutory committee. That just means that the government cannot stop the committee from meeting; that the committee is set up by statute and not by the will of the government. The committee would have the power to look at all the regulations and, where there was injustice, make it known and let the pressure of public opinion have its effect.

To the layman listening to this debate today I think the matter of a committee looking into statutory instruments would be regarded not as a legal procedure but as something responding to deep human feelings. These deep human feelings come to the fore when particular cases are under scrutiny. I have given examples of two cases and I am certain that almost every member and every party could give others.

I think the government could accept this report without harm to its prestige. It could accept this report and not just say, "everything is going well." It could let us have a statutory committee. Australia has one—not on this subject but on another. The province of Saskatchewan has the device, along with a statutory committee, of saying the House cannot adjourn as long as there are any matters before the statutory committee, and that forces the civil servants to divulge information in order to get rid of the legislators. It takes someone with the technical mind of the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) to think of an amendment like that. With the combination of the statutory committee and the practical idea of the New Democratic Party in Saskatchewan that the legislature cannot adjourn until the answers are forthcoming, members are able to get hold of the short hair of some of the civil servants and so get their answers.

This is not just a debate on a dry academic subject; it is the meat, and flesh, and blood, and guts of the human being. All we are asking is that we be given a chance to deal with these injustices in our regulations and other statutory instruments.

● (2110)

[*Translation*]

Mr. Albert Béchard (Bonaventure-Îles-de-la-Madeleine): Mr. Speaker, in the last twenty-five years and particularly the last fifteen years, our society has developed as a result of technology which has tremendously progressed during the last World War. Since then it has made giant progress. I just have to mention, for instance, the advent of television and its introduction in almost every Canadian household, the development of communication satellites which allow Canadian people, and particularly those interested, to follow a surgical operation made in Newfoundland from Montreal, Quebec City, Sept-Îles, Gaspé or even Magdalen Islands. It is even possible to communicate with the surgeon and give him some advice. In Canada, development makes also possible a quasi-universal access to post-graduate studies and travelling abroad for more and more Canadians.

Students exchange travels are also encouraged not only between provinces but at the international level. Mr. Speaker, all this contributed to increase the demand for information among people. The Canadian citizen wants to know what

happens and how and why his government, paid with his taxes, takes such and such action or how its public administration makes it act in such and such a way. The Canadian citizen wants to know, for instance, if the increase in postal rates proclaimed by order in council last year was made pursuant to legislation.

The fisherman from Gaspésie, Magdalen Islands, Mingan Island or Sable Island, from Burin-Burgeo, Humber-St. George's-St. Barbe, Lunenberg, wants to know what kind of boat, of which length, what kind of net he will use this year. He wants to know that before, not after the season starts. He also wants to know what quantity of fish, what quantity of cod, of seabast he will be allowed to land and what size lobsters he will take during the next season.

The fishermen who take part in the seal hunt, for example, are subject to a heated controversy. My colleagues will permit this digression because I cannot help talking about this seal hunt which gave rise to shattering and shocking lucubrations which compromise the reputation of Canada and which are made by people who do not even know what they are talking about. They, and incidentally she, had better keep their mouths shut instead of coming to Canada to publicize not only a man but also a European business.

Mr. Speaker, I see you are impatient and I come back to the subject of the debate. The seal hunters need to know beforehand, and not in January or February, what will be their quotas. Costal fishermen have a right to know how many seals they will be entitled to kill during the next season.

He is entitled to know what type of boat of what length he may use to go seal hunting. And as I said he is entitled to know not long before the beginning of the season, perhaps during the fall.

And in the midst of such an abundance of modern media, governments alone remain frozen in their self-centered and jealous tendency to hang on to their prerogatives. There is not one member here who is not aware of such government attitude, whether it be the present administration, the one before or any other administration we had in Canada. When we ask that some correspondence, some document, some report be published, the response is: "Sorry, the document requested by the hon. member is confidential because it is an interdepartemental, intergovernmental or interministry document, or because it involves national security or national defence. We ask the hon. member please to withdraw his motion."

In the face of such secretiveness, however, commendable in purpose although in many cases antiquated and anachronic beyond words, the 28th Parliament, inspired by a legislation or declaration by the late former Prime Minister the right hon. Lester B. Pearson, under the sponsorship of the then minister of justice the Hon. John Turner, decided to put forward a piece of legislation providing a large degree of openness to allow for better public information.

It was not the end of the world. However, with the establishment of the joint committee to study regulations, we can at least rely on an institution which, in spite of the deluge of new regulations enacted each year it has to scrutinize, is acting as a watchdog or some type of ombudsman with rather limited powers. In the scrutiny of these documents care must taken not to frighten the civil servants that are charged with the preparation of these regulations, or have them follow the legal process up to and including passing or proclamation of such documents, but rather to call their attention to certain unwanted anomalies that may creep in. They do creep in our debates, so therefore they can creep in the preparation of regulations, despite the best of intents. Let us keep in mind also that the purpose of this exercise is to protect the taxpayer whose freedom and rights are more often than not encroached upon and trampled on because of his more or less adequate knowledge or rather his outright ignorance of the legislation and the related regulations which are enforced generally without any consultation with the people involved.

The duties we have been carrying out since the committee was established have given us the opportunity to note a great many faults and discrepancies in the legislation, faults and discrepancies which prevent us from studying more effectively the documents which are put before us. As a matter of fact, other hon. members have already examined a number of them during this debate. But on many occcasions, the committee had to cope with the stubbornness of civil servants within the legal branches of other departments which refer their files to the Department of Justice.

Contrary to what the Minister of Justice tried to infer this afternoon, our aim is not to criticize to the point of destroying these officials whose competence and dedication I do appreciate, but neither is it to let ourselves and the people we represent be destroyed. Public servants are moving forward, following a policy established by the Department of Justice. I suggest that the only way to promote more liberalism in the disclosure of legal opinions would be for the Department of Justice to develop new and less obsolete guidelines, more in keeping with a 1977 style public information system. I am probably being credulous to expect such an extraordinary thriftlessness. It is a fact however that without more co-operation from all those who have at a given time something to do with drafting legislation or attendant regulations, the committee is seriously hampered in its work, I would even say it is threatened with being choked.

The lack of specific definitions in statutory instruments has also been emphasized. Mr. Speaker, the committee has been functioning for almost three years, maybe more. And as yet it has been impossible, unbelievable as it may seem, to get a clear definition of statutory instrument. I believe, Mr. Speaker, that with all the legal experts who are working within the Canadian public service, some of them holding PhD's, it must be possible to enlighten us—unless of course such information is classified.

Mr. Speaker, concurrence by the government and later by Parliament in the recommendations of the second report now under discussion is essential to the intelligent and effective carrying on of the committee's work. As we are very understanding and familiar with the delays of public administration,

we do not want to delude ourselves but some of the remarks made by the minister during this debate are hopeful since they suggest to our satisfaction that our work was not worthless. We are unavoidably moving, in the interests of those governing as well as the governed, towards a more open information and a gradual unmasking, if I may use this term, a gradual unmasking of the whole myth surrounding government machinery. I am pleased to see at least one or two cabinet members who are listening at present, and they are most progressive. Secrecy is no longer in fashion, Mr. Speaker. It is more and more in governments' interest to act in the open. Of course I understand that some restrictions might exist in the area of national defence and security—and I am convinced of it—but they certainly do not apply in every single instance. Thus it is more and more in the interest of governments to act in the open. Injustices as well as so called scandals or even scandals and allegations of all kinds will be avoided in and out the House. Since the public foots the bill, it is entitled to that. It demands it. We must comply in as much as possible with this legitimate wish. And the sooner, the better.

● (2120)

[*English*]

Mr. Lambert (Edmonton West): Mr. Speaker, it is rather singular to find that those on this side of the House who are most interested in the subject we are discussing should be members who were first elected in 1957, or thereabouts. My hon. friend from Halifax-East Hants was elected in the same year as I was, 1957. My hon. friend from Qu'Appelle-Moose Mountain was elected in 1957, and the hon. member for Peace River (Mr. Baldwin) in 1958. And I know that others in the House, as their years of service in this Chamber lengthen, are becoming very uneasy about the implications of this debate.

In the other place Senator Forsey, when he was introducing this report, asked why members of the Commons and the Senate were only now bringing forward this material about orders in council. Mr. Speaker, it took a tremendously long time to convince the government that the committee should be set up. It took hammering after hammering. I was pressing the point in speech after speech, in committee of the whole and in debates in this House, objecting to the general powers we were giving to the government, in any and all bills. These representations have been taken up and emphasized in the findings of the committee. Also, on Tuesday of last week this party put forward a motion dealing with $1 items and condemning their use. In fact the Chair did find that two of these items were quite illegal. Another four of them, with a little more strictness, could have been thrown out, too.

But I should like to bring the attention of hon. members to section K of the report having to do with enabling powers under appropriation acts and, in particular, to paragraphs 104 to 113. Every one of them amounts to a ringing condemnation of the practice of the government in extending the use of $1 items. As has been pointed out, parliament is being asked, very often, under a $1 item, to give power to a subordinate official to do something, subject to the rules and regulations of that subordinate power, on the strength of a $1 item when there is not even the money there. I commend in particular the reading of paragraphs 112 and 113. As a matter of fact I shall read them into the record.

112. The Committee notes that power to make subordinate legislation is not granted in Votes in Appropriation Acts in the United Kingdom or in the Commonwealth of Australia and has concluded that it should place on record its opposition, as a matter of principle, to the making of delegated legislation under Votes in Appropriation Acts, whether under substantive or "dollar" Votes or under Votes used in conjunction with items listed in the Estimates. The Committee has made this position known to the Auditor General, the President of the Privy Council, the President of the Honourable the Treasury Board and the Minister of Industry, Trade and Commerce and has invited each to place his observations on the problems and practices now reported before the Committee. The Auditor General has replied in terms which confirm the Committee in its disquiet.

113. The Committee endorses the views of the Auditor General. If enabling powers to make statutory instruments are to continue to be granted in Appropriation Acts, the vote texts should be specific and unequivocal, and contain all the wording having legislative effect, with none being contained in the Estimates. Legislating by means of dollar Votes and altering the purpose of previous Votes by a number of successive Votes are practices with which the Committee does not agree.

The other day the government repudiated its own members. It repudiated its own members on this committee. One cannot say this loudly enough. It should be said loudly enough for all to hear. For the benefit of the Minister of Fisheries and the Environment (Mr. LeBlanc) particularly, I shall repeat it. He must hear it loud and clear.

An hon. Member: He does.

Mr. Lambert (Edmonton West): All that is contained in this report is for the benefit of the House and for the benefit of the government.

May I adjourn the debate?

Mr. Deputy Speaker: It is moved by Mr. Lambert (Edmonton West) that the debate be adjourned. Is it the pleasure of the House to adopt the motion?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[*English*]

STATUTE LAW (METRIC CONVERSION) AMENDMENT ACT, 1976

AMENDMENTS TO WHEAT BOARD ACT TO FACILITATE CONVERSION TO METRIC SYSTEM

The House resumed from Friday, March 25, consideration of Bill C-23 to facilitate conversion to the metric system of measurement, as reported (with amendments) from the Standing Committee on Finance, Trade and Economic Affairs.

● (2130)

Mr. Deputy Speaker: It being 9.30 p.m., pursuant to the order made earlier this day, it is my duty at this time to put forthwith all questions necessary to dispose of deferred divisions at the report stage of Bill C-23.

Call in the members.

[*And the division bells having been rung.*]

Mr. Speaker: Order, please. As indicated at the beginning of the consideration of report stage, there are eight report stage motions. All but motion No. 3 stand in the name of the hon. member for Moose Jaw (Mr. Neil). At the outset of report stage consideration I indicated it would be appropriate to group motions Nos. 1, 2, 4, 5, 7, and 8 for discussion and for one vote. This afternoon the hon. member for Moose Jaw indicated to me that it is agreeable to him that his motion No. 6, which is similar in principle to the other motions, also be grouped, and therefore a third vote would not be necessary. Therefore I will put the question on motion No. 1 and that result will be entered for motions Nos. 2, 4, 5, 6, 7 and 8.

The question then is on motion No. 1 in the name of the hon. member for Moose Jaw.

The House divided on motion No. 1 (Mr. Neil) which was negatived on the following division:

(*Division No. 29*)

YEAS

Messrs.

Alexander
Alkenbrack
Andre
(Calgary Centre)
Baker
(Grenville-Carleton)
Baldwin
Beatty
Benjamin
Blackburn
Brewin
Brisco
Cadieu
Coates
Crosbie
Crouse
Darling
Dick
Douglas
(Nanaimo-Cowichan-
The Islands)
Ellis
Fraser
Friesen
Gilbert
Gillies
Hamilton
(Qu'Appelle-Moose
Mountain)
Holmes
Howie
Huntington
Jarvis
Jelinek
Johnston
Knowles
(Winnipeg
North Centre)
Knowles
(Norfolk-Haldimand)
Korchinski
Lambert
(Edmonton West)
Lawrence
MacDonald (Miss)
(Kingston and the
Islands)
MacKay
Marshall
Mazankowski
McCain
McCleave
McKenzie
McKinnon
Munro
(Esquimalt-Saanich)
Neil
Nowlan
Nystrom
Orlikow
Patterson
Roche
Rynard
Scott
Smith
(Churchill)
Stanfield
Stevens
Symes
Wenman
Whittaker
Yewchuk—58.

NAYS

Messrs.

Abbott
Allard
Anderson
Andras
(Port Arthur)
Appolloni (Mrs.)
Basford
Béchard
Bégin (Miss)
Blais
Blouin
Breau
Buchanan
Bussières
Caccia
Cafik
Campagnolo (Mrs.)
Campbell (Miss)
(South Western Nova)
Campbell
(LaSalle-Émard-Côte
Saint-Paul)
Caron
Clermont
Corbin
Côté
Cyr
Danson
Daudlin
De Bané
Demers
Douglas
(Bruce-Grey)
Drury
Duclos
Dupras
Ethier
Faulkner
Fleming
Flynn
Foster
Fox
Francis
Gauthier
(Roberval)
Gauthier
(Ottawa-Vanier)
Gendron
Gillespie
Goodale
Guay
(St. Boniface)
Guilbault
Haidasz
Harquail
Herbert
Hopkins

Messrs.

Isabelle
Jamieson
Joyal
Kaplan
Lachance
Lajoie
Lalonde
Landers
Laniel
Lapointe
Leblanc
(Laurier)
LeBlanc
(Westmorland-Kent)
Lessard
Loiselle
(Chambly)
Loiselle
(Saint-Henri)
Lumley
MacDonald
(Cardigan)
MacGuigan
Marceau
Marchand
McIsaac
Milne
Nicholson (Miss)
O'Connell
Ouellet
Pearsall
Penner
Philbrook
Pinard
Portelance
Prud'homme
Railton
Reid
Rompkey
Rooney
Roy
(Laval)
Sharp
Smith
(Saint-Jean)
Stanbury
Stollery
Tessier
Trudeau
Turner
Watson
Whelan
Yanakis
Young—96.

Mr. Speaker: I declare the motion lost. I therefore declare motions Nos. 2, 4, 5, 6, 7, and 8 lost.

The question is on motion No. 3 in the name of the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton).

The House divided on motion No. 3 (Mr. Hamilton-Qu'Appelle-Moose Mountain) which was negatived on the following division:

(*Division No. 30*)

YEAS

Messrs.

Alexander
Alkenbrack
Andre
(Calgary Centre)
Baker
(Grenville-Carleton)
Baldwin
Beatty
Benjamin
Blackburn
Brewin
Brisco
Cadieu
Coates
Crosbie
Crouse
Darling
Dick
Douglas
(Nanaimo-Cowichan-
The Islands)
Ellis
Fraser
Friesen
Gilbert
Gillies
Hamilton
(Qu'Appelle-Moose
Mountain)
Holmes
Howie
Huntington
Jarvis
Jelinek
Johnston
Knowles
(Winnipeg
North Centre)
Knowles
(Norfolk-Haldimand)
Korchinski
Lambert
(Edmonton West)
Lawrence
MacDonald (Miss)
(Kingston and the
Islands)
MacKay
Marshall
Mazankowski
McCain
McCleave
McKenzie
McKinnon
Munro
(Esquimalt-Saanich)
Neil
Nowlan
Nystrom
Orlikow
Patterson
Roche
Rynard
Scott
Smith
(Churchill)
Stanfield
Stevens
Symes
Wenman
Whittaker
Yewchuk—58.

NAYS

Messrs.

Abbott
Allard
Anderson
Andras
(Port Arthur)
Appolloni (Mrs.)
Basford
Béchard
Bégin (Miss)
Blais
Blouin
Breau
Buchanan
Bussières
Caccia
Cafik
Campagnolo (Mrs.)
Campbell (Miss)
(South Western Nova)
Campbell
(LaSalle-Émard-Côte
Saint-Paul)
Caron
Clermont
Corbin
Côté
Cyr
Danson
Daudlin
De Bané
Demers
Douglas
(Bruce-Grey)
Drury
Duclos
Dupras
Ethier
Faulkner
Fleming
Flynn
Foster
Fox
Francis
Gauthier
(Roberval)
Gauthier
(Ottawa-Vanier)
Gendron
Gillespie
Goodale
Guay
(St. Boniface)

Messrs.

Guilbault	Loiselle (Chambly)	Prud'homme
Haidasz	Loiselle (Saint-Henri)	Railton
Harquail	Lumley	Reid
Herbert	MacDonald (Cardigan)	Rompkey
Hopkins	MacGuigan	Rooney
Isabelle	Marceau	Roy (Laval)
Jamieson	Marchand	Sharp
Joyal	McIsaac	Smith (Saint-Jean)
Kaplan	Milne	Stanbury
Lachance	Nicholson (Miss)	Stollery
Lajoie	O'Connell	Tessier
Lalonde	Ouellet	Trudeau
Landers	Pearsall	Turner
Laniel	Penner	Watson
Lapointe	Philbrook	Whelan
Leblanc (Laurier)	Pinard	Yanakis
LeBlanc (Westmorland-Kent)	Portelance	Young—96
Lessard		

● (2200)

Mr. Speaker: I therefore declare motion No. 3 lost.

Hon. Donald C. Jamieson (for the Minister of Industry, Trade and Commerce) moved that Bill C-23, to faciliate conversion to the metric system of measurement, as reported (with amendments) from the Standing Committee of Finance, Trade and Economic Affairs, be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: On division.

Motion agreed to.

Mr. Speaker: When shall the bill be read a third time? At the next sitting of the House?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

TRANSPORT—APPOINTMENT AND TERMS OF REFERENCE OF COMMISSION TO STUDY PROBLEMS IN NEWFOUNDLAND

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, unfortunately the question I wanted to discuss tonight is a bit superfluous because the Minister of Transport (Mr. Lang) announced today the appointment of a commission to look into the transportation problems of Newfoundland. I did try, however, to find something to discuss and I think I was able to come up with an answer.

The commission which has been appointed is another commission to study a transportation problem which has been studied so many times before that everybody in Newfoundland certainly knows the answers—with the exception of both levels of government which asked that yet another study take place. I have said many times before that there was no need of another study after the findings of the Trans-Newfoundland Corridor Transportation Study. Its many volumes discuss the needs of Newfoundland with regard to an intermodal transportation system, including the demand characteristics and user opinion of passenger transportation, air transportation, the trucking industry, inter-city bus service, the change from narrow gauge railway to standard gauge and vice versa, but we are to have still another study of transportation problems when the answers are already obvious.

The minister indicated that the present commission would look at particular Newfoundland needs and that all the studies I have mentioned, and others, would be considered, and that recommendations would be forthcoming to establish a system for the province in line with economic and social factors.

While I am not aware of the terms of reference of the commission I hope that the minister will take my advice. He told me he would include in those terms of reference not only the intermodal base but the relationship to the industries that provide the livelihood of many Newfoundlanders.

My knowledge of those industries is confined more to the western end of the province and I hope the commission will consider the following factors.

First and most important is support for the pulp and paper and linerboard industry in western Newfoundland. I regret to say that due to all the long-shot gambles and political stupidity in the past to create industry for the sake of expediency, that all the millions of dollars put in by the federal and provincial governments went down the drain of expensive dreams. After some 27 years of confederation we still depend on the Bowater pulp and paper industry as the main source of economic stability. That industry was established before Confederation by free enterprise. It took advantage of the resources available and made a go of it. Unfortunately, however, the mill has reached the point where, as a result of its isolated position and distance from the United States and other offshore markets and the resultant cost of transportation, it is becoming more and more difficult for it to compete with new mills coming on-stream in other market areas in the United States and offshore.

This, coupled with the burden of an infestation of the forests which seems to be beyond the capability of anyone to control, means this resource based industry could collapse. Every effort must be made to recommend, in consultation with knowledgeable Bowater officials, the transportation means necessary to lend stability to its continuance for the economic benefit of Newfoundland.

The same problem holds true, only more so, in relation to the Labrador linerboard mill, which is a $200 million concern subsidized by the government of Newfoundland at some $25 million per year. One of the many problems confronting the mill is due to the lack of common sense planning for transportation to provide cost effectiveness in delivering the resource to the mill from the woods, let alone competition as a result of high transportation costs to reach offshore markets and compete with mills in the United States and Europe.

While time does not permit me to go into the many other factors relating to transportation support, I hope the terms of reference will include the basic demand that railway workers in the area will be allowed to provide an input into problems of rail freight service which has been neglected for so many years by the CNR.

● (2210)

I hope that the Corner Brook Development Association and councils and chambers of commerce which have just completed a massive transportation study on the Corner Brook harbour will be included in the deliberations by the committee. I hope that the transportation base which exists in Newfoundland between Deer Lake, Corner Brook and Stephenville connecting the northern and the great northern peninsula as well as the western corridor, which consists of Bay St. George and Port au Port, will become part of the study that will finally make a realization that in order to produce and take advantage of the rich resources of Newfoundland, we must have a transportation system.

I trust that the parliamentary secretary will relate this to the minister and that I will get an answer that he is indeed thinking along the same lines.

[*Translation*]

Mr. Marcel Roy (Parliamentary Secretary to Minister of Transport): Mr. Speaker, to confirm the extent to which communications are efficient between the province of Newfoundland and Labrador, the Minister of Transport (Mr. Lang) and the Newfoundland Minister for Intergovernmental Affairs, Mr. Alex Hickman, announced today the setting up of a commission of inquiry into transportation services in Newfoundland and Labrador. The Minister of Transport stated that the commission will look into existing services with a view to determining whether they meet generally accepted standards in Canada and will recommend, if indicated, such changes as will meet present and future needs. It will also give its conclusions and recommendations in a report to be presented to the Minister of Transport before December 31, 1977.

The Minister of Transport pointed out, as mentioned by the hon. member, that the active participation of the public will constitute one of the essential elements of that inquiry, and that the commission will hold public hearings in various centres across Newfoundland. The minister also added that he had asked the CN to suspend any changes of structural or technological nature which might lead to the lay-off of permanent employees during the inquiry. The number of seasonal employees will continue to fluctuate according to the volume of traffic.

The federal government consulted the Newfoundland government with regard to the mandate and membership of the commission which was set up under Part I of the Inquiries Act.

[*English*]

I suggest that with regard to the terms of reference of this commission of inquiry into transportation services into Newfoundland and Labrador, the hon. member examined the press release of the terms of reference that was distributed to all members of parliament this afternoon. If the hon. member wants, we can table that documentation. I have all the terms of reference in my hand tonight.

NATIONAL DEFENCE—POLICY OF DEPARTMENT WITH RESPECT TO UNIFORMS FOR CADETS

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I regret to report that once again the Canadian people have been let down by the government. What is more, Canadian youth has been grossly deceived by the government. It is a dangerous procedure for this country in its present delicate balance hovering between hope and cynicism, fear and misgiving, unity and disintegration. Credibility in government is more essential today than it ever was.

On April 13, 1976, in answer to a question from me in the Standing Committee on External Affairs and National Defence, the then Minister of National Defence gave this undertaking:

> We have listened to the representations of the naval cadets, and the Chief of Staff and I have agreed to defer any change in the naval cadet uniform for at least 18 months to two years to enable full discussion with personnel interested in the naval cadets, to have them come to us and make their case on cost and any other factors you have mentioned, the design, cut and so on.

There was the undertaking of 18 months to two years to enable full discussion. On January 13, barely seven months later, the present Minister of National Defence (Mr. Danson) made this statement to the Conference of Defence Associations, speaking about the same matter. I quote:

> We need to encourage greater service identification and greater unit identification . . . After all, if a man joins up to be a sailor, he wants to be identified as a sailor.

There are two undertakings, two expressions of opinion that looked as though the naval cadets were going to be allowed to continue to wear their naval uniforms.

Barely a week later the Navy League had a meeting with the Minister of National Defence. They were listend to perfunctorily when they presented their case, but the decision was taken on January 20 of this year, nine months after "consultation" had taken place, that a safari-type uniform would be issued to all naval cadets. This is what I mean when I say Canadian youth have been deceived. They had been led to believe they could continue wearing their traditional uniforms.

There are some 14,000 young Canadians in nautically oriented programs. The basic aim of the cadet movement is to give young people the advantage of training, to get them to

understand the principles of discipline and responsibility. There should be means of attracting young people to this service, particularly in the light of the extensive maritime concerns of the country. There should be means of developing a nautically-oriented cadet movement, rather than driving possible members away. Samplings indicate that the sea cadets wish to stay with their traditional uniforms and not be put in safari uniforms. As I say, undertakings were given on April 13, 1976, and those concerned were later encouraged to believe those undertakings were still valid. But on January 20, 1977, it was all over.

It is important that the youth of the country and the direction of this movement should feel a sense of satisfaction with an effort well directed, undertaken by a group of people toward a single goal. The object of it all is to inculcate strong community values and make good civic training available. The effort is not necessarily directed toward supplying recruits for any branch of the Canadian Armed Forces. It is directed toward turning out young men and women with high national and community motivation. The cadet movement is to be commended on doing this, and the services are to be commended for encouraging them. But the youth of the country should be encouraged to join the movement, not discouraged from doing so.

The Department of National Defence has no claim on these cadets, though the facilities of the department are used, admittedly. Some of the cadets go to the coastguard service. Others go to college, or to the police force, or to private life. Some go to the Armed Forces. But they all finish their cadet training as better citizens. It would be a tragedy to turn youth away by refusing them permission to wear the traditional uniform of their choice.

On the cost side, it has been demonstrated to my satisfaction that the differential could be as little as $1.19 per uniform, and this does not take into account the difference in the price of the proposed uniform of some $4.50 more for a raincoat. This is additional to what is now being paid. An extra $50,000 spent on raincoats alone is hardly justifiable.

● (2220)

[*Translation*]

Mr. Marcel Roy (Parliamentary Secretary to Minister of Transport): Mr. Speaker, in the absence of the Minister of National Defence and his parliamentary secretary, I shall answer the hon. member's question.

I said from the outset that I worked myself with the cadet corps in the riding of Laval and I am completely opposed to what the hon. member mentioned, namely that national unity could be related to the colour or the cut of the cadet corps uniforms. I think that national unity should rather be related to discipline and to some basic principles on which I cannot expand this evening. However, I think that discipline and training are much more essential to the unity of the country than the colour of the uniforms.

[*English*]

Under the authority of the National Defence Act, the Department of National Defence has the responsibility for the training of cadets and for the provision of the material such as clothing and equipment, training aids, etc., to support the training.

In 1972, after a careful review of several factors, the department decided to provide a common green uniform for the navy, army and air cadets. However, procurement action was not initiated until after the ninth meeting of the national cadet advisory group held on December 6, 1974, when the presidents of the navy, army and air cadet leagues all agreed to the adoption of the new green uniforms.

Mr. Munro (Esquimalt-Saanich): They did not agree at all.

Mr. Roy (Laval): On January 21, 1977—

Mr. Munro (Esquimalt-Saanich): They were told.

Mr. Roy (Laval): Mr. Speaker, my time is limited and I would ask the hon. member to give me the chance to give some information. On January 21, 1977, after discussing the new uniform with cadet league officials, the Minister of National Defence announced that the sea, army and air cadets would receive green uniforms similar in colour to those worn by the Canadian forces. In his announcement the minister said that the leaders of the cadet leagues and senior forces' officers would select distinctive badges and colour combinations for the sweater and headdress of each cadet service.

The foregoing is the policy of National Defence with respect to uniforms for cadets, and I might add that as recently as last Thursday the hon. member was advised of the policy personally by the Chief of the Defence Staff at a meeting of the Standing Committee on External Affairs and National Defence.

Motion agreed to and the House adjourned at 10.25 p.m.

END OF VOL. IV